July 03, 2025

To, **BSE Limited,** **Phiroze Jeejeebhoy Towers, Dalal Street,** **Mumbai- 400001** **Scrip Code: 544044**	**To,** **National Stock Exchange of India Limited,** **Exchange Plaza, C-1, Block G, Bandra Kurla Complex,** **Bandra (E),** **Mumbai – 400 051** **NSE Symbol: INDIASHLTR**
ISIN: INE922K01024 **INE922K07104**	**ISIN: INE922K01024**

Sub: Annual Report for Financial Year 2024-25 and notice of 27th Annual General Meeting of India Shelter Finance Corporation Limited

We wish to inform you that the 27th Annual General Meeting ("AGM") of the members of India Shelter Finance Corporation Limited will be held on Monday, July 28, 2025 at 11:00 A.M. (IST) through Video Conferencing / Other Audio-Visual Means ("VC/OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India to transact the businesses as set out in the notice of AGM.

Pursuant to Regulation 34(1) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report of the company along with the notice of AGM for the financial year 2024-25 is being sent through electronic mode to the members.

Pursuant to Regulation 36(1)(b) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company will send letters to the members who have not registered their email IDs providing the web link of the Annual Report and notice of AGM.

The Annual Report and the notice of AGM are enclosed herewith and also uploaded on the company's website at:

1. Integrated Annual Report 2024-25
2. AGM Notice

The details such as manner of registering / updating email addresses, casting vote through e-voting and attending the AGM through VC / OAVM has been set out in the notice of the AGM.

Kindly take the same on your records.

For India Shelter Finance Corporation Limited

MUKTI CHAPLOT
Digitally signed by MUKTI CHAPLOT
Date: 2025.07.03 15:03:31 +05'30'

Mukti Chaplot
Company Secretary and Compliance Officer
Mem. No. 38326

NOTICE FOR CONVENING 27TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT 27TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDIA SHELTER FINANCE CORPORATION LIMITED TO BE HELD ON MONDAY, 28 JULY, 2025 AT 11:00 A.M. THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. **To consider and adopt the Audited Standalone and Consolidated Financial Statements of the company, together with Board of Directors Report and Auditors Report for Financial Year ended 31 March, 2025.**

   To consider, and if thought fit to pass, with or without modifications, the following resolution, as an Ordinary Resolution:

   "**RESOLVED THAT** the Audited Standalone & Consolidated Financial Statements of the Company, the reports of the Board of Directors and Auditors for the Financial Year ended 31 March, 2025, be and are hereby read, considered and adopted."

2. **To re-appoint Mr. Sudhin Bhagwandas Choksey (DIN: 00036085), who retires by rotation and being eligible, has offered himself for re-appointment.**

   To consider, and if thought fit to pass, with or without modifications, the following resolution, as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provisions of Section 152 (6) and other applicable provisions of the Companies Act, 2013, Mr. Sudhin Bhagwandas Choksey (DIN: 00036085) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Chairman and Non-Executive Non-Independent Director of the Company."

3. **To declare Final Dividend of ₹ 5 per equity share of face value of ₹ 5/- each for the Financial Year ended 31 March, 2025.**

   To consider, and if thought fit to pass with or without modifications, the following resolution, as an Ordinary Resolution:

   "RESOLVED THAT the Final Dividend of ₹ 5 per equity share of face value of ₹ 5/- each for the Financial Year ended 31 March, 2025, be and is hereby approved."

SPECIAL BUSINESS:

4. **To consider and approve re-appointment of Mr. Rupinder Singh (DIN: 09153382) as Managing Director & Chief Executive Officer ("MD & CEO") of the Company and approve an increase in his remuneration for the Financial Year 2025-26 and thereof**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force)('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) and other applicable provision of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Articles of Association of the Company and such other consents and permissions as may be required, the approval of the shareholders of the Company, be and is hereby accorded for re-appointment of Mr. Rupinder Singh (DIN: 09153382) as Managing Director & Chief Executive Officer ("MD & CEO") of the Company, for a further period of 5 (five) years w.e.f 23 November, 2025 and increase in his remuneration w.e.f. 01 April, 2025 on the terms and conditions and remuneration as stipulated herein below:

   1. **Remuneration**
      - Fixed Pay: ₹ 4,50,00,000 per annum;
      - Variable Pay: In addition to the Fixed pay, Variable Pay maximum upto 120% of Fixed Pay (Fixed Pay as may be revised from time to time) as may be approved by the Board of Directors/Committee for each year;
      - Perquisites and Other Benefits: In addition to the Fixed Pay, remuneration will include perquisites as per the Company policies (perquisite value maximum upto 12% of the Fixed Pay (Fixed Pay as may be revised from time to time)) including but not limited to:
        - Rent-free residential accommodation (furnished or otherwise) with the company bearing the cost of repairs, maintenance, society charges and utilities for the said accommodation
        - Car with driver maintained by the company for official and personal use
        - Health Insurance for self and family upto sum assured of ₹ 60 Lacs and other insurances including life and GPA as per the Company policies
        - One Club membership

- Medical Reimbursements for self and family
- Leave travel Concession for self and family

In addition to above limit on perquisites, one-time long service award as per the policies of the Company shall be payable to the MD & CEO.

2. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee may approve further increase in the Fixed Pay upto a maximum of 20% every year, during the tenure of his appointment. The quantum of the annual increase will be performance-based and as may be decided by the Board of Directors on recommendation of Nomination and Remuneration Committee.

3. Mr. Rupinder Singh, MD & CEO, shall be subject to leave and other personnel policies of the Company from time to time.

4. ESOP and Warrants: Mr. Rupinder Singh shall be eligible for ESOP and Warrants as per the policy of the Company from time to time and provisions of Companies Act, 2013 and rules made thereunder.

5. Reimbursement of expenses incurred for the business of the company: Reasonable and necessary business expenses as incurred by him, which are directly related to the performance of his duties of employment, including travel, professional memberships and professional development, subject to documentation furnished by Mr. Rupinder Singh and ratification by the Chief Financial Officer.

Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost, in the absence of any such Rule.

RESOLVED FURTHER THAT, the consent of the shareholders, be and is hereby given for the payment of remuneration as detailed above, to Mr. Rupinder Singh (DIN: 09153382) for his re-appointment as MD & CEO of the Company, which remuneration shall be valid and payable (i) in the event the Company is profit making, for his entire term of appointment; and (ii) for a period not exceeding 3 (Three) years from the date of his appointment in the event that the Company has no profits or has inadequate profits in any financial year, in which case the remuneration by way of salary, allowances, perquisites and retirement benefits to Mr. Rupinder Singh be paid as approved by Board basis the recommendation of Nomination & Remuneration Committee in accordance with section II of part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions, Mr. Ashish Gupta, Chief Financial Officer or Ms. Mukti Chaplot, Company Secretary of the Company be and are hereby severally or jointly authorised to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to seek necessary approvals and settle any questions, difficulties or doubts that may arise in this regard."

5. To consider and approve an increase in the borrowing powers in excess of Paid-Up Share Capital, Free Reserves and Security Premium Account of the Company under Section 180 (1) (c) of the Companies Act, 2013

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

"RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof) and any rules and regulations made thereunder (the "**Companies Act**"), and the Articles of Association of the Company, the consent of the shareholders/ members of the company, be and is hereby accorded by way of special resolution, to the Board of Directors of the Company ("**Board**") and/or any committee as may be authorised by the Board ("**Committee**") to borrow, from time to time, as it may think fit, any sum(s) of money in any currency, from time to time, for the purpose of the business of the Company, *inter alia*, by way of advances, loans (including external commercial borrowings) or credit facilities (fund based or non-fund based) or by issue of bonds, non-convertible debentures ((a) listed or unlisted (to the extent permitted by applicable law), (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) market linked debentures, and/or (g) any others (as may be agreed)), commercial papers, from banks, financial or other institution(s), investors, mutual fund(s), or any other persons on such terms and conditions and with or without security as the Board/Committee may think fit, which, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) and monies to be borrowed by the Company at any time, shall not exceed in the aggregate ₹ 1,20,00,00,00,000 (Indian Rupees Twelve Thousand Crore), notwithstanding that such aggregate amount of borrowings outstanding at any time may exceed the aggregate, for the time being, of the paid-up share capital of the Company, its free reserves (that is to say reserves not set apart for any specific purpose), and securities premium of the Company.

RESOLVED FURTHER THAT, to give effect to the above resolution, Mr. Rupinder Singh, Managing Director & Chief Executive Officer, Mr. Ashish Gupta, Chief Financial Officer

and Ms. Mukti Chaplot, Company Secretary be and are hereby jointly and severally authorised to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise and to finalise and execute all documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution.

RESOLVED FURTHER THAT any of the Director and the Company Secretary is authorised severally to certify the true copy of the aforesaid resolution."

6. To consider and approve the Employee Stock Option Plan 2025 ("ESOP 2025")

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

"**RESOLVED THAT** pursuant to Section 62(1)(b) of the Companies Act 2013, read with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, applicable regulations of the Securities and Exchange Board Of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, as per the provisions of the Memorandum of Association and Articles of Association of the company and subject to such other approvals, permissions, sanctions, conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, ,consent of the shareholders be and is hereby accorded to the 'Employee Stock Option Plan 2025' ("ESOP 2025")..

RESOLVED FURTHER THAT pursuant to Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and the Memorandum and Articles of Association of the Company, consent of the shareholders be and is hereby accorded to create, offer, grant, issue and allot up to 26,60,000 (Twenty-Six Lac Sixty Thousand only) employee stock options to or for the benefit of such person(s) as may be decided under ESOP 2025, in one or more tranches, exercisable in aggregate into not more than 26,60,000 (Twenty-Six Lac Sixty Thousand only) equity shares of face value of ₹ 5/- each fully paid up, and on such terms and conditions as may be determined by the Board.

RESOLVED FURTHER THAT the said equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, the Board/Committee be and is hereby authorised to do all acts, deeds, matters and things as it may deem fit in its absolute discretion and permitted under applicable laws for the purpose of making a fair and reasonable adjustment to the Options granted earlier including issue of any additional equity shares by the company to the option grantees and the aforesaid ceiling of the employee stock option/ equity shares shall be deemed to increase to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 5 per equity share bears to the revised face value of the equity shares of the company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the ESOP 2025 or any employee stock options granted thereunder, as it may deem fit, from time to time, in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company, Securities and Exchange Board Of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any Committee of Directors with a power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary in this regard."

7. To consider and approve the appointment of Secretarial Auditor of the Company and fix their remuneration

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

"**RESOLVED THAT** pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the shareholders be and is

hereby accorded to appoint Mr. Jitender Singh, (Membership No. A33610 & C.P. No.: 26612), Company Secretary in Practice, from whom Consent has been received, to act as the Secretarial Auditor of the Company to hold the office for a period of 5 (five) years from Financial Year 2025-26 to Financial Year 2029-30, subject to the firm's satisfying the eligibility norms each year, on such remuneration including out of pocket expenses, and other expenses as may be mutually agreed by and between the Company and the Secretarial Auditor.

RESOLVED FURTHER THAT Mr. Rupinder Singh, Managing Director & Chief Executive Officer, Mr. Ashish Gupta, Chief Financial Officer and Ms. Mukti Chaplot, Company Secretary of the Company be and are hereby severally authorised, on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper or desirable and to sign and execute all necessary documents, applications, forms and returns for the purpose of giving effect to the aforesaid resolution."

By Order of the Board
For **India Shelter Finance Corporation Limited**

Sd/-
Mukti Chaplot
Company Secretary
Membership No:38326

Date: 03 July, 2025
Place: Gurugram

NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to the special business to be transacted at the Annual General Meeting ("AGM"/ "Meeting") is annexed hereto.
2. The AGM of the company is being conducted through VC in accordance with General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013" ("the Act"), General Circular Nos. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 in relation to "Clarification on holding of AGM through VC/ OAVM, collectively referred to as "MCA Circulars" and Securities and Exchange Board of India ("SEBI")vide its Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2024/133 dated October 3, 2024 read with earlier circulars issued by SEBI in this regard, collectively referred to as "SEBI Circulars", which details the procedure and manner of holding AGM through VC and provide certain relaxations from compliance with applicable laws. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
3. M/s. Kfin Technologies Limited ("KFintech"), Registrar & Transfer Agent of the Company ("RTA") shall be providing facility for e-voting and attending the AGM through video conferencing.
4. In compliance with the applicable MCA and SEBI Circulars, the Notice of the AGM is being sent only through electronic mode (by e-mail) to those members whose e-mail ids are registered with the Company/ Depositories and will also be available on the Company's website at https://www.indiashelter.in/ websites of the Stock Exchanges, i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFintech at https://evoting.kfintech.com

   In accordance with Regulation 36(1)(b) of the Listing Regulations, the Company will send letters to the members, who have not registered their email IDs, informing them that the Annual Report is available on the Company's website at https://www.indiashelter.in/investor-relations.
5. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars read with Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05 January, 2023, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxy by the members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the LODR Regulations, the Company has extended e-voting facility for its members to enable them to cast their votes electronically on the resolutions set forth in this Notice. The period of remote e-voting before the AGM commences on Friday, 25 July, 2025, 09:00 A.M. IST) and ends on Sunday, 27 July, 2025, (05:00 P.M. IST). The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, i.e., Monday, 21 July, 2025.
7. The Company has fixed 04 July, 2025, as the "Record Date" for determining entitlement of Members to final dividend for the financial year ended March 31, 2025, if approved at the AGM.

NOTICE FOR CONVENING 27TH ANNUAL GENERAL MEETING (Contd.)

8. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or before 27 August, 2025, to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the NSDL and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day on 04 July, 2025.

9. The Company has appointed Mr. Jitender Singh (Membership No. A33610, COP No. 26612), Company Secretary to act as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and be available for the purpose.

10. The Scrutiniser shall, immediately after the conclusion of the e-voting at the AGM, first count the votes cast through e-voting during the meeting and thereafter unblock the votes cast through remote e-voting before the AGM in presence of at least two witnesses who are not in the employment of the Company, and make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, and submit the same to the Chairperson or a person authorised by him in writing who shall countersign the same.

11. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

12. In line with the applicable circulars at least 1000 members will be able to join the AGM on a first come-first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shares), Promoters, Institutional Investors, Directors, Key Managerial Personnels, Chairperson(s) of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come first served principle.

13. Members seeking or requiring any clarification or information in respect of any matter to be placed at the AGM may send their requests to the Company by 27 July, 2025, 5.00 P.M. (IST) at **secretarial@indiashelter.in.**

14. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

15. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March, 2023, has made it mandatory for shareholders holding shares in physical form to furnish PAN, KYC (i.e., postal address with pin code, email ids, mobile number, bank account details, specimen signature, Demat account details) and their nominee details to the RTA of the Company. Further, relevant forms to update the above-mentioned information are available on the Company's website at **https://www.indiashelter.in/investor-relations**

16. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4.

17. As per the provisions of Section 72 of the Act, the facility for making the nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said form to their Depository Participant (DP) in case the shares are held in electronic form and to Kfin Technologies Limited (Kfin) in case the shares are held in physical form.

18. Members may please note that SEBI has made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases: (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

19. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorisation etc. authorising its representative to attend the AGM through VC on its behalf and to vote either through remote e-voting or during AGM together with attested specimen signature(s) of the duly authorised representative(s). The said Resolution/Authorisation shall be sent electronically through registered email ids to the Company at secretarial@indiashelter.in with a copy marked to evoting@kfintech.com and the Scrutiniser at jitender@hja.co.in

20. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to **secretarial@indiashelter.in**

21. Speaker Registration before AGM: Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views, during the

period starting from 24 July, 2025 (9:00 a.m. IST) to 25 July, 2025 (5:00 p.m. IST). For registration, please visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from KFin. On successful login, select "Speaker Registration" and mention your e-mail id, mobile number, and city. The Company reserves the right to restrict the number of speakers at the AGM depending on the availability of time for the AGM. Please note that questions of only those members will be entertained/considered who are holding shares of Company as on the cut-off date i.e. 21 July, 2025. Those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM and the maximum time per speaker will be restricted to 3 minutes.

22. Due to limitation of transmission and co-ordination during the AGM, the Company may have to dispense with or curtail the speaker session & dispense with the speaker registration during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

23. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act and the Certificate for the ESOP Schemes of the Company as required under the SEBI Regulations will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection by the members up to the date of AGM, i.e., 28 July, 2025. Members seeking to inspect such documents can send an email to secretarial@indiashelter.in

INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

A. VOTING THROUGH ELECTRONIC MEANS:

a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and sub-regulation (1) & (2) of Regulation 44 of the SEBI Listing Regulations and applicable Circulars, the Company is offering the facility of remote e-voting to its members. The facility of casting votes by a member using an electronic voting system from a place other than venue of the AGM ('remote e-voting") as well as voting at the AGM through VC ("e-voting at the AGM") will be provided by Company's Registrar and Transfer Agent i.e. M/s KFin Technologies Limited. The instructions for remote e-voting and facility for those members participating in the AGM to cast vote through e-voting system during the AGM are given in the Notice.

b) The remote e-voting period commences on Friday, 25 July, 2025 (9:00 a.m. IST) and ends on Sunday, 27 July, 2025 (5:00 p.m. IST). During this period, members holding shares either in physical form or in demat form, as on Monday, 21 July, 2025 (i.e. "Cut-off" Date), may cast their vote electronically.

c) The remote e-voting module shall be disabled by KFin for voting thereafter. Those members who will be present in the AGM through VC facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

d) The members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC but shall not be entitled to cast their vote again.

e) In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM. The Company is also offering a facility for voting by way of "Insta Poll" at the AGM for the members attending the meeting who have not cast their vote by remote e-voting. If a member cast votes by both modes i.e. remote e-voting and Insta Poll at the AGM, then voting done through remote e-voting shall prevail and Insta Poll shall be treated as invalid.

B. THE DETAILS OF THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE EXPLAINED HEREIN BELOW - APPLICABLE FOR NON-INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE:

(i) Please access the RTA's e-voting platform at the URL: https://evoting.kfintech.com.

(ii) Members whose email ids are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of e-voting Event Number (EVEN) i.e. 8921, USER ID and password. Members are requested to use these credentials at the Remote Voting Login at the abovementioned URL.

(iii) Alternatively, if the member is already registered with RTA's e-voting platform, then he can use their existing User ID and password for casting the vote through remote e-voting.

If they have forgotten the password, then they may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(iv) Members can also use SMS service to get the credentials if their mobile number is registered against Folio No. / DP ID Client ID, by sending SMS: MYEPWD <space> EVEN No+ Folio No. (in case of physical shareholders) or MYEPWD <space> DP ID Client ID (in case of shares held in DEMAT form) to 9212993399.

Example for NSDL	MYEPWD <SPACE> IN12345612345678
Example for CDSL	MYEPWD<SPACE> 1402345612345678
Example for Physical	MYEPWD <SPACE> 6614HMT12345678

(v) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-voting Event Number) 8921 followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote.

(vi) After entering these details appropriately, click on "LOGIN".

(vii) You will now reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ids etc., on first login. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(viii) You need to login again with the new credentials.

(ix) On successful login, the system will prompt you to select the "EVENT" i.e., India Shelter Finance Corporation Limited- 8921.

(x) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/AGAINST" or alternatively, you may partially enter any number "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the member does not indicate either "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

(xi) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

(xii) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xiii) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, members can login any number of times till they confirm the voting on all the resolutions by clicking "SUBMIT".

C. THE INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER FOR INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE:

As per the SEBI circular dated 09 December, 2020, on e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with their respective Depositories and Depository Participants as detailed below. Shareholders are advised to update their mobile number and email ids in their demat accounts in order to access e-voting facility.

Option 1 – Login through Depositories

NSDL	CDSL
Members who have already registered and opted for IDeAS facility to follow below steps: Go to URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under 'IDeAS' section. On the new page, enter the existing User ID and Password. Post successful authentication, click on Click on the Company name or e-voting service provider and you will be re-directed to e-voting service provider website (i.e. KFintech) for casting the vote during the remote e-voting period.	Members who have already registered and opted for Easi / Easiest to follow below steps: Go to URL: https://web.cdslindia.com/myeasitoken/home/login; or URL: www.cdslindia.com and then go to Login and select New System Myeasi. Login with user id and password. The option will be made available to reach e-voting page without any further authentication. Click on Company name or e-voting service provider name to cast your vote during the remote e-voting period.

NSDL	CDSL
User not registered for IDeAS e-Services To register click on link: https://eservices.nsdl.com (Select "Register Online for IDeAS"); or https://eservices.nsdl.com/SecureWeb/IdeasDirec tReg.jsp Proceed with completing the required fields.	User not registered for Easi/Easiest Option to register is available at: https://web.cdslindia.com/myeasitoken/home/login Proceed with completing the required fields
First-time users can visit the e-voting website directly and follow the process below: Go to URL: https://www.evoting.nsdl.com/ Click on the icon "Login" which is available under 'Shareholder/Member' section. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on the Company name or e-voting service provider name and you will be redirected to e-voting service provider website (i.e. KFintech) for casting your vote during the remote e-voting period. Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for a seamless voting experience. NSDL Mobile App is available on App Store Google Play	First-time users can visit the e-voting website directly and follow the process below: Go to URL: www.cdslindia.com Click on the icon "E-voting" Provide demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email ID as recorded in the demat Account. After successful authentication, the user will be provided links for the respective ESP where the e-voting is in progress. Click on the Company name and you will be redirected to e-voting service provider website (i.e. KFintech) for casting your vote during the remote e-voting period.

Option 2 - Login through Depository Participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged in, you will be able to see e-voting option. Click on e-voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on the Company name or e-voting service provider name and you will be redirected to e-voting service provider website of KFintech for casting your vote during the remote e-voting period.

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the abovementioned website. For any technical issues, members may contact as below:

NSDL	CDSL
NSDL helpdesk by email to: evoting@nsdl.co.in or call at toll-free no.: 1800 1020 990 or 1800 22 44 30	CDSL helpdesk by email to: helpdesk.evoting@cdslindia.com or call at 022-23058738, 23058542-43

I. Voting at the AGM: Those members who are present in the meeting through VC / OAVM and have not cast their vote on resolution through remote e-voting, can vote through e-voting at the meeting. Members who have already cast their votes by remote e-voting are eligible to attend the meeting. However, those members are not entitled to cast their vote again at the meeting.

II. A member can opt for only single mode of voting i.e., through remote e-voting or voting at the AGM. If a member cast votes by both modes i.e., voting at the AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

Other Instructions:

a. Members holding shares either in physical form or in dematerialised form, as on the close of business hours on Monday, 21 July,, 2025, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. Any person who is not a member as on the cut-off date should treat this Notice for information purposes only.

b. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as of the cut-off date, i.e. Monday, 21 July, 2025 may obtain the login ID and password in the manner as mentioned below:

i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-voting Event Number + Folio No. or DP ID Client ID to 9212993399

1. Example for NSDL:

MYEPWD <SPACE> IN12345612345678

2. Example for CDSL:

MYEPWD <SPACE> 1402345612345678

3. Example for Physical:

MYEPWD <SPACE> XXXX1234567890

(8921 being E-voting Event Number)

ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/ , the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. In case of any queries, you may refer Help & FAQ section of https://evoting.kfintech.com or call KFintech on Toll-Free No. 1-800-309-4001.

iv. Member may send an e-mail request to einward.ris@kfintech.com. However, KFintech shall endeavour to send User ID and Password to those new members whose e-mail IDs are available.

c. The Board of Directors has appointed Mr. Jitender Singh (Membership No. A33610, COP No. 26612), Company Secretary as a Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

d. Facility of joining the AGM through VC shall be open fifteen (15) minutes before the time scheduled for the AGM and will be available for members on first-come-first-served-basis and the Company may close the window for joining the VC facility fifteen (15) minutes after the scheduled time to start the AGM.

e. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Please note that login to the e-voting website will be disabled upon 3 unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password' or 'Physical User Reset Password' option available on https://evoting.kfintech.com to reset the password.

f. In case of any query pertaining to e-voting, please visit Help & FAQ's section and e-voting user manual available at the download section of https://evoting.kfintech.com ("Kfin's website") or contact Mr. Umesh Pandey from Kfin at evoting@kfintech.com or call Kfin's toll free number 1-800309-4001 for any further clarifications.

g. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, not later than two working days of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairperson or any other person authorised by him in writing, who shall countersign and declare the same.

h. The voting results declared along with the Scrutiniser's Report(s) will be available on the website of the Company i.e. https://www.indiashelter.in/investor-relations and on the website of the RTA at https://evoting.kfintech.com and will be communicated to the BSE Limited and the National Stock Exchange of India Limited within two working days from the conclusion of the AGM.

D. INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM (AGM) AND E-VOTING DURING THE AGM:

a. Members may access the platform to attend the AGM through VC at https://emeetings.kfintech.com/ by clicking on the tab "video conference" and using their e-voting login credentials provided in the email received from the Company / Kfin. After logging in, click on the "Video Conference" tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquette to join the meeting. Please note that the members who have not registered their e-mail address or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.

b. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the scheduled time for commencement of the AGM and maybe closed after the expiry of 15 minutes after such scheduled time.

c. The e-voting window shall be activated upon instructions of the Chairperson during the AGM proceedings. Upon the declaration by the Chairperson about the commencement of e-voting at AGM, members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the Instapoll page. Members would need to click on the "Instapoll" icon and follow the instructions to vote on the resolutions. Only those shareholders, who are present in the AGM and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

d. Members are encouraged to join the meeting through Laptops/Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

e. Members will be required to grant access to the webcam to enable VC/OAVM. Further, members connecting from mobile devices or Tablets or through Laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

f. A video guide assisting the members attending AGM either as a speaker or participant is available for quick reference at URL: https://cruat04.kfintech.com/emeetings/video/howitworks.aspx.

g Members who may require any technical assistance or support before or during the AGM are requested to contact Kfin's at toll free number 1-800-309-4001 or write to them at einward.ris@kfintech.com.

Summarised information at glance

Particulars	Details
Time and Date of AGM	Monday, 28 July, 2025 at 11:00 a.m. (IST)
Venue/Mode	Through video conference at below link: https://emeetings.kfintech.com/
Cut-off date for e-voting	Monday, 21 July, 2025
E-voting Start time and date	Friday, 25 July, 2025 (9:00 a.m. IST)
E-voting end time and date	Sunday, 27 July, 2025 (5:00 p.m. IST)
E-voting website links (Please use as applicable to you)	https://evoting.kfintech.com/ https://eservices.nsdl.com https://web.cdslindia.com/myeasitoken/home/login
E-voting Event Number (EVEN)	8921
Contact details of RTA	Mr. Umesh Pandey, Manager KFin Technologies Limited Selenium Tower B, Plot 31 and 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana, India Email ids: einward.ris@kfintech.com umesh.pandey@kfintech.com Website: https://www.kfintech.com Toll free number 1-800-309-4001

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The shareholders of the Company, at the Extra Ordinary General Meeting ('EGM') held on 15 December, 2021, had approved the appointment of Mr. Rupinder Singh (DIN: 09153382) as the Managing Director & Chief Executive Officer ("MD & CEO") of the Company, for a period of 4 years with effect from 23 November, 2021. The Board of Directors of the Company ('the Board') at its meeting held on 09 May, 2025, on the recommendation of the Nomination and Remuneration Committee ('NRC'), approved re-appointment of Mr. Rupinder Singh as the Managing Director & Chief Executive Officer of the Company for a further period of 5 years from the expiry of his present term, i.e., with effect from 23 November, 2025, and recommended to the Shareholders of the Company his re-appointment together with the terms and conditions of his re-appointment and remuneration payable to him.

The Board is of the view that Mr. Rupinder Singh's strategic leadership, rich and varied experience and initiatives taken by him and involvement in operations of the Company, it would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Mr. Rupinder Singh as the MD & CEO.

The members of Nomination and Remuneration Committee and Board of Directors in their meeting held on 09 May 2025, recommended increase in remuneration of Mr. Rupinder Singh (DIN: 09153382) as the MD & CEO of the Company from 01 April, 2025, with the authority to the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, to further increase his fixed pay upto 20% every year during the tenure of his appointment. The quantum of the annual increase will be performance-based and as may be decided by the Board of Directors on recommendation of Nomination and Remuneration Committee.

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors in there meeting held on 09 May, 2025, the members are requested to consider and approve the re-appointment of Mr. Rupinder Singh (DIN: 09153382) and increase in his remuneration including Variable Pay with effect from 01 April, 2025, to further increase his fixed pay upto 20% every year during the tenure of his appointment.

In accordance with the applicable provisions of Companies Act, 2013, the Managerial Remuneration paid by the Company is well within the prescribed limits under Section 197 of Companies Act, 2013. However, since gain on exercising stock options is treated as perquisites under the Income Tax Act, 1961, the Company is required to obtain the approval of the shareholders such that the aforementioned remuneration including the gain on exercise of stock options in event of inadequacy of profit or absence of profit under Section 197 of Companies Act, 2013 shall be minimum remuneration payable to Mr. Rupinder Singh during the tenure of his appointment.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

The statement as required under Part II Section II B (iv) of Schedule V is as under:

I. GENERAL INFORMATION

1. **Nature of industry:** The Company is engaged in Housing Finance, i.e., to provide credit to low-middle income households to acquire new housing or to extend and improve their current housing.

2. **Date or expected date of commencement of commercial production:** India Shelter Finance Corporation Limited (India Shelter) is the new name of the erstwhile Satyaprakash Housing Finance India Limited (SHFIL) which was incorporated on 26 October, 1998, and registered the name change on 08 July, 2010. Same was noted and new registration was granted by National Housing Bank on 14 September, 2010, and till date the Company is engaged in the activities of housing finance, i.e., to provide credit to low-middle income households to acquire new housing or to extend and improve their current housing.

3. **Financial performance based on given indicators:** The financial data as per last audited Balance Sheet as on 31 March, 2025 is as under:

(₹ in Lacs)

Particulars	2024-25	2023-24
Total Income	1,17,479.86	86,037.66
Less: Total Expenses	68,671.22	54,216.63
Profit/(Loss)before tax	48,808.64	31,821.03
Less: Current tax	11,461.76	6,967.56
Deferred Tax	(357.80)	166.16
Profit after tax	37,704.68	24,687.31
Other comprehensive Income	115.47	(504.91)
Transfer of Statutory Reserve (u/s Section 29C of NHB Act, 1987)	7,540.94	4,937.46
Balance carried to Balance Sheet	22,570.45	15,029.51
Earnings per Share (Face Value ₹ 5)		
Basic	35.10	26.24
Diluted	33.86	26.10

4. **Foreign Investments or collaborations, if any:** 71.48 % of the paid-up share capital of the Company as on 31 March, 2025 is held by foreign body corporates and non-resident individuals.

II. Information about the Appointee:

1. **Background details:** Mr. Rupinder Singh is MBA from FORE School of Management. He worked with companies such as Cholamandalam Investment & Finance Company, HDFC Bank and GE Money. In his last assignment, he led the Home Equity/ Mortgage & SME businesses at Chola and was instrumental in driving quality portfolio growth and delivering large profits.

2. **Past remuneration:** Prior to this recommendation, his remuneration as approved by the shareholders was as below:

Particulars	Amount (in ₹)
Fixed Pay	3,80,88,000
Variable Pay	4,57,05,600
Perquisites and other Benefits	43,00,000
Total	**8,80,93,600**

3. **Recognition or awards:** He has received recognition from his past employers for his services.

4. **Job profile and his suitability:** Mr. Rupinder Singh is responsible for overall business strategy and direction for the organisation. He is also responsible for new initiatives, strategic alliances etc. Mr. Rupinder Singh shall exert his full-time energy to his duties as Managing Director & Chief Executive Officer and shall report to the Board and shall be responsible for developing and recommending to the Board the business plan and staffing plans.

5. Remuneration proposed:

1. Remuneration

- Fixed Pay: ₹ 4,50,00,000 per annum;
- Variable Pay: In addition to the Fixed pay, Variable Pay maximum upto 120% of Fixed Pay (Fixed Pay as may be revised from time to time) as may be approved by the Board of Directors/Committee for each year;
- Perquisites and Other Benefits: In addition to the Fixed Pay, remuneration will include perquisites as per the Company policies (perquisite value maximum upto 12% of the Fixed Pay (Fixed Pay as may be revised from time to time) including but not limited to:
  - Rent-free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities for the said accommodation
  - Car with driver maintained by the Company for official and personal use
  - Health Insurance for self and family upto sum assured of ₹ 60 Lacs and other insurances including life and GPA as per the Company policies
  - One Club membership
  - Medical Reimbursements for self and family
  - Leave travel Concession for self and family

  In addition to above limit on perquisites, one-time long service award as per the policies of the Company shall be payable to the MD & CEO.

2. The Board of Directors on the recommendation of the Nomination and Remuneration Committee may approve further increase in the Fixed Pay upto a maximum of 20% every year, during the tenure of his appointment. The quantum of the annual increase will be performance-based and as may be decided by the Board of Directors on recommendation of Nomination and Remuneration Committee.

3. Mr. Rupinder Singh, MD & CEO, shall be subject to leave and other personnel policies of the Company from time to time.

4. ESOP and Warrants: Mr. Rupinder Singh shall be eligible for ESOP and Warrants as per the policy of the Company from time to time and provisions of Companies Act, 2013 and rules made thereunder.

5. Reimbursement of expenses incurred for the business of the Company: Reasonable and necessary business expenses as incurred by him, which are directly related to the performance of his duties of employment, including travel, professional memberships and professional development, subject to documentation furnished by Mr. Rupinder Singh and ratification by the Chief Financial Officer.

   Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost, in the absence of any such Rule.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The remuneration payable has been benchmarked with the remuneration being drawn by peers in similar capacity in similar companies of comparable size in the housing finance industry and has been considered by the Nomination and Remuneration Committee and Board of Directors in their meeting held on 09 May, 2025.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:

Mr. Rupinder Singh has no material pecuniary relationship except the managerial remuneration and holds 6,47,172 equity shares as on 31 March, 2025 & 10,95,000 ESOP's. He does not have any relationship with any Managerial Personnel or other director of the Company.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits and Steps taken or proposed to be taken for improvement:

The Managerial Remuneration paid by the Company is well within the prescribed limits under Section 197 of the Companies Act, 2013. However, in event of inadequacy of profit or absence of profit under Section 197 of Companies Act, 2013, the remuneration comprising salary, perquisites and other benefits approved/ratified by the Board of Directors be paid as minimum remuneration to the MD & CEO during the tenure of his appointment.

2. Steps taken or proposed to be taken for improvement

Not applicable

3. Expected increase in productivity and profits in measurable terms:

Refer point no.1 above.

The Board of Directors recommends the Special Resolution set out at Item Nos. 4 for approval by the Shareholders of the Company.

None of the Directors and Key Managerial Personnel except Mr. Rupinder Singh are concerned or interested in this resolution.

Item No. 5

The provisions of Section 180(1)(c) of the Companies Act, 2013 prescribes that the Board of Directors of a company shall exercise the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only with the consent of the members of the Company by a special resolution.

Pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013, the borrowing limit of ₹ 7500 Crs was approved by the shareholders of the company in their meeting held on 12 July, 2023.

In order to cater the business requirement of the company and considering the future borrowings of the company, it is proposed to pass a special resolution in the general meeting in terms of section 180(1)(c) of the Companies Act, 2013 in order to borrow money together with the moneys already borrowed by the company, apart from temporary loans obtained in the ordinary course of business, in excess of the paid-up share capital, free reserves and securities premium of the company.

The Company has total outstanding borrowing of ₹ 4,515.91 Crs as at 31 March, 2025. During the Financial Year 2024-25, the borrowing limits of the Company may exceed the approved threshold limit of ₹ 7,500 Crs.

In view of the above, it is proposed to pass the aforementioned resolution and the shareholders of the company are requested to authorise the Board of Directors of the Company ("Board") and/or any Committee as may be authorised by the Board ("Committee") to borrow monies up to an aggregate amount of ₹ 1,20,00,00,00,000 (Indian Rupees Twelve Thousand Crore) or the aggregate of the paid-up capital, free reserves and securities premium of the Company, whichever is higher at any time.

The Board of Directors have approved an overall borrowing limit of ₹ 12,000 Crs in their meeting held on 09 May, 2025.

The Board of Directors recommends the Special Resolution set out at Item Nos. 5 for approval by the Shareholders of the Company.

None of the Directors and Key Managerial Personnel are concerned or interested in this resolution.

Item No. 6

Pursuant to the provisions of Section 62(1)(b) and rules made thereunder of the Companies Act and other applicable provisions, if any, of the Companies Act, 2013 an Explanatory Statement relating to the Special Resolution is given as under:

Particulars as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 are given below:

1. Total number of options to be granted:

A total of 26,60,000 [Twenty-Six Lac Sixty Thousand Only] would be granted to the eligible employees of the Company under ESOP Schemes. Each option when exercised would be converted into one equity share of face value of ₹5/- each fully paid-up. Options lapsed or cancelled due to any reason including due to lapse of exercise period or due to resignation of the employees / Directors or otherwise would be available for being re-granted at a future date. The Board (which term deems to include the "Nomination and Remuneration Committee" of the Board as per terms of ESOP Schemes) is authorised to re-grant such lapsed / cancelled options as per the ESOP Schemes.

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of options / equity shares as aforesaid shall be deemed to increase to the extent of such additional equity shares issued.

2. Identification of classes of employees entitled to participate in the employee stock option scheme:

Employee entitled to participate in the ESOP Schemes shall be in accordance with the ESOP Scheme 2025.

3. Appraisal Process for determining the eligibility of the employees to employee stock option scheme:

The options shall be granted to the employees as per performance appraisal system of the Company or where the Board/Committee shall determine the eligibility criteria for the employees under the ESOP Schemes based on their evaluation on various parameters, such as length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution and conduct, future potential, etc., and such other factors as may be deemed appropriate by it.

4. Requirements of vesting and period of vesting:

The options granted shall vest so long as the employee continues to be in the employment of the Company, as the case may be, in accordance with the terms and conditions mentioned in ESOP Schemes. The Board/Committee/Management may, at its discretion, lay down (i) certain performance metrics on the achievement of which the granted options would vest; (ii) the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest subject to the minimum and maximum vesting period as specified below. The vesting period of options granted shall vest not earlier than 1 (one) year and not later than 5 (Five) years from the date of grant of such options. The exact proportion in which and the exact period over which the options would vest would be determined by the Board/Committee subject to the minimum vesting period of one year from the date of grant of options.

5. The maximum period within which the options shall be vested:

The options granted shall vest in not later than 5 (Five) years from the date of grant of such options.

6. Exercise price or the formula for arriving at the same:

The Exercise price of each ESOP will be the Market Price of each share as on the date of grant.

7. Exercise Period and the process of exercise:

The Exercise price of each ESOP will be the Market Price of each share on the relevant date.

8. Lock-in period:

Not Applicable

9. Maximum number of options to be granted per employee and in aggregate:

The maximum number of Options that may be granted to each Employee under this plan shall not exceed 1% (one percent) of the paid-up equity share capital of the company as on 31 March, 2025 or such other number as may be approved by the Board and the shareholders of the company from time to time.

10. Method of option valuation:

To calculate the employee compensation cost, the company shall use Fair Market Value or any other method under the applicable law.

11. The conditions under which option vested in employees may lapse:

The vested options shall lapse in case of termination of employment due to misconduct or due to breach of the Company policies or the terms of employment. Further, irrespective of employment status, in case vested options are not exercised within the prescribed exercise period, then such vested options shall lapse.

12. The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

In case of resignation / termination (other than due to misconduct), all the vested options shall be exercised by the relevant employee before his/her last working day with the company. All unvested options as on date of resignation or termination shall stand cancelled with effect from that date.

13. Disclosure and Accounting Policies:

The company shall comply with the disclosure and accounting policies prescribed as per prevailing accounting guidelines and upon listing of securities of the company, the company shall comply with the accounting policies and disclosure requirements as prescribed under Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

14. Maximum quantum of benefits to be provided per Employee under the Scheme:

The maximum quantum of benefits underlying the options issued to an employee shall be equal to the difference between the option exercise price and the market price of the shares on the exercise date.

15. Whether the Scheme is to be implemented and administered directly by the Company or through a trust:

The ESOP 2025 is to be implemented and administered directly by the Company, through Nomination and Remuneration Committee.

16. Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:

The ESOP 2025 involves only new issue of shares by the Company.

17. The amount of loan to be provided for implementation of the Scheme(s) by the Company to the Trust, its tenure, utilization, repayment terms, etc.

Not Applicable as ESOP 2025 is proposed to be implemented directly by the Company.

18. Maximum percentage of secondary acquisition that can be made by the Trust for the purpose of the Scheme:

Not Applicable as ESOP 2025 involves only new issue of shares by the Company.

The Board of Directors recommends the Special Resolution set out at Item Nos. 6 for approval by the Shareholders of the company.

Except Mr. Rupinder Singh, Managing Director & Chief Executive Officer, Mr. Ashish Gupta, Chief Financial Officer and Ms. Mukti Chaplot, Company Secretary to extent of the ESOP that will be granted under respective Schemes, None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

Item No. 7

In accordance with the provisions of Section 204(1) read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company is required to annex with its Board's Report, a Secretarial Audit Report submitted by a Company Secretary in whole time practice. Further, pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), every listed entity and its material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report, with the annual report of the listed entity.

The said Regulation 24A was amended w.e.f. 13 December, 2024 vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 and further provides that an Individual can be appointed as Secretarial Auditor for not more than one term of five consecutive years subject to obtaining shareholders' approval. The Board of Directors at its meeting held on 09 May, 2025 recommended appointment of Mr. Jitender Singh, (Membership No. A33610 & C.P. No.: 26612), Company Secretary in Practice as Secretarial Auditor for one term of five consecutive years from Financial Year 2025-26 upto Financial Year 2029-30. Mr. Jitender Singh, (Membership No. A33610 & C.P. No.: 26612), Company Secretary in Practice has furnished his eligibility and expressed willingness to get appointed as Secretarial Auditor for a term of five consecutive years from financial Year 2025-26 and confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

Mr. Jitender Singh holds a peer review certificate in terms of guidelines issued by the Institute of Company Secretaries of India and meets the eligibility criteria as enumerated under Regulation 24A (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

"Brief Profile of Mr. Jitender Singh"

Mr. Jitender Singh has 13 years of experience and led several significant assignments, providing both hands-on legal advice as well as overall strategic inputs. He has extensive experience in a wide range of practice areas including Corporate Compliance & Management, Foreign Direct Investment, Joint Ventures, Mergers & Acquisitions, Secretarial Audit, Due-Diligence, Approvals of the Ministry of Corporate Affairs, Compounding of Offences under the provisions of the Companies Act, 2013, Corporate Governance Auditors and FEMA Compliances and Management Consultants. He is also part of Litigation team and regularly appears before departmental and appellate authorities, e.g., NCLT. In addition to his practice, he is the co author of "Company Law Premier" publication of the Institute of the Company Secretaries of India ("ICSI") and member of research Committee of ICSI constituted in the year 2015, Member of Task Force Committee of ICSI and a frequent speaker at conferences and seminars conducted by the Institute of Company Secretaries of India (ICSI). He is member of Research Committee of NIRC-ICSI for the year 2018.

The recommendation for the appointment of Mr. Jitender Singh, (Membership No. A33610 & C.P. No.: 26612), Company Secretary in Practice, as Secretarial Auditor is based on their past track record and capabilities in delivering quality secretarial audit services to India Shelter Finance Corporation Limited and other companies of similar size and complexity. The proposed fee for Secretarial Audit is ₹ 2,75,000 per annum plus applicable taxes with power to the Board to revise during the term. The said remuneration excludes certifications and other professional work, applicable taxes and out of pocket expenses.

The Board of Directors recommends the Special Resolution set out at Item Nos. 7 for approval by the Shareholders of the Company.

None of the Directors and Key Managerial Personnel are concerned or interested in this resolution.

By Order of the Board

For India Shelter Finance Corporation Limited

Sd/-

Mukti Chaplot

Company Secretary

Membership No: 38326

Date: 03 July, 2025

Place: Gurugram

ANNEXURE A

Information as required under 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) for Item No. 3 is given hereunder:

S.No.	Particulars	Details
1.	Name of Director	Mr. Sudhin Bhagwandas Choksey
2.	Date of Birth	31-01-1954
3.	DIN	00036085
4.	Age	71 Years
5.	Brief resume, experience and qualifications	Mr. Sudhin Bhagwandas Choksey is the Chairman and Non-Executive Nominee Director of our Company. He holds a Bachelor's Degree in Commerce from the Syndenham College of Commerce and Economics, University of Bombay, Mumbai, Maharashtra. He is also a member of the Institute of Chartered Accountants of India. He was previously associated with Gruh Finance Limited as the Managing Director and Bandhan Bank as Executive Director (Designate). He has experience in the Banking Sector.
6.	Nature of expertise in specific functional areas	Industry Experience, Financial Expertise, Strategy & Planning, Leadership experience, Governance, Compliance & Risk Management
7.	Terms and conditions of appointment/re-appointment	Mr. Sudhin Bhagwandas Choksey is proposed to be re-appointed as a Chairman and Non-Executive Non-Independent Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting of the Company. The terms and condition of re-appointment shall be as per Appointment Letter and in accordance with the provisions of Companies Act, 2013.
8.	Remuneration proposed to be paid	NIL
9.	Date of first appointment on Board, last drawn remuneration and number of board meetings attended	Date of First appointment: 03-11-2021 Last drawn remuneration: NIL During Financial Year 2024-25, there were 4 board meetings held and Mr. Sudhin Bhagwandas Choksey has attended all the 4 Board Meeting.
10.	No. of Equity shares held in the Company (Including shareholding as a beneficial owner) (as on March, 2025)	NIL
11.	Relationship with other directors and Key Managerial Personnel inter-se	None
12.	Directorships held in other Companies Board	Directorship in other companies: 1. Asahi Songwon Colors Limited 2. CSB Bank Limited 3. Fairchem Organics Limited 4. Gujarat Ambuja Exports Limited 5. The Sandesh Limited 6. Anchorage Infrastructure Investments Holdings Limited 7. ArMee Infotech Limited 8. Kuhoo Finance Private Limited 9. Kuhoo Tech Innovations Private Limited

NOTICE FOR CONVENING 27TH ANNUAL GENERAL MEETING (Contd.)

S.No.	Particulars	Details
13.	Membership/Chairmanship of Committees of the Board of other Companies*	**Membership/Chairmanship held on other Companies:** **CSB Bank Limited** 1. Risk Management Committee-Chairman 2. Stakeholders Relationship Committee-Member 3. Corporate Social Responsibility Committee-Member 4. Nomination and Remuneration Committee-Member 5. Management Committee - Member **Fairchem Organics Limited** 1. Audit Committee-Chairman 2. Stakeholders Relationship Committee-Member 3. Risk Management Committee-Member **Gujarat Ambuja Exports Limited** 1. Audit Committee-Member 2. Risk Management Committee-Member 3. Corporate Social Responsibility Committee-Member **The Sandesh Limited** 1. Audit Committee-Chairman 2. Risk Management Committee- Chairman 3. Nomination and Remuneration Committee-Member **Anchorage Infrastructure Investments Holdings Limited** 1. Audit Committee- Chairman 2. Nomination and Remuneration Committee-Chairman **ArMee Infotech Limited** 1. Audit Committee-Chairman 2. Nomination and Remuneration Committee-Member 3. Corporate Social Responsibility Committee-Member 4. IPO Committee - Member
14.	Listed entities from which the person has resigned in the past three years	Nil

*Includes Public (Listed and Unlisted) Companies

Notes:

Notes:

Notes:

Annual Report
2024-2025

IndiaShelter Home Loans



Leveraging India's Growth Story

A Journey of Tech-led Resilient Growth

India Shelter Finance Corporation Limited

Across the Pages

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02 How to Navigate the Report
04 Leveraging India's Growth Story - A Journey of Tech-led Resilient Growth
06 Transformational Growth with Focus on Fundamentals
08 Glancing through 2024-25
10 Making the Dream of Homeownership a Reality
12 MD & CEO's Note
16 Crafting a Journey of Consistent Growth
18 Expanding Our Reach Across Key Markets
20 Empowering Homeownership with Inclusive Financial Solutions
22 Navigating Shifting Trends with Agility
24 Strengthening Our Evaluation Framework
26 Investment Case
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30 Driving Meaningful Engagement
32 Maximising Outcomes with Efficiency
34 Ensuring a Proactive Approach to Stability and Expansion
36 Grow and Diversify Distribution Network
38 Optimise Brand Equity and Foster Sustainability
42 Leverage Technology for Scalability and Productivity
46 Diversify Borrowings and Optimise Borrowing Cost
48 Contributing to Sustainability through Responsible Practices



11 Setting New Standards in Affordable Housing Finance
50 Enhancing Human Capital for Organisational Success
54 Architecting Institutional Integrity
56 Steering Progress with Expertise
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16 Crafting a Journey of Consistent Growth



22 Navigating Shifting Trends with Agility

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Or simply scan the QR code below

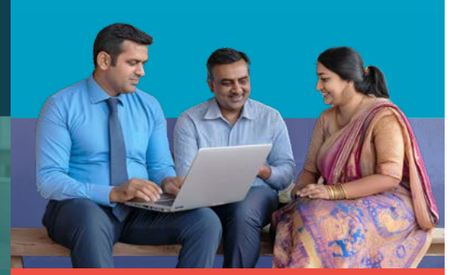
For more investor-related information, simply visit

https://www.indiashelter.in/investor-relations

Investor Information	
Market Capitalisation (NSE) as of 31 March, 2025:	₹ 8,933 Crs
CIN:	L65922HR1998PLC042782
BSE Code:	544044
NSE Symbol:	INDIASHLTR
AGM Date:	28 July, 2025
AGM Mode:	Virtual



Grow and Diversify Distribution Network 37



Enhancing Human Capital for Organisational Success 50



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

About the Report

Approach to Reporting

India Shelter's Annual Report for 2024-25 presents a comprehensive assessment of our financial and non-financial performance. We have structured the Report to ensure transparency, clarity, and relevance, aligning with stakeholder expectations.

Scope and Boundary

Our report provides a holistic view of our Company, outlining our strategic direction, operational performance, and long-term value creation initiatives. It encompasses our economic, social, and environmental aspects across all operational branches and our corporate office in Gurugram.

Reporting Principles

We have prepared this report in accordance with:

- The Companies Act, 2013, including applicable rules
- Indian Accounting Standards (Ind AS)
- SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
- RBI Master Directions
- All Other Applicable Regulations

Independent Verification

We have conducted rigorous internal reviews of the financial and non-financial disclosures in this report. S.R. Batliboi & Associates LLP has audited our financial statements, ensuring accuracy, reliability, and compliance with regulatory standards.

Reporting Period

This report covers the financial year from 01 April, 2024, to 31 March, 2025.



How to Navigate the Report

STRATEGIC VISION & MARKET OPPORTUNITY

Understanding the long-term direction and the external environment shaping our business

What is India Shelter's vision for the future?
- Letter from MD & CEO (Pg 12)

How is the Company positioned in the affordable housing finance sector?
- Who Are We? (Pg 10)
- Our Journey (Pg 16)
- Established Presence (Pg 18)

What external macro trends and policies support growth?
- MD and CEO's Note (Pg 12)
- External Environment (Pg 22)



PERFORMANCE & FINANCIAL STRENGTH

Reviewing key financials, operational highlights, and capital discipline

What are the key financial highlights of 2024–25?
- 2024-25 @ a Glance (Pg 8)

How is the Company maintaining margins, returns, and scale?
- Financial Performance Highlights (Pg 6)
- Letter from MD & CEO (Pg 12)

How is capital managed to support growth?
- Pillar 4 - Diversify Borrowings and Optimise Borrowing Cost (Pg 46)

What is the risk framework ensuring business resilience & asset quality?
- Underwriting Approach (Pg 24)
- Risk Management (Pg 28)



STRATEGIC LEVERS FOR GROWTH

Exploring how technology, network expansion, and credit assessment enable scale

What are the Company's strategic growth pillars?
- Strategic Growth Pillars (Pg 34)

How is the Company expanding and deepening its presence?
- Pillar 1 - Grow and Diversify Distribution Network (Pg 36)

How is technology integrated across the value chain?
- Pillar 3 - Leverage Technology for Scalability and Productivity (Pg 42)

What makes the Company's underwriting approach differentiated?
- Underwriting Process (Pg 24)



PEOPLE, GOVERNANCE & PURPOSE

Highlighting employee engagement, ESG, and commitment to responsible business

How does the Company empower its people, customers and promote inclusive culture?
- Human Capital (Pg 50)

What is the governance structure and leadership oversight?
- Governance & Board Profiles (Pg 54)

How does the Company address ESG and sustainability?
- Environment Stewardship (Pg 48)

What is the Company's social responsibility framework?
- Social Impact & Inclusion (Pg 53)



Leveraging India's Growth Story

A Journey of Tech-led Resilient Growth

A home is more than just a structure. It is where dreams take root, aspirations find space to grow, and financial security becomes a reality. As India's economy accelerates, the need for affordable, accessible housing grows stronger, turning homeownership from a distant goal into a critical enabler of progress.

For many, the journey to homeownership begins with access to the right resources and guidance. In this pursuit, home financing becomes the key. It unlocks possibilities, creates stability, and drives meaningful progress. Rooted in this belief, we tap into India's economic momentum to make homeownership possible for many, ensuring it is not a privilege reserved for a few.

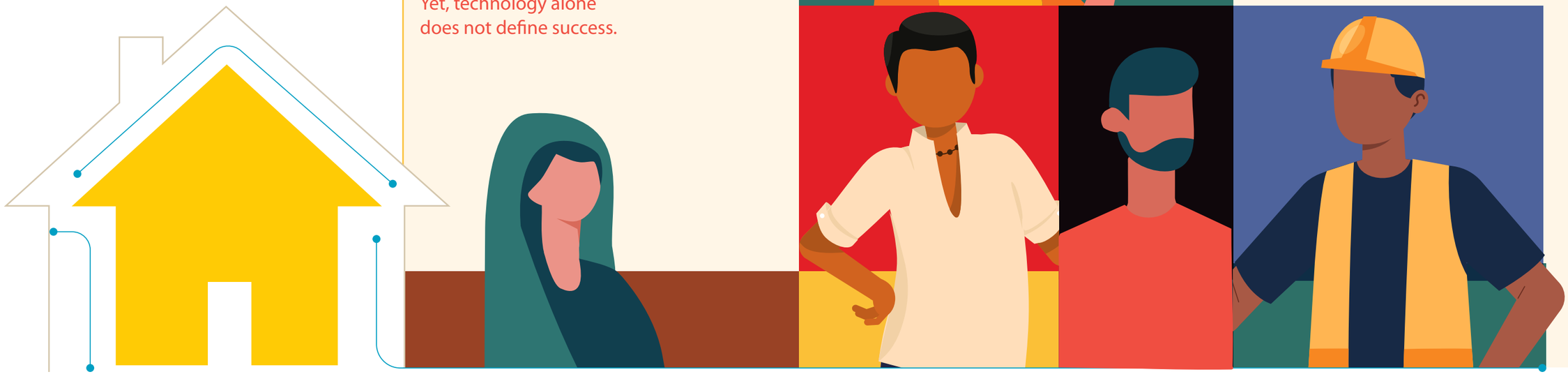
Turning this ambition into reality requires financial support, innovative solutions that remove barriers, and a seamless path to ownership. Here, technology plays a vital role; not as an added advantage but as a necessity. With digital advancements simplifying processes, it is driving financial inclusion for all. Alongside this, robust underwriting, seamless digital onboarding, and predictive analytics are making home financing more inclusive and efficient.

Yet, technology alone does not define success.

Real impact comes from blending innovation with trust, empathy, and financial discipline. Similarly, true growth is not just about expansion; it demands resilience, the ability to adapt, withstand, and thrive in an ever-evolving arena.

Interest rate fluctuations, economic cycles, and regulatory shifts test the foundations of any financial institution. Our strength lies in meeting these challenges head-on with stability, staying grounded in integrity, prudence, and customer-first values.

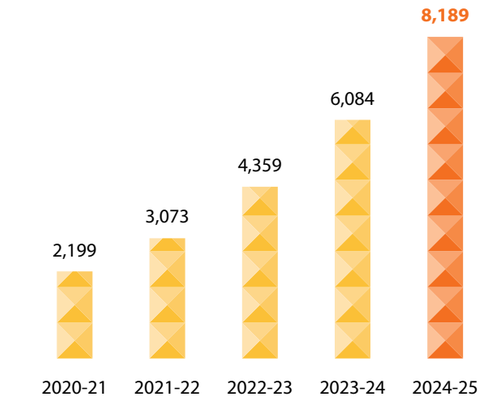
Therefore, our journey of sustainable, resilient growth thrives on the synergy of technology with trust, expansion with stability, and ambition with discipline. As India's economy rises, we stand as a partner in progress, bridging aspirations, fostering inclusion, and transforming the dream of owning a home into an enduring reality.



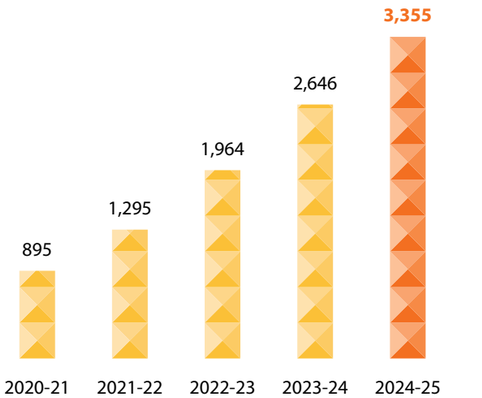
Transformational Growth with Focus on Fundamentals

Our financial performance reflects a phase of transformational growth anchored in strong fundamentals. We have continued to grow efficiently, supported by a stable operating model, prudent risk management, and focussed execution across core markets. This momentum is driven by sustained demand in the affordable housing segment, supported by internal sourcing, disciplined credit practices, and operational agility. By balancing scale with control, we remain committed to delivering consistent performance while staying true to our foundational principles of responsible lending and customer centricity.

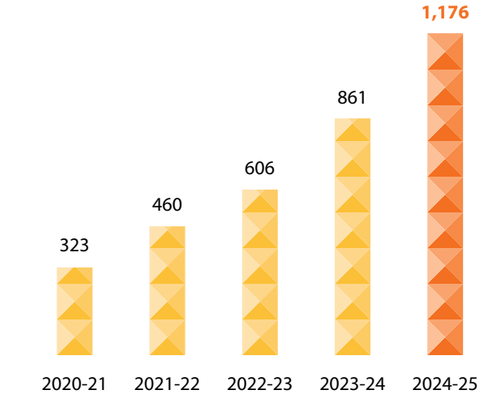
Assets under management (₹ In Crs)



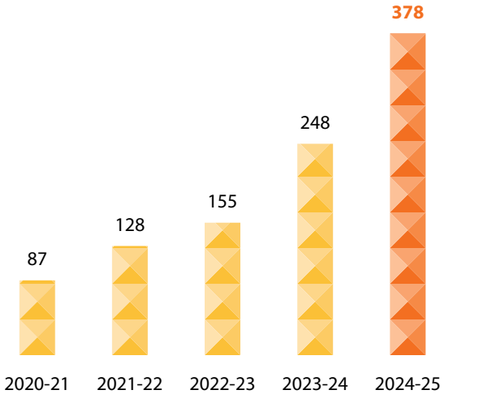
Disbursement (₹ In Crs)



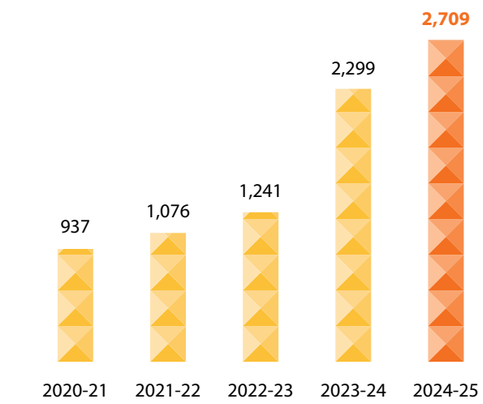
Total income (₹ In Crs)



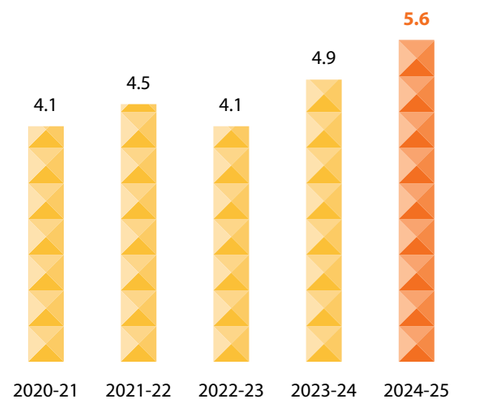
PAT (₹ In Crs)



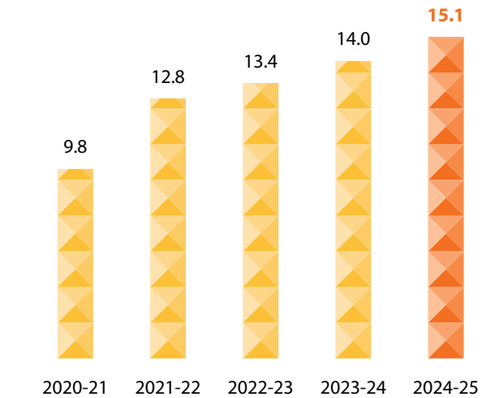
Net worth (₹ In Crs)



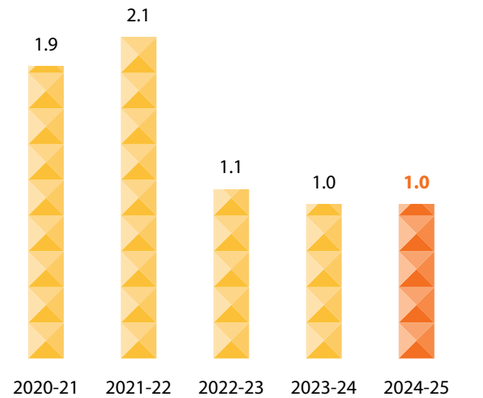
Return on assets (%)



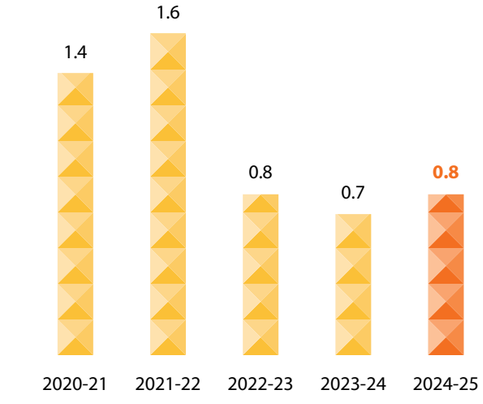
Return on equity (%)



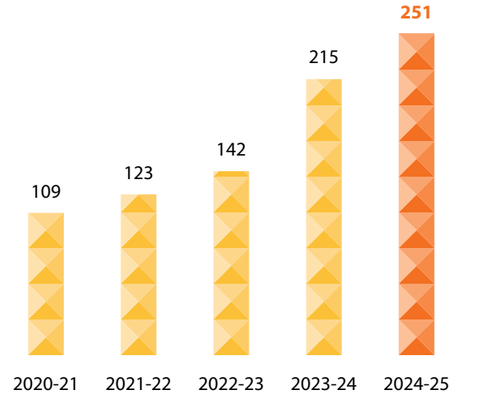
Gross stage - 3 assets (%)



Net stage - 3 assets (%)



Book value per share (₹)



Glancing through 2024-25

Operational Performance

15
Number of States We are Present in

91%
Presence in Tier II & Tier III Cities

266
Number of Branches

109,277
Number of Active Customers

Business Performance

₹ 8,189 Crs
Assets Under Management (AUM) | up by 35% YoY

₹ 3,355 Crs
Disbursement | up by 27% YoY

₹ 10 Lacs
Average Loan Ticket Size

52%
Loan to Value (LTV)

99%
In-House Sourcing

Financial Performance

₹ 378 Crs
PAT | up by 53% YoY

₹ 2,709 Crs
Networth

5.6%
ROA

15.1%
ROE

₹ 251
Book Value per Share (BVPS)

AA-(STABLE)
Credit Rating*

Digital Performance

80%
Customers Registered on the App

70%
Service Requests Raised on the App

95%
Digital Collections

40%
Account Aggregator Penetration

100%
E-Nach Mandates

99%
E-Signing

ESG Performance

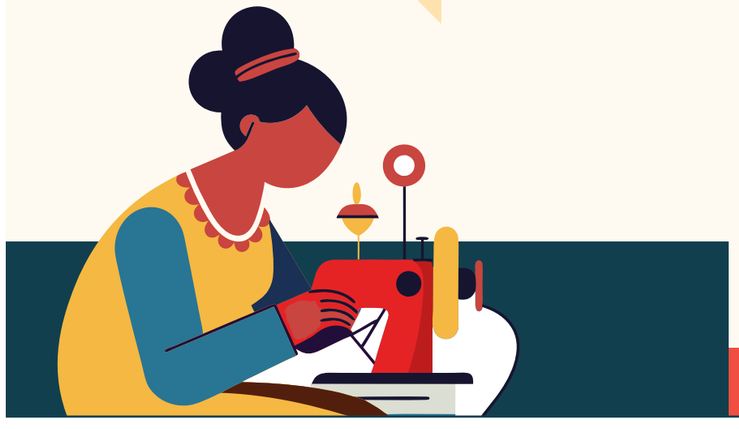
25,000
Trees Planted

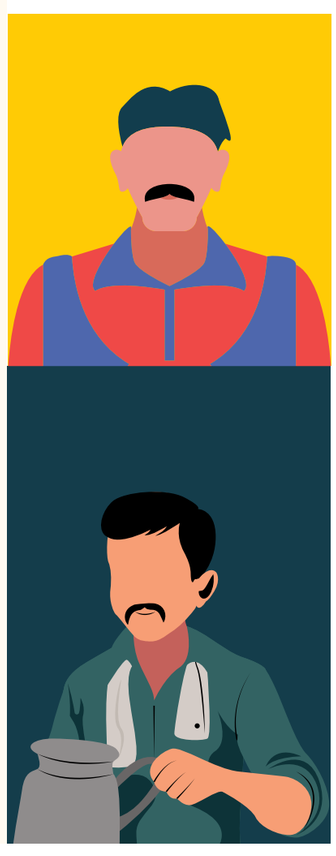
31,377
Lives Benefitted through CSR Activities

4
Number of Independent Directors

4.02 Years
Average Tenure of Board Members

29%
Women's Representation on the Board





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

Making the Dream of Homeownership a Reality

Established in 2010, India Shelter Finance Corporation Limited (also referred to as 'India Shelter,' 'Our Company' or 'We') is a technology-driven, retail-focussed provider of affordable housing finance solutions. We offer home loans and loan against property designed for low-and middle-income individuals who are building or buying their homes in Tier II and Tier III cities across India. Rooted in trust and innovation, we empower countless individuals on their journey to homeownership.

What distinguishes us is our technology-backed, rigorously tested underwriting and risk management framework, which has remained robust across business cycles. With processes digitised end-to-end, we deliver consistent efficiency, faster turnaround time, and strong risk controls throughout the customer journey.

With a strong commitment to governance, we remain committed to the vast yet underpenetrated affordable housing finance sector. In this pursuit, we prioritise underserved customers, combining technology with exceptional customer experience.





VALUES

HONESTY

Building trust through transparency and ethical behaviour is the cornerstone of our brand



RESPECT

Respecting diverse perspectives and fostering open communication fuels our collective success



HARD WORK

We believe in going the extra mile, exceeding expectations, and relentlessly pursuing our mission of accessible housing finance for all



Setting New Standards in Affordable Housing Finance

Our expertise in the affordable housing segment has been refined through years of focussed effort by blending innovative underwriting with deep customer insight. Our Company's technology-driven processes and alternative income assessment methods effectively bridge the gaps traditional lenders face in evaluating self-employed borrowers.

The fiscal year 2024-25 was a milestone in our journey. Expanding into small towns and emerging cities has empowered more families to own homes, reinforcing our dedication to financial inclusion. This growth reflects our agility and commitment to innovation. We remain committed to strengthening India's housing finance sector through inclusive practices. To this end, we continue to build systems and solutions that enable hardworking families across the nation to own homes.

OUR GUIDING PRINCIPLES DRIVING THIS GROWTH

- **G** — Grow and Diversify Distribution Network
- **O** — Optimise Brand Equity and Foster Sustainability
- **L** — Leverage Technology for Scalability and Productivity
- **D** — Diversify Borrowings and Optimise Borrowing Cost

(For detailed insights, see page 34 onwards)



MD & CEO's Note



As a company committed to making homeownership accessible to underserved communities, we have reinforced our foundation by fostering trust, driving efficiency, and creating meaningful impact.

Rupinder Singh
Managing Director & CEO

Dear Stakeholders,

Growth Thrives on Strategy and Execution

Looking back at the past year, I take immense pride in sharing our progress and achievements that have marked our journey towards responsible growth. India remains a land of boundless opportunities, where rising aspirations for homeownership and increasing financial inclusion are shaping the affordable housing finance sector. As a company committed to making homeownership accessible to underserved communities, we have reinforced our foundation by fostering trust, driving efficiency, and creating meaningful impact.

India - A Rising Growth Opportunity

India is firmly positioned as one of the world's most promising growth markets. With projected GDP growth of 6.8% in 2024-25 and private consumption doubling to USD 2.1 Tn in 2024 since 2013, the country continues to demonstrate strong and sustained domestic demand. By 2030, per capita income in India is expected to exceed USD 4,000, while the number of individuals earning over USD 10,000 annually could triple to 165 Mn, marking a significant expansion of the middle class. Despite this progress, India's mortgage-to-GDP ratio stood at just 12.3% in 2022-23, significantly lower than global benchmarks where ratios range from 20% in emerging economies to as high as 65% in developed markets. This wide gap highlights the significant untapped opportunity for institutions to deepen credit access and accelerate the country's journey towards broader financial empowerment.

By 2030, per capita income in India is expected to exceed USD 4,000, while the number of individuals earning over USD 10,000 annually could triple to 165 Mn, marking a significant expansion of the middle class.

The ratio is projected to rise driven by improving access to credit, greater financial inclusion, and targeted policy support. As the nation advances, structural reforms, digital advancements, and a thriving entrepreneurial ecosystem are unlocking fresh opportunities across sectors. With rising credit penetration and expanding mortgage adoption, the financial services sector is primed for substantial growth, creating a dynamic environment for opportunity.

Unlocking Potential in the Affordable Housing Market

Demand for affordable housing finance continues to accelerate across Tier II, Tier III, and fast-growing micro-markets. Rising disposable incomes, driven by expanding job opportunities in sectors like IT, service, manufacturing, and e-commerce, are reshaping consumer aspirations in these regions. At the same time, government initiatives such as PMAY and infrastructure push through Smart Cities, Bharatmala, and UDAN are enhancing livability. In line with this focus, the Union Budget 2025–26 allocated ₹19,794 Crs towards the Pradhan Mantri Awas Yojana (PMAY). As of March 2025, a cumulative target of 3.79 Crs houses has been allotted under PMAY, with 2.72 Crs already completed, demonstrating progress towards inclusive housing development.

Building on this momentum, with deep market penetration, a sturdy branch-led distribution model, and a digital-first engagement approach, we are closing credit gaps and enabling families to realise their homeownership dreams. This integrated approach allows us to effectively bridge credit gaps for LIG and MIG customers, helping families in India's growing cities achieve their dream of owning a home.



Consistent Performance and Resilience in Action

We remain committed to resilience and disciplined execution, ensuring strong financial and operational performance. This year, our Assets Under Management (AUM) expanded by 35% YoY to ₹ 8,189 Crs, fuelled by a disbursements reaching ₹ 3,355 Crs, indicating our deepening market position and customer-first approach. We continue to maintain our focus on profitability, with PAT reaching ₹ 378 Crs. Amid evolving macroeconomic conditions, we are strategically positioned with strong liquidity, backed by recent equity raises and an upgrade in our ratings.

To achieve this, we have identified key strategic priorities:

Expanding Strategically for Deeper Market Penetration

Strengthening our presence in existing markets remains a priority. We aim to deepen penetration by expanding across 15 states and utilising our branch network. During the year, we added 43 new branches, with a vision to add around 40 to 45 branches annually over the next few years, to ensure consistent and scalable growth. By doing so, we aim to enhance accessibility, optimise branch efficiency, and cater to the growing demand for affordable housing finance. This ensures we maximise customer reach, drive operational efficiency, and strengthen our presence in key geographies, while maintaining strong asset quality.

> Technology is one of the key driving forces behind our operational efficiency and customer engagement.

Utilising Technology for Scalable Growth

Technology is one of the key driving forces behind our operational efficiency and customer engagement. We have made significant strides in digital transformation, integrating robust credit assessment, automation, and data-driven intelligence to streamline loan origination, underwriting, and risk management. Our current digital ecosystem, which includes five mobile apps and Salesforce, which acts as Loan Origination System and CRM. This has helped us streamline operations and improve customer engagement over the years. We will continue to invest in automation, advanced analytics, and secured digital platforms, all of which are transforming the way we do business. As we expand our data-driven insights and automation, we will continue to focus on refining the customer experience, improving risk frameworks, and driving operational efficiency.

Redefining Customer Experience with a Relationship-First Approach

A customer-first mindset is embedded in our business model, shaping every interaction and decision we make. Our employees are more than service providers; they are trusted advisors and brand ambassadors, ensuring every customer receives guidance and support throughout their homeownership journey. With 99% of our loans sourced directly, we have cultivated a relationship-driven approach that fosters trust, transparency, and long-term engagement. Furthermore, our branch-led approach deepens local engagement, particularly in Tier II and III cities, where personalised support and financial literacy are critical to enabling homeownership.

In addition, we continuously invest in customer education, raising awareness and strengthening our brand's credibility. Through localised campaigns, digital engagement, and community-led initiatives, we strive to forge deeper connections with our customers. Moreover, by promoting responsible lending, fostering transparent policies, and engaging proactively, we continue to strengthen relationships and drive long-term financial inclusion.

Reinforcing Risk Intelligence through Innovation and Analytics

Effective risk management has been fundamental to our success. By integrating Credit Assessment, Scorecards, Business Rule Engine, and real-time risk analytics, we continuously refine our underwriting standards. A sharp, data-driven approach helps us sustain a low NPA ratio and a well-diversified portfolio. As we grow, we will refine our risk frameworks even further, improving asset quality and financial endurance.

Championing Responsible and Sustainable Growth

True growth goes beyond scale. It must be responsible, inclusive, and transformative. This year, we are embedding sustainability deeper into our strategic core by formalising our ESG framework, while aligning with global best practices. Our approach to financial inclusion, workforce diversity, and responsible lending underscores our broader ambition to create a lasting positive impact on society. As we advance, we will continue integrating ESG principles, ensuring our progress uplifts both our stakeholders and the communities we serve.

Looking Ahead

With India's growth story gaining momentum, we are strategically positioned to tap into the vast opportunities emerging in the affordable housing finance sector. Backed by the sector's long-term potential and supportive policy environment, we continue to expand our footprint through focussed branch expansion and deeper market penetration. At the same time, we are leveraging technology to enhance productivity, streamline operations, and deliver a more seamless customer experience. Guided by our core growth pillars, we remain committed to building a scalable, agile, and future-ready organisation that meets the evolving needs of aspiring homeowners across India.

I extend my heartfelt gratitude to our Board members, Regulators, Shareholders, Customers, and Employees, for their support and trust in our journey. Together, we will continue to shape the future of housing finance, building lasting value for all.

Warm Regards,

Rupinder Singh
Managing Director & CEO



Crafting a Journey of Consistent Growth

Our Company's journey reflects perseverance, commitment, and impact, dedicated to transforming customers' lives. With a strong focus on accessibility and affordability, we have expanded our reach, meeting diverse housing needs across India.







2011

2011
- Commenced Operations in Rajasthan
- Secured First Investment by Sequoia

4
AUM (in ₹ Crs)

2012-15

2012
- Achieved ICRA Credit Rating of BB+ (Stable)

2013
- Expanded Presence to 5 States
- Secured Investment from Nexus Venture Partners

2014
- Surpassed ₹ 100 Crs in AUM

2015
- Surpassed ₹ 200 Crs in AUM

200+
AUM (in ₹ Crs)

2016-19

2016
- Expanded Presence to 7 States
- Secured Investment from Westbridge Capital

2017
- Surpassed ₹ 500 Crs in AUM

2018
- ICRA Upgraded Credit Rating to A- (Positive)
- Opened 1st Branch in Southern India
- Expanded Presence to 8 States

2019
- Surpassed ₹ 1,000 Crs in AUM

1,000+
AUM (in ₹ Crs)

2020-21

2020
- Expanded Presence to 12 States

2021
- Expanded Presence to 15 States
- Crossed 100 Branches

2,000+
AUM (in ₹ Crs)

2022-23

2022
- Annual PAT Crossed ₹ 100 Crs
- WestBridge Capital Acquired Majority Stake

2023
- CARE Upgraded Credit Rating to A+ (Positive)

4,000+
AUM (in ₹ Crs)

2024-25

2024
- Surpassed ₹ 6,000 Crs in AUM
- Listed on BSE Ltd. and NSE Ltd.
- India Ratings & Research Assigned AA- (Stable) Credit Rating

2025
- Crossed 260+ Branches
- Quarterly PAT Crossed ₹ 100 Crs

8,000+
AUM (in ₹ Crs)

Expanding Our Reach Across Key Markets

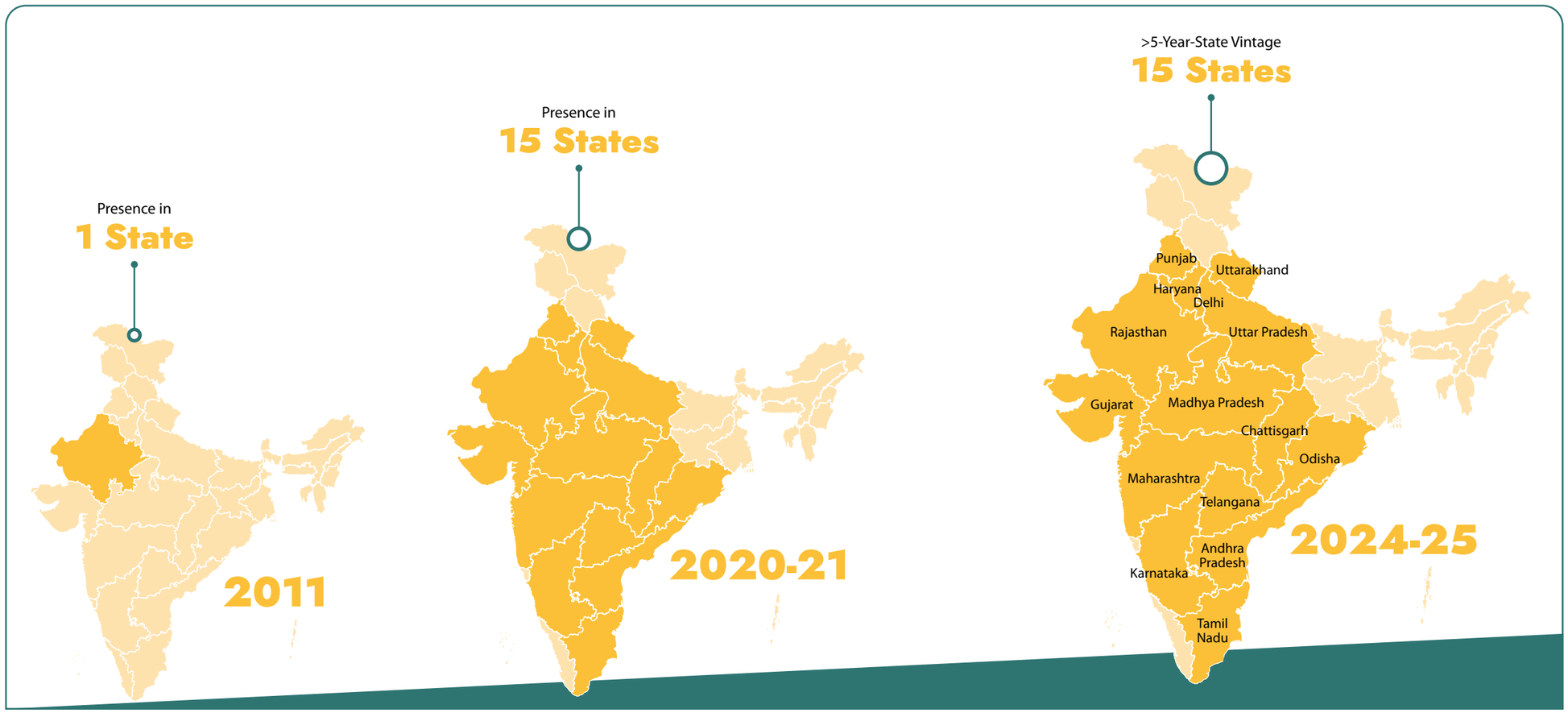
In 2011, our Company operated in just one state. By 2024-25, we had presence in 15 states, driven by a strategic approach to branch growth. Data insights, digital integration, and workforce optimisation have also contributed to this expansion. By targeting high-potential regions and enhancing operational efficiency, we have strengthened our presence, while upholding service quality and risk control.

We broadened our branch network by adding 43 branches this year, fortifying our presence in key regions. This move aligns with our strategy to deepen market reach and enhance customer accessibility.

15
States

266
Branches

91%
Presence in Tier II and Tier III Cities



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

Geographic Concentration: 2024-25 State-Wise AUM and Branches

States	Branches	AUM (in %)
Rajasthan	72	31
Maharashtra	38	16
Madhya Pradesh	28	11
Karnataka	16	6
Gujarat	20	6
Uttar Pradesh	22	7
Tamil Nadu	20	6
Uttarakhand	6	3
Delhi	1	2
Haryana	11	3
Telangana	12	4
Chhattisgarh	9	2
Andhra Pradesh	5	1
Punjab	4	1
Odisha	2	0.1
Total	**266**	**100**

Empowering Homeownership with Inclusive Financial Solutions

We offer lending solutions tailored to a niche segment often overlooked by traditional lenders. By understanding their income patterns and financial constraints, we provide flexible, tailored financial solutions that make homeownership and property-backed funding more accessible.

Home Loans

Our flexible home loan solutions support diverse housing needs, from new construction, and property purchase to renovations and repairs. As a result, we help customers make their dream of owning a home a reality.

₹ 4,639 Crs
AUM

11% to 14%
Home Loan Yield

₹ 10 Lacs
Average Ticket Size

55%
Home Loan LTV

Loan Against Property (LAP)

We offer secured lending solutions by using self-occupied residential properties as collateral. This enables customers to access funds while retaining ownership, providing a smart financing option for diverse needs.

₹ 3,550 Crs
AUM

14% to 16%
LAP Yield

₹ 10 Lacs
Average Ticket Size

45%
LAP LTV

Customer Profile

Our customer base includes a diverse range of individuals and small businesses such as:

- Small traders and merchants
- Masons and artisans
- Employees of municipal boards, electricity boards, and post offices
- Lab technicians
- Small manufacturing units
- Small IT firms
- Pharmacists
- Optical shop owners
- Grocery vendors
- Repair shop owners
- Small transporters
- Furniture shop owners
- Tailors and boutique operators



Outlook and Impact

Target Market

Our primary focus is supporting first-time home loan applicants, especially self-employed individuals in India's Tier II and Tier III cities.

Product Portfolio

We offer a diverse range of financial solutions, including housing loans and loans against property, tailored for both home purchases and self-construction.

Social Impact

We are committed to strengthening households by making homeownership more accessible to women, recognizing their vital role in fostering family stability and driving community growth.

Customer Demographics

75%
Self-employed Customers

99%
Women Co-borrowers

71%
First time mortgage borrowers

Data as of 31 March, 2025

Navigating Shifting Trends with Agility

India's economic sphere is evolving at an unprecedented pace, presenting new growth avenues across diverse sectors. Several megatrends are shaping the external environment, laying a strong foundation for businesses to expand and drive financial inclusion. As a future-focussed organisation, we are strategically aligning our business model to capitalise on these trends and seize emerging opportunities.

Demographic Dividend

India's demographic profile presents a significant structural advantage, with nearly 65% of the population under the age of 35. This youthful workforce has the potential to contribute meaningfully to economic output, innovation, and consumption over the coming decades. As the global economy evolves, India's large and relatively young population positions it as a key player in driving growth, supporting domestic demand, and enhancing competitiveness on the world stage.

Rising Income Levels, Evident from Rising GDP per Capita

India's per capita nominal GDP is projected to rise by nearly ₹ 35,000 between 2022-23 and 2024-25. This increase highlights a steady rise in individual income levels, underscoring structural economic resilience. In 2024-25, private consumption a key growth driver is expected to surge, with per capita Private Final Consumption Expenditure (PFCE) rising by 6.3%, outpacing the per capita GDP growth of 5.3%. This trend reflects stronger household spending, albeit supported by a drawdown in savings, suggesting evolving consumption patterns amid a shifting economic landscape.



Rising Share of Physical Assets in Overall Savings

As of December 2024, India's financial assets totalled ₹ 319 Lac Crs, surpassing the nation's GDP. Despite this growth in financialisation, physical assets, particularly real estate, continue to be a dominant choice for Indian households. This demographic shift, alongside India's traditional savings culture, supports the continued rise in mortgage penetration, as households increasingly channel their wealth into real estate assets

Acute Housing Shortage at Bottom of the Pyramid

The housing shortage at the bottom of the pyramid presents a significant opportunity within India's evolving housing finance landscape. While India's mortgage-to-GDP ratio shows impressive growth trajectory—rising from 1.7% to a projected 15%* by 2024-25, current mortgage penetration of 12% reveals substantial room for expansion compared to international markets. This untapped potential is particularly pronounced among lower-income segments, where innovative financial solutions can bridge traditional accessibility gaps. Institutions that develop customised lending products, adopt alternative credit assessment methodologies, and leverage technology for last-mile delivery are well-positioned to drive financial inclusion while capturing a greater share of this high-growth market segment. As urbanisation continues and aspirations for home ownership rise across all economic strata, addressing housing needs at the bottom of the pyramid represents both a social imperative and strategic business opportunity.

Government Schemes Providing Push to Housing Demand

Schemes like Pradhan Mantri Awas Yojana (PMAY) are playing a critical role in driving housing demand in India. Under PMAY Urban Phase I, 11.9 Mn houses have been sanctioned, contributing significantly to addressing the housing shortage, particularly for low- and middle-income groups. In 2024-25, the central government has allocated ₹ 807 Bn towards PMAY, demonstrating its commitment to promoting affordable housing. This budgetary allocation is aimed at accelerating the construction of homes for economically weaker sections (EWS) and low-income groups, thereby boosting housing demand and improving the overall accessibility of homes across the country.

* CRISIL MI&A Estimate

OUR APPROACH

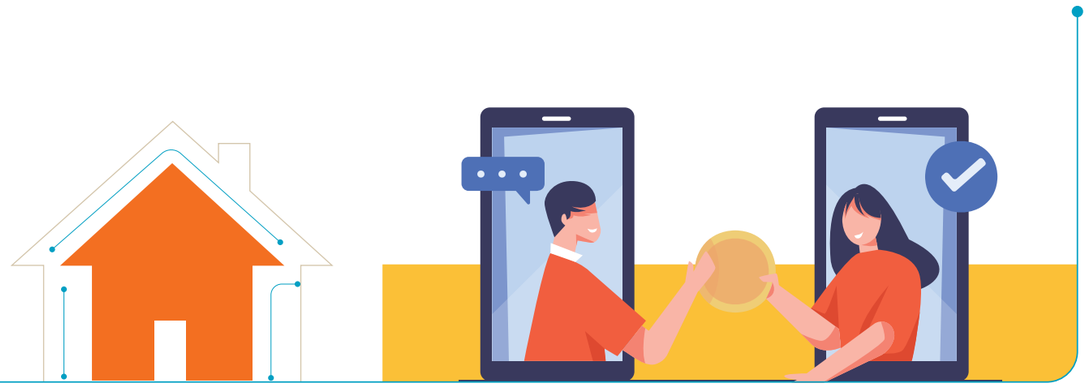
India's economic shift offers immense opportunities, underpinned by rising consumption, expanding credit access, and digital advancements. With growing demand in underserved markets, we stay committed to bridging financial gaps through strategic expansion and technology-led efficiency. By advancing our digital capabilities, enhancing agility, and aligning with supportive policies, we are well-positioned to seize emerging opportunities, while creating lasting value for our customers and stakeholders.

Strengthening Our Evaluation Framework

Our credit process seamlessly merges field intelligence with centralised control, delivering swift, data-driven, and risk-optimised lending. By combining on-ground assessments with policy-driven oversight, we establish a seamless, secure, and efficient framework for responsive credit decisions.

STRENGTHENING THE UNDERWRITING PROCESS

Our underwriting process strikes the right balance between field-level assessments with oversight, ensuring both agility and control. While centralised monitoring enhances risk management and compliance, on-ground assessments offer profound local insights. This seamless integration enhances our decision-making, safeguards assets, thus driving progress.



Processing on Field

Collateral, Legal and Technical Evaluation

Ensuring loan feasibility through comprehensive property valuation and legal due diligence.

Logging geo-coordinates to enhance accuracy and prevent fraud.

External evaluations for high-value loans and new branches.

Credit Assessment and Approval

Enabling a seamless, paperless loan application with digital data collection.

Conduct simultaneous verifications by assessment, technical, and legal teams for efficiency.

Reinforcing risk mitigation through cash flow assessments, business and background verifications.

Operations Execution and Support

Establishing a process of operational verification to ensure compliance before loan disbursement.

Enabling E-sign, E-stamp, and E-NACH that facilitate secure and seamless execution.

Ensuring documentation accuracy and regulatory adherence before disbursement.





Central Support and Monitoring

Hindsight Review and RCU Monitoring

Enforcing real-time approval monitoring through a stringent maker-checker framework.

Ensuring strict policy and regulatory compliance with 100% case verification.

Risk Containment Unit (RCU) that proactively detects fraud and document inconsistencies.

Central Credit, Policy and Data Analytics

Managing high-value credit approvals centrally to maintain underwriting standards.

Enhancing decision-making with system-driven risk models and automated rule engines.

Conducting regular portfolio reviews and bureau checks for proactive risk assessment.

Central Operations and Regulatory Compliance

Automating compliance checks to flag discrepancies before disbursement.

Ensuring operational integrity through strict adherence to regulatory frameworks.

Strong governance and risk control with structured reporting and audit mechanisms.



52%
LTV[1]

48%
FOIR

98%
SORP

₹ 10 Lacs
ATS[2]

1 - On AUM 2 - On Disbursement

Investment Case

We offer a compelling investment opportunity, built on scalable growth, technology-led efficiency, and disciplined financial management. With a customer-first approach and a strong governance framework, our Company is primed to navigate India's evolving housing market and generate lasting value.



Expanding Potential

With 15 years of experience putting customers' interests at the forefront, we have developed a deep understanding of India's low-and middle-income housing sector. Our ability to decode customer behaviour and micro-market trends shapes our underwriting process, ensuring precise credit evaluation and responsible expansion.

- Employees as brand ambassadors building trust with customer
- Local insights to strengthen credit evaluation.
- Customising lending approaches for informal income segments.

Proven Proficiency

Our leadership comprises industry veterans and senior executives with diverse expertise spanning credit evaluation, risk management, recovery, treasury, finance, technology, and marketing. Simultaneously, we retain top talent through comprehensive Employee Stock Options Plans (ESOPs), aligning team interests with long-term organisational success. In brief, we make sure:

- Diverse expertise in leadership.
- Comprehensive financial services experience.
- Employee retention through ESOP programmes.

Driving Performance

Technology and data-driven insights power our operations, ensuring efficiency, accuracy, and seamless execution. System-driven automation, predictive analytics, and integrated digital platforms optimise workflows, minimise manual dependencies, and strengthen risk management. By adopting advanced solutions, we accelerate processes, fortify security, and improve customer experience. Additionally, we are:

- Strengthening decision-making and risk assessment.
- Reducing manual intervention and improving efficiency.
- Ensuring data protection and regulatory adherence.

Upholding Principles

At the core of our organisation lies a commitment to governance, which acts as the pillar of transparency, accountability, and ethical business practices. Our holistic governance framework guides our decision-making and risk management. It also ensures protection of stakeholders' interests, fostering trust and stability. In summary, we ensure:

- Strong governance framework.
- Focus on stakeholder protection.
- Commitment to sustainable growth.

Expanding Presence

Our expansive and strategically positioned distribution network spans multiple states. With 15 years of experience and an established branch presence, we have built a strong market foothold. A deliberate focus on Tier II and Tier III cities has led to 91% of our portfolio being concentrated in these high-potential, rapidly growing markets.

Our innovative 'phygital' approach, combining physical presence with digital capabilities, helps optimise acquisition costs, while enhancing sales productivity and strengthening customer relationships.

To summarise, our key priorities include:

- Comprehensive market coverage in key states.
- Strategic focus on Tier II and III cities.
- Phygital strategy that reduces costs, while boosting efficiency.

Strong Partnerships

We maintain a strong financial health through a strategic mix of diversified borrowing strategies and disciplined Asset-Liability Management. Our AA-Stable rating from all 3 rating agencies embodies our financial strength. Furthermore, we have reduced our average borrowing costs from 8.8% in March 2024 to 8.7% in March 2025. In essence, our key achievements and strategic priorities include:

- Improve credit ratings
- Reducing borrowing costs.
- Focus on diversified funding sources.

Ensuring Protection

We recognise that a proactive and adaptive risk management framework is foundational to long-term organisational stability. In this regard, we transcend traditional risk management approaches by embedding advanced fraud detection technologies, cybersecurity measures, and a commitment to stringent regulatory compliance. This multi-layered approach help us mitigate immediate risks, strengthens our business integrity and cultivates customer trust. Moreover, we ensure:

- Complete in-house operational control.
- Local hiring strategy for stronger market presence.

Safeguarding Growth through Strategic Foresight

Risk management guides our strategic decisions, safeguarding financial endurance, operational efficiency, and long-term sustainability. A proactive, data-driven approach enables us to identify, assess, and mitigate risks in real time. Advanced technologies, including AI-driven analytics, machine learning models, and automated monitoring systems, further enhance our risk-mitigation capabilities.

Our risk framework is built on the Three Lines of Defence, ensuring rigorous oversight at every level. Each line plays a distinct role:

FIRST LINE

Business Teams

Identifying risks, implementing controls, and ensuring compliance through system-driven credit decisioning and SOP-integrated workflows.

SECOND LINE

Risk and Compliance

Monitoring risks, enforcing policies, and utilising system-powered fraud detection and regulatory compliance tracking.

THIRD LINE

Audit and Governance

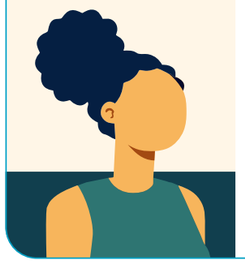
Overseeing risk management through internal audits, conducting cybersecurity assessments, performing stress testing, and automating regulatory reporting.



RISK		MITIGATION STRATEGIES
Credit Risk	The risk of asset value loss due to borrowers' inability to repay loans.	Comprehensive credit risk framework, borrower evaluation (credit history, demographics, income), rigorous credit sanction process, and continuous post-disbursement monitoring.
Operational Risk	Risk arising from failed internal processes, people, systems, or external events.	Robust internal control systems, clear demarcation of duties, access, authorisation, reconciliation procedures, regular monitoring, staff education, internal audits, risk containment units, and digitisation to reduce manual errors.
Market Risk	Risk due to market fluctuations affecting liabilities and asset values.	Regular assessment of maturity profile, and stress testing to ensure sufficient mitigation.
Interest Rate Risk	Risk of financial loss due to changes in interest rates.	Interest rate sensitivity gap evaluation, portfolio tests, mix of fixed and floating rate instruments, diversified funding sources, and close monitoring of interest rate trends.
Forex Risk	Risk of loss due to foreign currency exposure and international interest rate fluctuations.	External Commercial Borrowing (ECB) line of USD 30 Mn is fully hedged via cross-currency swaps.
Liquidity Risk	Risk of shortfall in cash assets to meet urgent cash needs.	Sufficient cash reserves, Asset-Liability Policy to ensure adequate cash flow and unused credit facilities.
Reputation Risk	Risk of indirect losses due to negative public perception.	Corporate governance and compliance framework integrated into business operations.
Technology Risk	Risk of system breakdowns leading to losses.	Governance framework, including IT risk management practices.
Regulatory Risk	Risk of economic or reputational loss due to non-compliance with legal requirements.	Strict adherence to rules and regulations to prevent violations.
Information Security Risk	Risk of unauthorised access, data breaches, or compromise of confidentiality, integrity, or availability of information assets.	Implementation of an enterprise-wide Information Security Management System (ISMS) aligned with ISO 27001, regular vulnerability assessments, role-based access controls (RBAC), multi-factor authentication (MFA), robust data classification and encryption protocols, and a secure software development lifecycle (SDLC).
Cybersecurity Risk	Risk of financial and reputational losses due to cyberattacks, malware, ransomware, or exploitation of system vulnerabilities.	Deployment of a dedicated Security Operations Center (SOC), real-time threat intelligence and monitoring, cyber incident response plan, periodic Vulnerability assessment, penetration testing, multi-factor authentication (MFA), endpoint detection and response (EDR) tools, and Board-level oversight of cyber risks.

Driving Meaningful Engagement

We cultivate meaningful stakeholder engagement, weaving their insights into our decisions to foster trust, fortify relationships, and fuel lasting growth. Their feedback shapes our strategies, ensuring we anticipate evolving needs, while creating enduring value.

Stakeholder Group	Engagement Mode	Expectations	Company's Response
Customers 	• Loan Officers, Customer Service Executive, Credit Officers, Technical & Legal Team, and Branch Manager • Digital Channels - Social Media, SMS, Email, and Mobile App • Centralised Customer Support Desk	• Expert and Approachable Staff • Availability of Relevant Products and Services • Quick Resolution of Problems • Seamless and Convenient Processes • Commitment to Fairness and Transparency • Availability of Credit • Right Sizing of Loans	• Active Live Accounts: 109,277 • Dedicated Customer Service Team Enhancing Experience • Ongoing Employee Training and Development
Investors/ Shareholders 	• Annual General Meeting • Annual Report • Investor Presentations • Investor/Analyst Meets / Day • Media Releases • Conference/Video Calls • Investor Conferences and Roadshows	• Timely Communication of Material Information • Commitment to Shareholder Value Creation • Strong Governance and Ethical Practices • Clear and Consistent Strategy • Transparent Disclosure of Non-Financial Metrics • Adherence to Compliance and Transparency Standards	• Increased Investor Engagement • Clear Communication of Business Strategy through Quarterly & Annual Results and Conferences
Employees 	• Internal Publications and Circulars • Performance Updates • Feedback and Surveys • Learning and Development Initiatives • Remuneration	• Growth-Focussed Career Opportunities • Effective Grievance Resolution • Continuous Skill Development through Training • Support for Work-Life Balance	• Employee-Centricity Reflected through Various Initiatives • Invested ₹ 0.35 Crs in Employee Learning and Development Initiatives in 2024-25 • Conducted 4 Culture Workshops • 19,880 work-hours of Classroom Learning Programmes • 7,339 work-hours of E-Learning Programmes • Annual Award Programmes • Large ESOP Scheme
Communities/ CSR 	• Through Our Partner NGOs • CSR Projects • Supporting Government Initiatives	• Community Development • Addressing Various Social Issues • Promoting Financial Literacy	• Empowering EWS and LIG Communities • Education Initiative - Akshay Patra Foundation • Healthcare Initiative - Bansi Vidya Memorial Trust and Impact Guru Foundation • Empowerment Initiative - Paralympic Committee of India • Tree Plantation Drive • Apprenticeship Programme
Government Regulators 	• Periodic Meetings with Regulatory Bodies • Representation through Various Trade Bodies and Forums • Other Forms of Communication Like Emails and Letters, Among Others	• Timely Reporting, Statutory and Legal Compliance • Fair Treatment of Customers • Effective and Efficient Management of Regulatory Changes • Financial Inclusion	• Dedicated Team for Regulatory Communication and Timely Responses • Proactively Promoting Financial Inclusion Awareness

Maximising Outcomes with Efficiency

Capitals Engaged

Financial

Inputs

- Strong Equity Capital
- Robust Asset Base
- Prudent Borrowing Portfolio
- Diversified Lender Base

Manufactured

- Widespread Presence across States
- Corporate Office
- Branch Network Expansion across Tier II and Tier III Cities

Intellectual

- Advanced Data Analytics
- Business Rule Engines
- Seamless E-NACH and E-sign Integration
- Cybersecurity Framework
- Hybrid Underwriting Model
- Highly Scalable Technology Infrastructure
- User-Friendly Mobile Applications

Human

- Recruitment of Skilled Professionals in Housing Finance
- Employee Training and Leadership Development Programmes
- Diversity and Inclusion Initiatives
- Workplace Safety and Well-Being Measures

Social and Relationship

- Ensuring regulatory compliance
- Building customer trust
- Strengthening investor confidence
- Demonstrating lender reliability
- Maintaining Rating Transparency
- Driving CSR Initiatives
- Fostering Partner Collaboration

Natural

- Integration of ESG Considerations in Lending Practices
- Promotion of Energy-Efficient Housing Projects
- Reduction in Paper Usage through Digital Lending Solutions





Output

- ₹ 8,189 Crs AUM
- ₹ 378 Crs Profit after Tax
- ₹ 35 EPS*
- ₹ 251 BVPS
- 5.6% ROA
- 15.1% ROE

- 266 Branch Presence
- 15 State/UTs Presence
- 91% Presence in Tier II & Tier III Cities

- 95% Digital Collections
- No. of Apps: 5
- 80% Customers Registered on the App
- 70% Service Requests Raised on the App
- 40% Account Aggregator Penetration

- 19,880 work-hours of Classroom Learning Programmes
- 7,339 work-hours of E-Learning Programmes
- 19% of Women Employees at Head Office
- 29% Women's Representation on the Board
- 25% of Employee Base Covered Under ESOP Programme#

- 72% of EWS + LIG
- 31,377 CSR Beneficiaries
- AA- Stable (CARE, ICRA, India Ratings)

- 25,000 Trees Planted
- 99% E-Sign
- 100% E-Nach Mandates
- 70% E-Stamping

SDGs Impacted

*Basic EPS

#Excluding Frontline Staff

Ensuring a Proactive Approach to Stability and Expansion

Growth is more than laying a long-lasting foundation. Real progress lies in deepening our impact, making thoughtful financial choices, harnessing technology for transformation, and fostering lasting connections with those we serve. By broadening our reach, optimising resources, and strengthening trust, we create a future that is both strong and dynamic.



GUIDING PRINCIPLES - GOLD

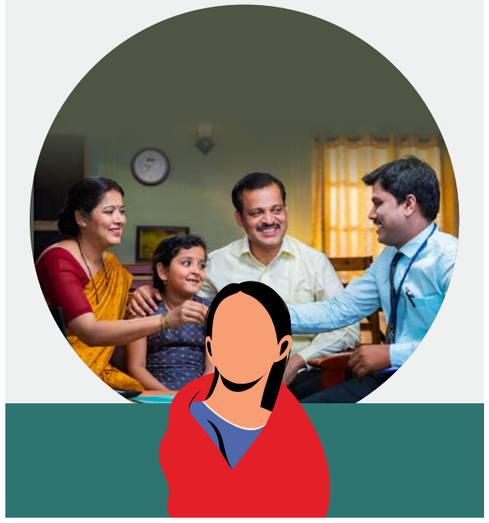
G
PILLAR 1
GROW AND DIVERSIFY DISTRIBUTION NETWORK

PAGE 36 ONWARDS



O
PILLAR 2
OPTIMISE BRAND EQUITY AND FOSTER SUSTAINABILITY

PAGE 38 ONWARDS



L
PILLAR 3
LEVERAGE TECHNOLOGY FOR SCALABILITY AND PRODUCTIVITY

PAGE 42 ONWARDS



D
PILLAR 4
DIVERSIFY BORROWINGS AND OPTIMISE BORROWING COST

PAGE 46 ONWARDS



Pillar 1

Grow and Diversify Distribution Network

As we expand our reach, maintaining efficiency without compromising quality remains vital. We focus on scalability, productivity, and digital integration to enhance workforce management. By optimising branch operations, using technology, and allocating resources strategically, we ensure both efficiency and sustainable expansion.

Our Process

1 Assessing Workforce Requirements

- Monitor branch loan portfolio and customer service needs.
- Use real-time dashboards (Power BI, Salesforce) to track employee productivity.
- Set benchmarks for workload efficiency before expanding the workforce.

2 Strategic Workforce Allocation

- Expand teams when AUM exceeds a certain size per branch.
- Deploy dedicated collection resource in high-delinquency areas.
- Maintain balanced workforce distribution in high-growth regions.

3 Alternative Growth Strategies

- Establish new branches in high-demand areas to prevent overburdening existing ones.
- Implement shared service models to optimise costs.
- Automate processes to reduce manual processes.

4 Workforce Training and Productivity Enhancement

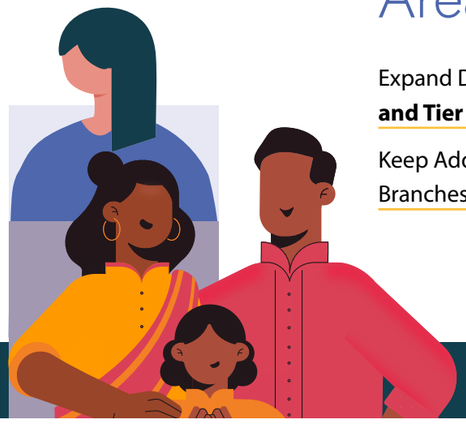
- Conduct regular training to improve operational efficiency.
- Use digital tools for faster loan approvals and servicing.
- Set individual productivity benchmarks before expanding teams.

5 Real-Time Monitoring and Adjustments

- Track staffing efficiency through automated MIS and dashboards.
- Make data-driven workforce decisions based on business needs.
- Implement feedback mechanisms to improve resource allocation.

Our Strategy

- Data-Driven Workforce Planning
- Productivity-Based Expansion
- Digital Optimisation
- Balanced Growth Approach
- Training and Skill Development



Focus Area

Expand Deeper into **Tier II and Tier III** Geographies

Keep Adding **40-45** Branches Annually

Outcome

Branch Vintage	No. of Branches 2024-25	AUM (₹ Crs) 2024-25	AUM/Branch 2024-25	AUM/Branch 2020-21
Up to 1 year	43	352	8	1
1 to 3 years	95	2,075	22	14
More than 3 years	128	5,762	45	30
Total	**266**	**8,189**	**31**	**19**

Pillar 2

Optimise Brand Equity and Foster Sustainability

We understand that serving the low- and middle-income segments requires a profound understanding of their unique aspirations and how to address them. Our personalised financial solutions, transparent processes, and responsive service reaffirm our commitment to their progress. This comprehensive approach nurtures long-term relationships and fuels our growth in the affordable housing finance sector.



Employees as Brand Ambassadors, Guiding Customers throughout their Journey

Our employees personify our brand, playing a pivotal role in building trust and delivering exceptional customer experiences. Their expertise and dedication ensure seamless service, personalised guidance, and absolute transparency at every stage. With a strong grasp of our values and customer needs, they enrich relationships, strengthen brand credibility, and drive long-term engagement. By equipping our teams with the right skills and knowledge, we cultivate a customer-first culture that reflects our commitment to excellence.

Digital Transformation at India Shelter: Customer-Centric Evolution

Borderless Organisational Paradigm

Digital integration has created a more connected and collaborative organisation, eliminating traditional operational barriers.

Comprehensive Omni-Channel Strategy

Advanced digital platforms have enabled seamless customer interactions across multiple touchpoints, fostering a unified and responsive engagement ecosystem.

Sharper Predictive Demand Intelligence

Digitalisation has revolutionised demand forecasting by offering detailed insights into customer preferences and regional trends. This allows for better market anticipation and strategic planning.



Case Study: Swift Loan Approval for a Self-Employed Customer in Krishnagiri

Background: A Dream Stuck in Paperwork

A self-employed customer in Krishnagiri dreamed of expanding his home but needed ₹12 Lacs to make it a reality. Without a fixed salary, traditional lenders often required more detailed documentation, which extended the approval process.

Challenge: Rethinking Loan Approvals for the Self-Employed

Securing quick loan approval without standard salary slips or structured financial records posed a challenge. The goal was to assess his financial stability using cash-flows while ensuring minimal hassle.



Our Approach: A Smarter Way to Evaluate Credit

Income Assessment

Instead of salary slips, we analysed GST returns, six months' bank statements, and business cash flow to gauge his earning capacity.

Technology-Driven Credit Evaluation

System-powered risk assessment tools helped us study his transaction history and repayment behaviour, providing a clear picture of his creditworthiness.

Efficient Processing

By cutting down paperwork and streamlining verification, we ensured a hassle-free experience.



Outcome: A Home Expansion Made Possible

The loan was approved within 48 hours of his application and disbursement followed soon after. With timely financial support, he could move forward with his home expansion.

Marketing Initiatives

Our marketing strategy blends technology, personal engagement, and data analytics to create a seamless customer experience. Our 'phygital' approach further strengthens this approach by combining an experienced sales force with targeted social media outreach and customer insights.

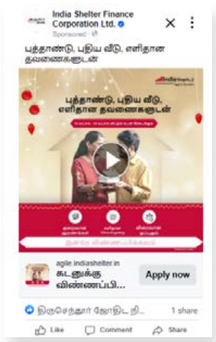
Our Strategy

A structured, multi-tiered marketing approach helps us maximise reach, engagement, and brand awareness. This structured approach ensures seamless coordination across various channels, helping us connect with potential customers efficiently.

- Strategic Marketing
- Product Marketing
- Digital Marketing
- Public Relations and Advertising







Digital Initiatives

- Implementing QR codes for seamless access to services.
- Running social media campaigns across multiple platforms, including:
  - Instagram
  - Facebook
  - YouTube







Offline Marketing Initiatives

Pushkar Fair, Rajasthan

Our presence at the Pushkar Fair was a vibrant celebration of energy and culture. The team engaged with visitors, distributing thousands of leaflets to ensure our message reached all corners of the fair.







'4 Dino Mein Home Loan' Campaign

The campaign is an innovative initiative aimed at simplifying the home loan process and making it faster and more accessible to potential borrowers. With the promise of loan approval in just four days, the campaign aims to simplify the home loan process and provide timely financial support to those seeking homeownership.

- Maha-Kumbh Leaflet Activation, Uttar Pradesh
- E-Rickshaw Activations, Madhya Pradesh
- Maha-Kumbh Wall Paint & Wrap Activations, Uttar Pradesh









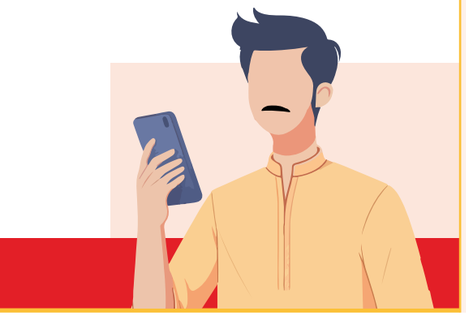




Pillar 3

Leverage Technology for Scalability and Productivity

Technology underpins every operation at India Shelter, equipping us to understand customers better at every touchpoint. We use advanced tools to speed up turnaround times, meet evolving needs, and introduce value-added offerings, helping us increase customer retention.



Strategic Technology Investments

Future-Ready Architecture

Our adaptable systems support seamless upgrades and continuous modernisation, keeping us technologically relevant. Additionally, this flexible digital infrastructure allows swift responses to market shifts and evolving customer needs.

Cloud-First Strategy

SaaS solutions and modular architecture help us enhance scalability and efficiency. Simultaneously, migrating critical assets to the cloud ensures secure, universal access, simplifying collaboration and enhancing operational strength.

Operational Excellence through Automation

Automation drives efficiency, equipping field teams with smart mobile solutions and streamlining operations through enterprise systems. Advanced data services improve credit decisions, while round-the-clock technology availability ensures uninterrupted service delivery.

Strengthening Security and Compliance

As digital adoption accelerates, maintaining stringent security and regulatory compliance remains essential. To achieve this, we protect sensitive data and ensure compliance through advanced cybersecurity, system-driven fraud detection, and automated compliance tracking. End-to-end encryption, multi-factor authentication, and real-time monitoring and countering cyber threats, while AI-powered AML/KYC screening facilitates fraud prevention. Automation further simplifies regulatory filings and audits, ensuring smooth adherence to industry standards.

Key Advantages of Our Technology-Driven Approach

Embracing digital transformation and automation, we create a seamless, efficient, and resilient financial ecosystem. Moreover, by integrating AI, automation, and real-time analytics, we can refine operations, streamline workflows, and improve customer interactions.

Ease of Doing Business

- Enabling digital-first operations with 5 mobile apps.
- Streamlining loan processing through a salesforce CRM-based Loan Origination System (LOS).

Enhanced Employee Productivity

- Analysing banking data in real-time with an Account Aggregator-based system.
- Eliminating paperwork delays through E-sign and E-stamp.
- Reducing manual intervention with Robotic Process Automation (RPA).
- Ensuring instant fund transfers via 24x7 bank disbursement integration.

Enhanced Risk Management

- Driving real-time decision-making with a Business Rule Engine (BRE).
- Enhancing risk assessment through a system-powered credit scorecard.
- Utilising geospatial intelligence in radial analysis for better lending decisions.
- Verifying biometric identity with FaceLiveliness and FaceMatch.

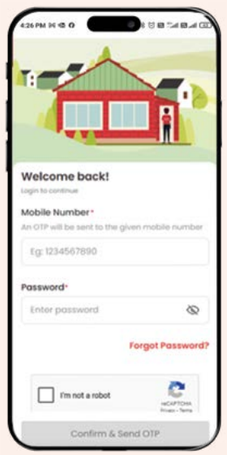
Enriching Customer Experience

- Facilitating quick, hassle-free transactions through digital payments.
- Providing instant support via an AI-powered chatbot.
- Ensuring accessibility for diverse customers with multilingual mobile apps and a website.

Our Application Stack

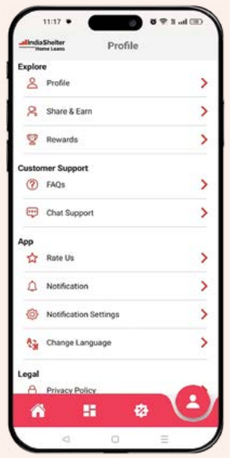
Our in-house mobile app simplifies loan processing and enriches customer service. It also ensures smooth onboarding, real-time updates, and swift query resolution, refining the lending experience.

iTrust



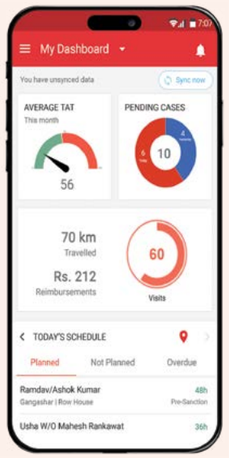
Customer Acquistion

iCredit



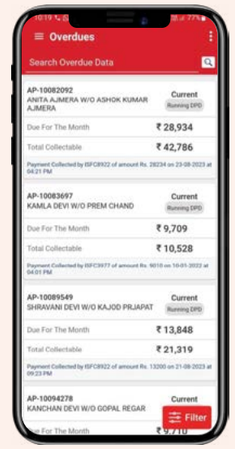
Credit Underwriting

iTech



Collateral Evaluation

iCollect



Collections Managemnt

iServe



Customer Service



100%
E-Nach Mandates

99%
E-Signing

40%
Account Aggregator Penetration

80%
Customers Registered on iServe Mobile App

70%
Service Requests Raised via Customer App

95%
Digital Collections

Pillar 4

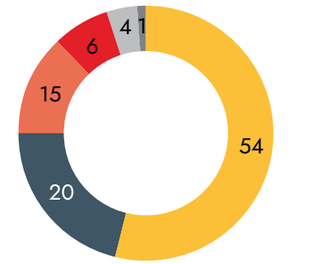
Diversify Borrowings and Optimise Borrowing Cost

Our sustained growth rests on a well-structured liability framework, disciplined cost management, and strategic funding diversification. A balanced funding mix, a strong credit profile, and proactive interest rate management have helped us lower borrowing costs, while ensuring ample liquidity for expansion.

Diversified Liability Mix

To support our growing loan book, we have built a diversified liability structure that balances cost-effectiveness and stability. Our funding sources span term loans, direct assignments, refinance from NHB, and ECB borrowings, reducing reliance on any single channel. PSU banks contribute a larger share, offering extensive credit lines that align with our long-term growth plans. This approach ensures we maintain financial flexibility, while lowering the overall funding costs. Our Company also has tie-ups for co-lending with a few banks. Co-lending constitutes about 4% of the total AUM of our Company.

Funding Mix (%) March 2025



7 Years
Average Tenure of Borrowings

DA – Direct Assignment
NHB – National Housing Bank
ECB – External Commercial Borrowing
PTC – Pass Through Certificates
NCD – Non-Convertible Debentures

Improved Credit Rating Over the Years

Our firm financial discipline and consistent growth has earned us multiple credit rating upgrades, strengthening our standing in the financial ecosystem. These upgrades open doors to cost-effective funding and deepen investor trust in our long-term stability. As we scale new heights, maintaining a strong credit profile remains a key to driving growth, while safeguarding financial sturdiness.

Consistent Rating Upgrades

2024	AA- (Stable)
2023	A+ (Positive)
2022	A+ (Stable)
2019	A (Stable)
2018	A- (Positive)
2016	A- (Stable)
2015	BBB+ (Stable)
2013	BBB- (Stable)
2012	BB+ (Stable)







Contributing to Sustainability through Responsible Practices

At our Company, sustainability drives every aspect of our operations. We prioritise energy efficiency, waste reduction, and digital lending to minimise paper use. By integrating responsible resource management, we enhance operational efficiency, while contributing to a greener, more eco-conscious future.



ESG Vision

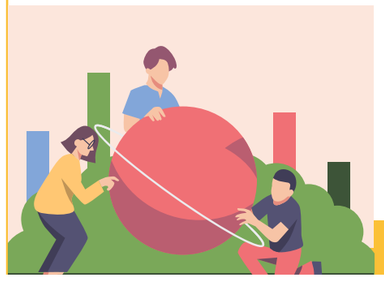
At India Shelter, we are committed to fostering sustainable growth and creating lasting value for our stakeholders through responsible environmental, social and governance (ESG) practices. Our vision is to be a leader in promoting inclusive homeownership while minimising our environmental footprint, enhancing social well-being, and upholding the highest standards of governance. We strive to provide accessible, affordable, and sustainable home financing solutions that empower communities, support economic development, and contribute to a more resilient and equitable society.



ESG Mission

At India Shelter, our mission is to integrate Environmental, Social and Governance (ESG) principles into every facet of our operations, ensuring that our home financing solutions not only support economic growth but also contribute positively towards the environment and society.

- Uphold a commitment to diversity and inclusion, providing equal opportunities for all employees and prohibiting discrimination in any form.
- Foster inclusive growth and improve the well-being of communities by promoting affordable, accessible, and transparent home financing solutions.
- Deliver exceptional customer service and maintain transparency in our home loan services.
- Operate with integrity, adhering to strict corporate governance standards and well-defined policies and procedures.
- Prioritise risk management, implementing cautious and informed strategies to protect our financial stability.
- Foster open and honest relationships with all stakeholders, addressing their concerns in a timely and transparent manner.
- Commit to minimising our environmental impact by promoting sustainable building practices and through our lending policies.



Key Sustainability Initiatives

Digitising Operations for Sustainability

We have adopted a paperless loan origination and servicing process to reduce our environmental footprint, enhance operational efficiency, and promote digital inclusion across our customer base.

Promoting Sustainable Consumption

As part of our commitment to minimising plastic use, we have transitioned to glass bottles across our offices, encouraging environmentally responsible consumption habits among employees and visitors.

Collaborating for Green Housing

A green home, as defined by IFC's EDGE (Excellence in Design for Greater Efficiencies) programme, is one that consumes at least 20% less water, electricity, and energy from building materials compared to a conventional home. In line with our vision to promote climate-resilient housing, we are actively working with EDGE to embed these benchmarks into our housing finance projects by supporting the adoption of energy-efficient design and construction practices.

Tree Plantation Initiative by India Shelter

We have undertaken tree plantation drive that contribute to reforestation, enhance biodiversity, and create natural habitats for wildlife.

25,000 Trees were planted across Haryana in 2024–25, supporting reforestation and biodiversity.

Governance and Investor Engagement

At our maiden Investor and Analyst Meet in February 2025, we reaffirmed our commitment to long-term value creation and environmental stewardship. Embracing sustainability, we introduced a special green initiative, planting a tree for every attending investor. We also presented certificates, acknowledging their role in this collective effort towards reducing carbon impact and preserving nature. Through this initiative, we strive to strengthen our connection with stakeholders, while reinforcing our shared responsibility for a greener, more sustainable future.

Promoting Clean Energy through Solar Installation

Reinforcing our commitment to environmental responsibility and renewable energy adoption, we have launched a new product offering solar panel installations at our customers' homes. This initiative empowers homeowners to cut down their carbon footprint, reduce electricity costs, and contribute to a greener future. By promoting clean energy solutions, we align with our ESG vision, fostering environmental progress, while improving energy efficiency across communities.

Our Social Impact

Our approach focusses on building stronger communities by expanding access to affordable housing, fostering financial inclusion, and supporting livelihood development. These efforts complement our long-term business goals and deepen stakeholder trust.

Product Design: Economic and Social Impact

Our lending framework is designed to promote inclusive access to housing finance through products and policies that address the needs of underserved customer segments. The approach facilitates first-time home ownership, supports financial inclusion of new-to-credit and informal sector borrowers, and encourages property ownership among women, particularly in Tier II and III cities.

Social Impact Strategy and Policies

For Attracting Women Borrowers

Designing financial products that support and encourages women's participation in property ownership.

99%

Women Applicant

Focussing Inclusion of Non-Traditional/First-Time Borrowers

Focusing on creating accessible lending solutions for non-traditional and first-time borrowers to promote financial inclusion.

71%

First-Time Mortgage Borrowers

Enhancing Human Capital for Organisational Success

Our Company believes in the value of human capital and implements policies that create long-term social and economic benefits for employees and their families. We follow a three-pronged strategy: Get, Keep, and Grow. This ensures we attract, retain, and nurture top talent effectively.



Key Highlights

- Great Place to Work Certification
- Multiple Policies to Create a Safe and Conducive Work Environment
- 326 Employees are Covered under ESOP Programme – Comprising 25% of Employee Base, excluding Frontline Staff
- Employment Generated in Tier II, III & IV Cities

Talent Acquisition Strategy

Our employee referral programme has achieved an extraordinary success by tapping into internal networks. Through this, our employees have become talent ambassadors, identifying high-calibre candidates who align with our culture and performance expectations.







Driving Employment through Apprenticeship Programmes

Our Apprenticeship Programme is designed to equip young individuals with practical, job-ready skills while supporting their economic needs. By integrating learning with real-time work experience across multiple locations and functions, we aim to build a strong talent pipeline for the future. Some of the key highlights of this programme include:

- 520 apprentices were trained during the year.
- Deployed across multiple functions across branches & head office for hands-on exposure.
- Field managers mentor apprentices through structured on-the-job training.





Pragati: Career Progression Blueprint

Pragati is our advanced internal mobility architecture that systematically identifies high-potential talent. It conducts detailed skill-gap analyses, delivers targeted development programmes, maps personalised career paths, and enables performance-driven internal promotions.





Employee Development and Well-Being

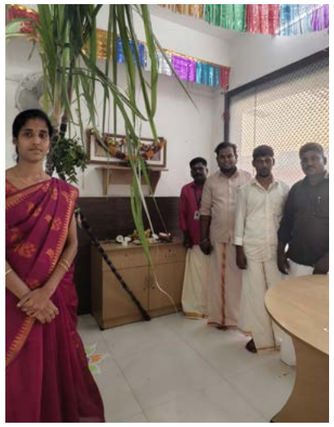
Our Company prioritises employee development and well-being, ensuring a healthy and balanced work environment. These initiatives are designed to ensure financial stability, work-life balance, and long-term well-being for employees and their families.

- India Shelter Child Scholarship Programme.
- Promoting an inclusive environment for physically challenged individuals.
- Annual scholarships for top-performing children of employees.
- Employment opportunity to a family member in case of employee's demise.
- Financial aid for employees aiming to resume higher education.
- Mandatory health check-ups.
- Awareness sessions on insurance products.
- Celebrations include Founder's Day, birthdays, festivals like Diwali, Independence Day, and Mother's Day to foster team spirit and belongin.









Employee Reward and Recognition

We cultivate a work environment that inspires employees to give their best every day. Recognising and celebrating achievements is integral to our culture, creating an environment that promotes healthy competition and rewards outstanding achievements. To achieve this, our comprehensive Reward and Recognition programme honours outstanding contributions through awards such as:

- Long Service Award
- ICON Award
- Performance Award
- ISFC Got Talent Award
- On-the-Spot Award





Transforming lives: for the Community

We take a strategic approach to community development, integrating meaningful interventions beyond traditional philanthropy. Guided by a robust CSR framework, we channel our efforts into empowering communities. Therefore, our initiatives prioritise healthcare, education, and social welfare.



Support for Young Leukaemia Fighters

In collaboration with The Bansi Vidya Memorial Trust, we are dedicated to providing support to young girls battling leukemia. Our focus is on creating awareness and offering financial assistance to ensure these children receive the treatment they need for a healthier future.

170
No of beneficiaries



Medical Services for Underserved Communities

In collaboration with Impact Guru Foundation, we are making healthcare more accessible to underprivileged communities by providing essential services through mobile healthcare units. We have delivered healthcare services to in Nagpur, Kota, Indore, and Delhi-NCR.

30,000+
No of beneficiaries

Services provided include diagnostic tests, checkups, cataract surgeries, and prenatal care.



Mid-Day Meals for Underprivileged Children

In collaboration with Akshay Patra Foundation this initiative focusses on addressing classroom hunger by ensuring that underprivileged children receive nutritious mid-day meals, supporting their health and education.

675
No of beneficiaries

Food distribution vehicle and vessels procured for Bhilwara (Rajasthan) to enhance service delivery.



Architecting Institutional Integrity

Our governance framework exceeds traditional compliance, embracing a holistic philosophy of ethical leadership and strategic oversight. Through well-defined governance mechanisms, our Company fosters a dynamic ecosystem where transparency, accountability, and principled decision-making fuel organisational excellence.



Strong Governance Structure

Robust Corporate Governance Framework for Effective Risk Management

Board of Directors

- Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Stakeholders' Relationship Committee
- CSR & ESG Committee
- IT Strategy Committee
- Wilful Defaulter Review Committee

Board-Level Committees - 7

Management Team

- Asset-Liability Management Committee
- Customer Grievance Redressal
- IT Steering
- Whistleblower
- POSH
- Information Security
- Internal Risk Management
- Wilful Defaulter Identification
- Special Committee for Fraud Monitoring

Management-Level Committees - 9

Key Policies

SEBI Policies:
- Prohibition of Insider Trading Regulations
- Related Party Transactions

Information Technology Policies:
- IT Governance Policy
- Cyber Security Policy
- Privacy Policy

HR Policies:
- Code of Conduct
- Human Rights Policy
- Equal Opportunities and Non-Discrimination Policy
- POSH
- Whistle Blower Policy

Governance Policies:
- Corporate Governance Policy
- CSR and ESG Policy
- Risk Management Policy
- Fraud Risk Management Policy

RBI and NHB Policies:
- Fair Practice Code
- Customer Grievance Redressal Policy
- Know Your Customer and Anti Money Laundering Policy

Key Differentiators

- Ensuring objective governance through independently led Board Committees.
- Setting up a leadership team with decades of sectoral expertise.
- Driving risk management under the guidance of the Board and its subcommittees.





Steering Progress with Expertise



Mr. Sudhin Bhagwandas Choksey

Chairman and Non-Executive Nominee Director

Age – 71 Years

AREA OF EXPERTISE

Industry Experience, Strategy & Planning, Financial Expertise, Leadership Experience, Governance, Compliance & Risk Management

BOARD: INDIAN COMPANIES

- Asahi Songwon Colors Limited
- CSB Bank Limited
- Fairchem Organics Limited
- Gujarat Ambuja Exports Limited
- The Sandesh Limited
- Anchorage Infrastructure Investments Holdings Limited
- ArMee Infotech Limited
- Kuhoo Finance Private Limited
- Kuhoo Tech Innovations Private Limited
- Kuhoo Technology Services Private Limited



Mr. Rupinder Singh

Managing Director & Chief Executive Officer

Age – 48 Years

AREA OF EXPERTISE

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

BOARD: INDIAN COMPANIES

NA



Mr. Sumir Chadha

Non-Executive Non-Independent Director

Age – 54 Years

AREA OF EXPERTISE

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

BOARD: INDIAN COMPANIES

- Aptus Value Housing Finance India Limited
- Star Health and Allied Insurance Company Limited
- Kiwi General Insurance Limited
- Kuhoo Tech Innovations Pvt Ltd
- Kuhoo Technology Services Private Limited
- Mountain Managers Private Limited
- Roppen Transportation Services Private Limited
- Koyna Consultancy Services LLP
- Safecrop Investments India LLP



Ms. Rachna Dikshit

Independent Director

Age – 65 Years

AREA OF EXPERTISE

Industry Experience, Strategy & Planning, Leadership Experience, Governance, Compliance & Risk Management

BOARD: INDIAN COMPANIES

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

Committees of the Board

- Risk Management Committee
- Audit Committee
- IT Strategy Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Wilful Defaulter (Review Committee)

Committees of the Board

- Risk Management Committee
- Audit Committee
- IT Strategy Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Wilful Defaulter (Review Committee)



Mr. Thomson Kadantot Thomas

Independent Director

Age – 54 Years

AREA OF EXPERTISE

Strategy & Planning, Leadership Experience, Technology Expertise, Governance, Compliance & Risk Management

BOARD: INDIAN COMPANIES

- Astron Foundation



Mr. Parveen Kumar Gupta

Independent Director

Age – 65 Years

AREA OF EXPERTISE

Industry Experience, Strategy & Planning, Financial Expertise, Leadership Experience, Governance, Compliance & Risk Management

BOARD: INDIAN COMPANIES

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



Ms. Savita Mahajan

Independent Director

Age – 66 Years

AREA OF EXPERTISE

Strategy & Planning, Leadership Experience, Governance, Compliance & Risk Management

BOARD: INDIAN COMPANIES

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

Committees of the Board

- Risk Management Committee
- Audit Committee
- IT Strategy Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Wilful Defaulter (Review Committee)

Our Board Highlights

60 Years – Average Age

94% – Board Attendance

4.02 Years – Average Tenure

96% – Board Committee Attendance

57% – Board Independence

4 – Independent Directors

4 – Board Meetings

2 – Women Directors



Committees of the Board

- Risk Management Committee
- Audit Committee
- IT Strategy Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Wilful Defaulter (Review Committee)

Our Leadership Team



MR. RUPINDER SINGH
MD & CEO



MR. ASHISH GUPTA
Chief Financial Officer



MR. SHARAD PAREEK
Chief Risk Officer



MR. NILAY
Chief Human Resource Officer



MR. AMAN SAINI
National Business Head



MR. NITIN GOEL
Head - Credit & Policy



MR. RAVINDER DHILLON
Head - Collections



MR. ROHIT GAUR
Head - Product & Strategy



MR. ABHINAV ARYA
Chief Information Officer



MS. MUKTI CHAPLOT
Company Secretary



MR. IQBAL SINGH
Head Internal Audit



MR. AAKASH JAIN
Chief Compliance Officer

Celebrating Our Exceptional Achievements



Recognised Globally at LACP Top 100 Global Rank, Gold for Excellence in Financials, & Technical Achievement for Standout Communication



Best Customer Experience Solution of the Year



Excellency in Technology Implementation



JAN Griha Certification on Greem Home Initiatives



Top 50 India's Best Workplaces in BFSI 2024



Best Brand-Building Campaign



Rising Star - Housing Finance Company of the Year



Great Place to Work



Finnoviti Award



Runner-up in the Mid-Layer NBFC category for Best Risk and Cybersecurity Initiatives



Inclusive Finance India Award



Best CSR Project of the Year



Best Customer-Centric IT Implementation of the Year



Corporate Information

CHAIRMAN
Mr. Sudhin Bhagwandas Choksey

MANAGING DIRECTOR & CEO
Mr. Rupinder Singh

BOARD OF DIRECTORS
Mr. Sudhin Bhagwandas Choksey
Mr. Rupinder Singh
Mr. Sumir Chadha
Ms. Rachna Dikshit
Mr. Thomson Kadantot Thomas
Mr. Parveen Kumar Gupta
Ms. Savita Mahajan

MANAGEMENT TEAM
Mr. Ashish Gupta
Chief Financial Officer

Mr. Sharad Pareek
Chief Risk Officer

Mr. Nilay
Chief Human Resource Officer

Mr. Aman Saini
National Business Head

Mr. Nitin Goel
Head - Credit & Policy

Mr. Ravinder Dhillon
Head - Collections

Mr. Rohit Gaur
Head - Product & Strategy

Mr. Abhinav Arya
Chief Information Officer

Mr. Iqbal Singh
Head Internal Audit

Mr. Aakash Jain
Chief Compliance Officer

COMPANY SECRETARY
Ms. Mukti Chaplot

SECRETARIAL AUDITORS
Mr. Jitender Singh
Company Secretary
Plot No. 112, 2nd Floor,
Udhyog Vihar Phase-1,
Gurugram - 122 016, Haryana

STATUTORY AUDITORS
S.R. Batliboi & Associates LLP
67, Institutional Area, Sector 44
Gurugram - 122 002, Haryana

DEBENTURE TRUSTEE
Catalyst Trusteeship Limited
CIN: U74999PN1997PLC110262
GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road,
Pune - 411 038, Maharashtra

KEY BANKERS AND FINANCIAL INSTITUTIONS
Axis Bank Limited
Bajaj Finance Limited
Bandhan Bank Limited
Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
DBS Bank India Limited
DCB Bank Limited
Equitas Small Finance Bank
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Ltd
Indian Bank
IndusInd Bank Limited
Karur Vysya Bank Limited
Kotak Mahindra Bank Limited
Nabsamruddhi Finance Limited
National Housing Bank
Punjab & Sind Bank
RBL Bank Limited
South Indian Bank Limited
State Bank of India
Sundaram Finance Limited
Suryoday Small Finance Bank Limited
The Federal Bank Limited
UCO Bank
Ujjivan Small Finance Bank Limited
Union Bank of India
United States International Development Finance Corporation
Yes Bank Ltd

REGISTRAR AND SHARE TRANSFER AGENT
KFin Technologies Limited
Selenium, Tower B, Plot 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032, Telangana
Tel: +91 40 7961 5565
Website: www.kfintech.com

REGISTERED OFFICE
Plot No. 15, 6th Floor, Institutional Area,
Sector 44, Gurugram - 122 002, Haryana
CIN: L65922HR1998PLC042782
Email: secretarial@indiashelter.in / investorrelations@indiashelter.in
Website: https://indiashelter.in/



Director's Report

Dear Members,

Your Directors have pleasure in presenting the 27th Annual Report on the Business and Operations of the Company and the Audited Standalone and Consolidated Financial Statements for the Financial Year ended 31 March, 2025.

COMPANY OVERVIEW
India Shelter Finance Corporation Limited is registered with National Housing Bank, which is a technology-driven, retail-focussed provider of affordable housing finance solutions. The company offers home loans and loan against property designed for low and middle-income individuals who are building or buying their homes in Tier II and Tier III cities across India. Rooted in trust and innovation, the Company empowers countless individuals on their journey to homeownership.

The Company has been classified as a Middle Layer NBFC pursuant to Master Direction- Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

During the Financial Year 2024-25, the Company has been granted a Corporate Agent ("Composite") license for soliciting insurance by Insurance Regulatory and Development Authority of India ("IRDAI").

During the Financial Year 2024-25, the Company has been audited and found to be in compliance with the requirements of ISO/IEC 27001:2022. The company holds ISO 27001:2022 certification.

FINANCIAL RESULTS
During the Financial Year 2024-25, the company has demonstrated consistent growth and maintained profitability. The key highlights of the Audited Financial Statements of the Company for Financial Year 2024-25 and a comparison with the previous Financial Year 2023-24 is summarised below:

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Total Income	1,17,479.86	86,037.66	1,17,592.95	86,137.42
Less: Total Expenses	68,671.22	54,216.63	68,674.03	54,219.15
Profit/(Loss) before Tax	48,808.64	31,821.03	48,918.92	31,918.27
Less: Current tax	11,461.76	6,967.56	11,488.86	6,991.83
Deferred Tax	(357.80)	166.16	(357.28)	166.68
Profit after tax	37,704.68	24,687.31	37,787.34	24,759.76
Other comprehensive Income	115.47	(504.91)	115.47	(504.91)
Transfer of Statutory Reserve (u/s Section 29C of NHB Act, 1987)	7,540.94	4,937.46	7,540.94	4,937.46
Balance carried to Balance Sheet	22,570.45	15,029.51	22,570.45	15,029.51
Earnings per Share (Face Value of ₹ 5)				
Basic	35.10	26.24	35.18	26.32
Diluted	33.86	25.10	33.93	25.18

DIVIDEND DISTRIBUTION POLICY
Pursuant to the provision of regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, the company had formulated a Dividend Distribution Policy. The Dividend Distribution Policy is hosted on the website of the Company at https://www.indiashelter.in/investor-relations.

DIVIDEND
The Board of Directors ("Board") recommended that a portion of the surplus be distributed as a dividend to shareholders for Financial Year 2024-25. The Board has recommended final dividend of ₹ 5.00/- per equity share, which is equivalent to 100% of the face value of the equity shares, subject to the approval of the shareholders. The dividend payout ratio for Financial Year 2024-25 shall be 14.24%. The dividend declared is in accordance with the Dividend Distribution Policy adopted by the Company. The Company has not declared any interim dividend during the Financial Year 2024-25. In terms of the provisions of the Income Tax Act, 1961, dividend income is taxable in the hands of the members and therefore will be subject to deduction of applicable tax.

RESERVES
In terms of Section 29C of the National Housing Bank Act, 1987, every Housing Finance Company is required to transfer at least 20% of its net profit every year to Statutory Reserve account before

any dividend is declared. Accordingly, the Company has transferred an amount of ₹ 75.41 Crs (Previous Year ₹ 49.4 Crs) to 'Statutory Reserve' and it stands at ₹ 225.70 Crs as on 31 March, 2025.

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

No Material changes and commitments have occurred between the end of the Financial Year 2024-25 of the Company and the date of this report except as disclosed in this report that may affect the financial position of the Company.

CHANGE IN NATURE OF BUSINESS

During the Financial Year 2024-25, there was no change in the nature of business of the Company.

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

Holding Company

During the Financial Year 2024-25, no Company has acquired the status of holding Company of the Company.

Subsidiary Company

India Shelter Capital Finance Limited is the subsidiary company of the Company. During the Financial Year 2024-25, no other Company has acquired the status of subsidiary Company of the Company.

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

Associate or Joint Venture Companies

During the Financial Year 2024-25, the Company did not have any Joint Ventures/Associate Companies.

Alteration in Memorandum of Association and Articles of Association

During the Financial Year 2024-25, the company has altered its Articles of Association ("AOA") at its 26th Annual General Meeting held on 19 June, 2024 and deleted the reference of "the seal" from "definition and interpretation" and relevant "Clause 79".

During the Financial Year 2024-25, the Company has not altered its Memorandum of Association ("MOA").

CHANGE IN SHARE CAPITAL

Authorised Capital

The Authorised Share Capital of the Company as on 31 March, 2025 stood at ₹ 81,00,00,000/- comprising of 16,20,00,000 Equity share of ₹5/- each.

Issued, Subscribed and Paid up Capital

The Paid-up capital of the company as on the 31 March, 2025 stood at ₹ 53,94,76,435/- comprising of 10,78,95,287 equity shares of ₹ 5/- each.

During the Financial Year ended 31 March, 2025, following options were exercised under the ESOP Scheme 2017, 2021 and 2023 of the Company:

Allotment Date	ESOP 2017	ESOP 2021	ESOP 2023	Total
20 June, 2024	1,31,000	34,658	-	1,65,658
08 August, 2024	2,000	8,800	27,615	38,415
20 September, 2024	4,000	36,800	1,06,800	1,47,600
11 November, 2024	-	1,10,788	58,902	1,69,690
30 December, 2024		98,690	50,400	1,49,090
15 January, 2025		2,200	5,250	7,450
07 February, 2025		1,12,330	34,130	1,46,460
10 March, 2025		7,350	12,438	19,788

EMPLOYEE STOCK OPTION SCHEMES

ESOP 2017

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

ESOP 2021

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

ESOP 2023

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

Grants

During the Financial Year ended 31 March, 2025 following options were granted under the ESOP Scheme 2021 and 2023 of the Company:

Scheme	Number of options granted
ESOP 2021	2,08,500
ESOP 2023	6,27,000

It is confirmed that all the ESOP Schemes/plan of the Company are in compliance with the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ["SEBI (SBEB and Sweat Equity) Regulations, 2021"] as amended from time to time.

The Nomination & Remuneration Committee administers and monitors the ESOP Schemes in compliance with the Act, SEBI (SBEB and Sweat Equity) Regulations, 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Secretarial Auditors of the Company has issued a Certificate, confirming that the ESOP Schemes have been implemented in accordance with the SEBI (SBEB and Sweat Equity) Regulations, 2021 as amended from time to time and is available for the inspection of the Members of the Company.

The disclosures with respect to ESOP Schemes, in terms of Regulation 14 of SEBI (SBEB and Sweat Equity) Regulations, 2021, are hosted on the website of the Company at https://www.indiashelter.in/investor-relations

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS TO WHOLLY OWNED SUBSIDIARY

The Company had made investments of ₹ 1,200 Lacs in the equity share capital of the subsidiary company incorporated on 24 March, 2022.

For details, refer to Note no. 41 in relation to related party transactions disclosed as per notes to the Standalone Financial Statements.

NET WORTH

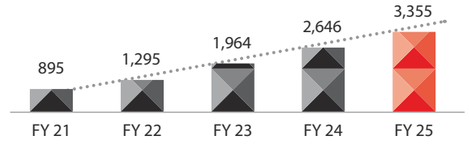
As of 31 March, 2025, the net worth of the company stood at ₹ 2,709 Crs compared to ₹ 2,299 Crs on 31 March, 2024 registering an increase of 17.8%.

PERFORMANCE OF THE COMPANY

Disbursement

During the Financial Year 2024-25, the Company disbursed ₹ 3,355 Crs as compared to ₹ 2,646 Crs in the previous Financial Year registering an annual growth of 26.8%.

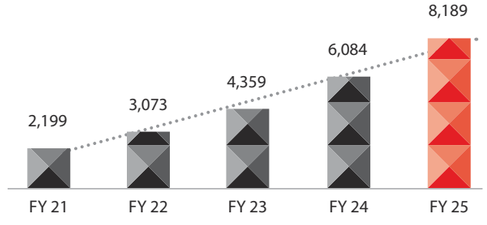
Disbursement (₹ in Crs)



Assets Under Management (AUM)

The AUM of the Company stood at ₹ 8,189 Crs as at 31 March, 2025 as against ₹ 6,084 Crs in the previous Financial Year, with a growth of 34.6%. As of 31 March, 2025, the average size of loan disbursed was ₹ 10 Lacs. 99% of the borrowers in Financial Year 2024-25 are women, while loans given to EWS/LIG borrowers account for 72% of the AUM.

AUM (₹ in Crs)



Directors Report (Contd.)

RESOURCE MOBILISATION

The company's overall borrowing is guided by Borrowing and Investment Policy.

The company has a Board approved borrowing and investment policy in place to cater its funding requirements. The Company has well diversified base of lenders/investors that includes National Housing Bank, public sector bank, private sector bank and other financial institutions (domestic as well as international). As at 31 March, 2025 the Company's sources of funding were primarily in the form of Long-Term Loans from Banks and Financial Institutions (54%) followed by Securitisation & Direct assignment (26%) NHB Refinance (15%), External Commercial Borrowings (ECB) (4%) Debt capital market (1%). During the Financial Year 2024-25, the Company has also collaborated with 32 lenders and has raised ₹ 3,484 Crs through various modes. The Weighted Average Borrowing Cost as at 31 March, 2025 was 8.7 % (including Securitisation/ Assignment) as against 8.8 % as at the end of Financial Year 2023-24. The company has vide Special Resolution passed on 18 July, 2023, under Section 180 (1) (c) of the Companies Act, 2013, authorised the Board of Directors to borrow money upon such terms and conditions as the Board may think fit in excess of the aggregate of paid up share capital and free reserves of the Company up to an amount of ₹ 7,500 Crs (Rupees Seven Thousand Five Hundred Crs only) and the total amount so borrowed shall remain within the limits as prescribed by RBI.

The company manages its cash flows through prudent Asset-Liability Management and takes the various measures, which includes the diversification of funding sources, tenure optimisation, and prudent borrowing timing to maintain its borrowing cost at an optimum level.

The company has a comfortable liquidity position as on 31 March, 2025, with ₹ 588 Crs of liquid assets (excluding lien marked balance of ₹ 70 Crs and accrued interest) and ₹ 892 Crs of undrawn sanction in hand (without including any fresh disbursement and borrowing). The Liquidity Coverage Ratio ('LCR') (as per RBI guidelines) for the Financial Year ended 31 March, 2025 was 170.63 % as against the regulatory requirement of 60%.

The company secured financing from a variety of sources including term loans, proceeds from the issuance of NCDs and refinance from the NHB. As of 31 March, 2025, the Company's total borrowings stood at ₹ 4515.91 Crs. The company remains committed towards maintaining a diversified resource profile.

During the Financial Year 2024-25, the interest on Non-Convertible Debentures, issued on private placement basis, were paid by the Company on their respective due dates.

DIRECT ASSIGNMENT (DA) FROM BANKS AND FINANCIAL INSTITUTIONS

The company has actively tapped Direct Assignment market, which has enabled it to create liquidity, diversify liability profile and minimising asset liability mismatches. During the Financial Year 2024-25, the Company received purchase consideration of ₹ 570 Crs from transfer of LAP loan assets (Direct Assignment) pool to banks. The Direct Assignment transactions were carried out in line with RBI guidelines on Transfer of Loan exposure of Standard Assets and assigned assets were de-recognised in the books of the Company.

CO-LENDING

We are actively continuing co-lending programmes to position ourselves as the preferred lender for individuals who are underbanked or unbanked as part of our endeavour to make a difference and to explore new ideas. The company has co-lending partnerships with two banks as part of its ambition to diversify its on-tap sources of funding and utilise its distribution network.

During the course of the year, the Company disbursed ₹ 286 Crs of funds under the co-lending partnership, with the partner bank accounting for 80% of the disbursed amount.

BORROWINGS FROM OTHER SOURCES

During the Financial Year 2024-25, the Company raised ₹ 2,505 Crs from Banks and Financial Institutions in the form of term loans including NHB Refinance and ₹ 358 Crs from Securitisation (Pass Through Certificates) transactions.

During the Financial Year 2024-25, the NHB reposed faith in the Company by disbursing refinance of ₹ 450 Crs. with this disbursement, the Company had an outstanding of ₹ 900 Crs with the NHB as on 31 March, 2025. Further, the Company has undrawn sanction of ₹ 201.45 Crs as on 31 March, 2025 from NHB.

During the Financial Year 2024-25, the Company has issued and allotted 5,000 (Five Thousand)-rated, listed, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000 (Indian Rupees One Lac) each and an aggregate nominal value of ₹ 50,00,00,000 (Indian Rupees Fifty Crs) ("Debentures") on private placement basis on 26 March, 2025 through EBP platform provided by BSE Ltd. with ISIN No. INE922K07104.

EXTERNAL COMMERCIAL BORROWINGS

The Company has External Commercial Borrowing (ECB) line of USD 30 Mn from US International Development Finance Corporation (DFC). Total outstanding foreign currency loan exposure in the form of External Commercial Borrowing as on 31 March, 2025 is 4 % of total borrowings which is fully hedged by way of cross currency swaps.

DEPOSITS

The company being a Non-Deposit taking Housing Finance Company, resolved by the Board of Directors in their meeting held on 08 May, 2024 that it shall not accept public deposit and has not accepted any public deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and amendment made thereunder.

LISTING WITH STOCK EXCHANGE:

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

The company is up to date in the payment of annual listing fees to Bombay Stock Exchange (BSE) on which its equity shares and debentures are listed and National Stock Exchange of India Ltd. (NSE) on which its equity shares are listed.

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

(i) The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance Company after the date on which the non-convertible debentures became due for redemption: Nil

(ii) The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date referred to in clause (i) as aforesaid: Nil

DEMATERIALISATION OF EQUITY SHARES & NON-CONVERTIBLE DEBENTURES

The equity shares and non-convertible debentures of the Company as on 31 March, 2025, are dematerialised by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with ISIN No. INE922K01024 and INE922K07104 for fully paid-up equity shares and debentures respectively.

DEBENTURE TRUSTEE

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

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

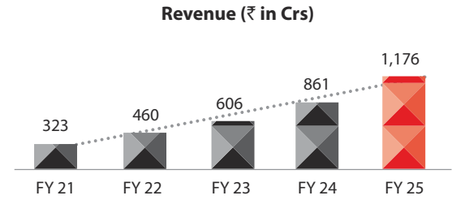
CREDIT RATING

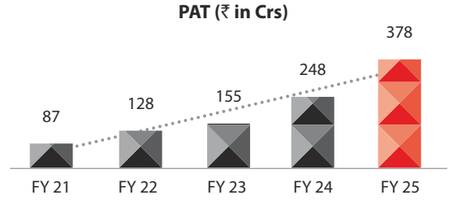
The company's financial discipline and prudence is reflected in the credit ratings assigned by Credit Rating Agencies as under:

Agency	Instrument	Rating (Outlook)
ICRA	Non-Convertible Debentures	ICRA AA - (Stable)
ICRA	Long Term Borrowings	ICRA AA- (Stable)
CARE	Long Term Borrowings	CARE AA- (Stable)
India Ratings	Long Term Borrowings	IND AA- (Stable)

PROFITABILITY

The company delivered strong financial performance in 2024-25. Total income saw a 37% year-on-year (Y-o-Y) growth, rising to ₹ 1,175.9 Crs in 2024-25 from ₹ 861.4 Crs in 2023-24. Operating expenses grew to ₹ 306.9 Crs in 2024-25 from ₹ 236.0 Crs in 2023-24, driven by our strategic focus on expanding the Branch Network, workforce, investing in technology, and enhancing brand visibility amid strong business momentum. Pre-provisioning operating profit increased 52% Y-o-Y, reaching ₹ 515.6 Crs in 2024-25 from ₹ 338.4 Crs in 2023-24. Asset quality improvements helped contain credit costs at ₹ 26.4 Crs in 2024-25 compared to ₹ 19.2 Crs in 2023-24. Profit before tax stood at ₹ 489.2 Crs. After accounting for income tax of ₹ 111.3 Crs, the Profit after Tax (PAT) increased 53% Y-o-Y, reaching ₹ 377.9 Crs in 2024-25, up from ₹ 247.6 Crs in the previous year.





ASSET CLASSIFICATION

The company has adhered to the Policy for Asset Classification, Provisioning, Settlement and Write off approved by its Board of

Directors Report (Contd.)

Directors. Provision computed as per the Expected Credit Loss (ECL) methodology is higher than the provision computed in accordance Income Recognition and Asset Classification (IRAC) Norms specified by RBI.

For details refer to Note no. 7 in relation to provisioning disclosed as per notes to the Standalone Financial Statements.

RECOVERY MECHANISM

The company is a "Financial Institution" under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 and it initiated proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 against defaulting borrowers for recovery of dues. The company has also filed cases under section 138 of Negotiable instrument Act, 1881.

The company is disbursing 100% loans through electronic mode. The Company is working to maximise collection through electronic means.

CAPITAL ADEQUACY RATIO

RBI, Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 requires the company to maintain a minimum capital adequacy of 15% on a standalone basis. The company's capital adequacy ratio (CRAR) stood at 60.59% (comprising Tier I capital of 59.79 % and Tier II capital of 0.80 %) as on 31 March, 2025 compared to 70.88 % (comprising Tier I capital of 70.05 % and Tier II capital of 0.83 %) as on 31 March 2024.

BRANCH EXPANSION

During the Financial Year 2024-25, the Company added 43 additional branches with total of 266 branches in 15 states and 2 offices as on 31 March, 2025. The company now operates in the states of Rajasthan, Maharashtra, Madhya Pradesh, Karnataka, Gujarat, Uttar Pradesh, Tamil Nadu, Uttarakhand, Delhi, Haryana, Telangana, Chhattisgarh, Andhra Pradesh, Punjab and Orissa. The company has undertaken several measures to improve its visibility through focus on marketing and advertising.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

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

TECHNOLOGY

In an increasingly digitized financial ecosystem, safeguarding the confidentiality, integrity, and availability of information assets remains a core organisational priority. A structured and enterprise-wide approach to information security has been embedded into our operational and governance framework. As an ISO 27001-certified organisation, we uphold globally recognized standards for information security management, ensuring the protection of data assets through a comprehensive Information Security Management System (ISMS) that effectively implements data protection and privacy controls across the organisation.

We maintain a strong security posture through regular risk assessments, access management protocols, and a secure development lifecycle. Business Continuity and Disaster Recovery mechanisms are periodically reviewed to ensure minimal disruption in the face of unforeseen events.

To address emerging cyber threats, we operate a centralized monitoring and incident response framework supported by real-time threat intelligence and analytics. Key elements of our cyber defence strategy include periodic testing of system resilience, advanced threat detection tools, and clearly defined escalation and response protocols. Oversight at the highest levels ensures that cybersecurity risks are evaluated and addressed as part of strategic risk governance.

Third-party risk management and IT risk assessments are integral to our risk mitigation strategy, enabling us to strengthen resilience across the value chain. Our technology infrastructure is reinforced with multiple layers of preventive and detective controls to safeguard digital assets and maintain service continuity.

Data protection and privacy compliance are integral to our operations, in accordance with relevant regulatory frameworks.

Our commitment to a secure and compliant operating environment supports the trust reposed in us by our customers, regulators, and stakeholders, while enabling operational resilience and long-term value creation.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned and the Foreign Exchange outgo during the Financial Year 2024-25 is as below:

(₹ in Lacs)

Particulars		For Year ended March 2025	For Year ended March 2024
a)	Total Foreign exchange earned	-	-
b)	Software license expense	9.89	16.57
c)	Legal and professional charges (in respect of IPO)	-	471.04
d)	Interest Expense of ECB	879.80	788.62

REGULATORY GUIDELINES

During the Financial Year 2024-25, the RBI/NHB has issued various Notifications, Circulars and Guidelines to Housing Finance Companies. The Circulars and the Notifications issued by RBI/NHB are also placed before the Board of Directors at regular intervals to update the Board members on compliance of the same. The company has adhered to all the Circulars, Notifications and Guidelines issued by RBI/NHB from time to time. The Company has adopted all the policies as required and recommended by the regulators from time to time.

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

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS:

The company has complied with all the provisions of secretarial standards issued by the Institute of Company Secretaries of India in respect of meetings of the Board of Directors and general meetings held during the year.

DIRECTORS

The Board comprises qualified and experienced members from diverse background who possess the required skills, expertise, and competencies that allow them to make effective contributions to the Board, its Committees and the Company's decision-making process.

The composition of the Board of Directors of the Company is in conformity with the provisions of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Scale Based Regulations issued by RBI as amended from time to time. The company has an optimum combination of Executive, Non-executive and Independent Directors.

The Board of Directors of the Company comprises of 8 (Eight) Directors, consisting of 1 (One) Chairman & Non-Executive Nominee Director, 1 (One) Managing Director & Chief Executive Officer, 4 (Four) Independent Directors (including 2 (Two) Woman Directors), 2 (Two) Non-Executive Directors, as on 31 March, 2025 who bring in a wide range of skills and experience to the Board.

The Board of Directors of the Company as on 31 March, 2025 are:

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

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

The following changes took place in the composition of Board of Directors during the Financial Year 2024-25:

- The shareholders of the company have passed a special resolution for continuation of Mr. Shailesh J. Mehta (DIN: 01633893) as a Non-Executive Non-Independent Director beyond the age of 75 Years, in their Extraordinary General Meeting held on 19 April, 2024.
- The shareholders of the company have approved re-appointment of Mr. Sumir Chadha (DIN: 00040789), who retired by rotation and being eligible, was reappointed, as Non-Executive Non-Independent Director, in their meeting held on 19 June, 2024.
- The Board of Directors of the Company accepted resignation of Mr. Shailesh J Mehta as a Non-Executive Non-Independent Director w.e.f. 01 April, 2025 through Circular Resolution dated 31 March, 2025.

BOARD MEETINGS HELD DURING THE YEAR

During the Financial Year 2024-25, the Board of the Company had met four times on [1] 08 May, 2024; [2] 08 August, 2024; [3] 25 October, 2024; [4] 06 February, 2025. The maximum time gap between any two Board meetings did not exceed 120 days during the financial year under review.

COMMITTEES OF THE BOARD

The Company has the following Thirteen (13) Committees which have been constituted in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

Directors Report (Contd.)

1. Audit Committee
2. Nomination & Remuneration Committee
3. Environment, Social, Governance and Corporate Social Responsibility Committee ("ESG & CSR Committee")[1]
4. Risk Management Committee
5. IT Strategy Committee
6. IT Steering Committee
7. Information Security Committee[2]
8. Stakeholders Relationship Committee
9. Asset Liability Management Committee
10. Customer Service and Grievance Redressal Committee
11. Wilful Defaulter Committee (Identification and Review Committee)
12. Internal Complaints Committee for redressal of Sexual Harassment Complaint
13. Special Committee of the Board for Monitoring and Follow-up of cases of Frauds' (SCBMF)[3]

[1] The Committee was renamed as ESG & CSR Committee by the Board of Directors in their meeting held on 09 May, 2025.

[2] The Information Security Committee was constituted by the Board of Directors through circular resolution dated 08 April, 2024.

[3] The Special Committee of the Board for Monitoring and Follow-up of cases of Frauds (SCBMF) was constituted by the Board of Directors in their meeting held on 25 October, 2024.

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

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

KEY MANAGERIAL PERSONNEL (KMP)

During the Financial Year 2024-25, there were no changes in the office of Key Managerial Personnel (KMP), the Key Managerial Personnel of the Company are as follows:

a. Mr. Rupinder Singh – Managing Director & Chief Executive Officer

b. Mr. Ashish Gupta- Chief Financial Officer

c. Ms. Mukti Chaplot – Company Secretary

CORPORATE GOVERNANCE REPORT

The company emphasises good corporate governance by aiming for the highest standards and actively benchmarking against best practices. Our commitment to governance is reflected in our continual efforts to develop and refine processes and systems that enhance our governance framework.

A report on corporate governance as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is attached and forms part of this Report as **Annexure 2**.

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

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION & EVALUATION

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

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

ANNUAL EVALUATION

The annual evaluation process of the Board, its committees and Individual Directors was conducted as per the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Nomination & Remuneration Committee and Board of Directors carried out the evaluation of each Director's performance without the presence of the Director concerned who is being evaluated, Statutory Board Committees on parameters such as composition of Board and committees, execution of roles and responsibilities, attendance, acquaintance with business, communication inter-se between board members, effective participation, domain knowledge, compliance with code of conduct.

During the Financial Year 2024-25, Independent Directors of the Company also held separate meetings to review the performance of the Non- Independent Directors and Board as a whole and assessed the quality, quantity and timeliness of flow of information between the management and the Board which is necessary for the Board to effectively and reasonably perform their duties. Major aspects of board evaluation include who is to be evaluated, process of evaluation including laying down of objectives and criteria to be adopted for evaluation of different persons, feedback to the persons being evaluated and action plan based on the results.

Directors Report (Contd.)

DIRECTOR & KEY MANAGEMENT PERSONNEL

Retirement by Rotation and Re-appointment

As per Section 152 of the Companies Act, 2013, Mr. Sudhin Bhagwandas Choksey, [DIN: 00036085], Chairman and Non-Executive Nominee Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for reappointment.

Resignation/Retirement of Director

Pursuant to Section 149 (6), Section 152 and Section 161 of the Companies Act, 2013 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 2013, the Board of Directors of the Company through Circular Resolution dated 31 March, 2025 accepted resignation of Mr. Shailesh J Mehta as a Non-Executive Non-Independent Director w.e.f. 01 April, 2025.

Declaration by Independent Directors

The Independent Directors have submitted the Declaration of Independence, stating that they continue to fulfil the criteria of independence as required pursuant to section 149(6) of the Companies Act, 2013 and Regulations 16 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

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

Disqualifications of Directors, if any:

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

Declaration of Fit & Proper Criteria

The company is adhering the Fit and Proper criteria, and the Board of Directors have approved Fit and Proper Criteria Policy which assesses the Fit and Proper Criteria for the directors at the time of appointment and on a continuing basis as per the criteria prescribed by RBI.

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

REMUNERATION TO DIRECTORS

During the Financial Year 2024-25, the Company has not paid any remuneration to Non-executive Directors except as disclosed in the Financial Statements forming part of this Report. Sitting fees and Commission have been paid/payable to the Independent Directors as per the provisions of Companies Act, 2013 details of which have been presented in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

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

The Board constituted the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Act and is chaired by Independent Director.

The Corporate Social Responsibility Committee of the company as on 31 March, 2025 comprises of three members including two independent directors as below:

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

During the Financial Year 2024-25, the CSR Committee met two times on 08 May, 2024 and 06 February, 2025.

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

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

Directors Report (Contd.)

Business Responsibility & Sustainability Report (BRSR)

In terms of Regulations 34(2)(f) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the top 1000 listed entities, based on the market capitalisation (calculated as on 31 March of every financial year) shall submit Business Responsibility And Sustainability Report for Financial Year 2024-25 describing the initiatives taken by these listed entities from an environmental, social and governance perspective, in the format as specified by SEBI from time to time. The Company being amongst top 1000 listed entities, have included the BRSR report, which forms part of this Report as **Annexure 5**.

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

The Company is committed to provide a work environment that ensures that every employee is treated with equal dignity and respect. The Company has implemented a framework on prevention of sexual harassment, which is in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company educates employees regarding Prevention of Sexual Harassment Policy through posters and regular mailers and also conducts online trainings which form a part of the induction process. The details of the composition of the Internal Complaint Committees have been disclosed in the Corporate Governance Report forming part of this Annual Report.

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules there under and Rule 8 of The Companies (Accounts) Rules, 2014, as amended, the details of complaints of sexual harassment during the Financial Year 2024-25 are as under:

Particulars	Number of Complaints
Number of complaints of sexual harassment received during the year	NIL
Number of complaints disposed off during the year	NIL
Number of cases pending for more than ninety days	NIL

Compliance with the Maternity Benefit Act, 1961

During the Financial Year 2024-25, the Company has complied with the provisions of the Maternity Benefit Act, 1961.

Risk Management Framework

The company continues to maintain a strong and dynamic Risk Management Framework under the oversight of the Board constituted Risk Management Committee.

The company remains committed to institutionalising a risk aware culture across all functions. The Company operates under a Board approved Risk Management Policy that provides structured guidance on the identification, assessment, monitoring, and mitigation of various internal and external risks. This policy is periodically reviewed and updated to reflect emerging risk trends and regulatory expectations.

Recognising that effective risk management is critical for business continuity, financial sustainability, and stakeholder confidence, the Company has adopted a proactive approach in identifying key risk areas—credit, market, operational, and strategic risks—and deploying mitigation frameworks that are agile and responsive to the evolving business environment.

In line with Clause 51 of Chapter IX – Corporate Governance of the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the Company has the Chief Risk Officer (CRO), responsible for driving the enterprise-wide risk agenda and ensuring independent risk monitoring and reporting.

During the Financial Year 2024-25, the Risk Management Committee actively evaluated the risk landscape of the Company. This included periodic reviews of key risk indicators, conducting root cause analyses of identified issues, and assessing the effectiveness of the mitigation controls implemented. The Committee provided strategic direction on strengthening the Company's risk posture, with a particular focus on enhancing resilience and preparedness in a dynamic macro-financial environment.

During the Financial Year 2024-25, the Risk Management Committee reviewed the risks associated with the business of the Company, undertook its root cause analysis and monitored the efficacy of the measures taken to mitigate the same.

HUMAN RESOURCES DEVELOPMENT

The company believes in the value of human capital and implements policies that create long-term social and economic benefits for employees and their families. We follow a three-pronged strategy: Get, Keep, and Grow. This ensures we attract, retain, and nurture top talent effectively. As of 31 March, 2025, the Company had 3,818 employees on its payroll compared to 3,323 employees as on 31 March, 2024.

PARTICULARS OF EMPLOYEE RELATED DISCLOSURES

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

The details of the ESOP plan form part of Note No. 47 of the Financial Statements in this Annual Report.

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

The disclosure with respect to remuneration as required under section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available on the Company's website. The statements prescribed under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection by the shareholders at the registered office of the Company during the business hours on all working days of the Company up to the date of the forthcoming Annual General Meeting.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

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

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

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

As regards fraud on the Company, 1 (One) fraud has been reported as disclosed in Note No. 44.31 of the Financial Statements.

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

The Board has adopted a Code to regulate, monitor and report trading by insiders in securities of the Company in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The code inter alia requires preclearance for dealing in the securities of the Company and prohibits the purchase or sale of securities of the Company while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board of Directors had adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information which is available on the website of the Company at https://www.indiashelter.in/investor-relations.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered into by the Company during the Financial Year 2024-25, with the related parties were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with promoters, directors, key managerial personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

The particulars of every contract or arrangement entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 have been disclosed in Form No. AOC - 2 as attached, which forms part of this Report as **Annexure 6**. The Company has framed a policy named as "Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions" as per Master Direction – Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 which is hosted on the website at https://www.indiashelter.in/investor-relations.

INTERNAL AUDIT & INTERNAL CONTROLS OVER FINANCIAL REPORTING

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

The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These controls and processes are driven through various policies, procedures, and certifications. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their design and operating effectiveness to ascertain the reliability and authenticity of financial information.

The Company has Independent Internal Audit function, to plan and conduct the Risk Based Internal Audit of various functions and locations of the Company, which is responsible for independently evaluating the adequacy and effectiveness of all internal controls, risk management, governance systems and processes.

Significant audit observations and follow up actions thereon are reported to the Audit Committee on quarterly basis. The Audit Committee reviews and monitors the remedial actions to ensure its overall adequacy and effectiveness. The Company has implemented all the recommendations of Audit Committee.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

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

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

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

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

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

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

DISCLOSURE UNDER SECTION 67(3) OF THE ACT

During the Financial Year 2024-25, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme hence no information pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

DISCLOSURE UNDER SECTION 197(14) OF THE COMPANIES ACT, 2013

The Managing Director and Chief Executive Officer of the Company has not received any commission from its subsidiary Company.

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

During the Financial Year 2024-25, the Company neither made/ had any application against the company nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016). Further there were no instances of one-time settlement for any loans taken from the Banks or Financial Institutions.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the Financial Year 2024-25, there were no instances of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions.

MAINTENANCE OF COST RECORDS

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

INVESTOR EDUCATION AND PROTECTION FUND

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

WEBSITE DISCLOSURES

The company has made its disclosures on its website www.indiashelter.in. All the regulatory disclosures, compliances, public notices and policies have been regularly updated.

ANNUAL RETURN

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of sub-section (5) of Section 134 of the Companies Act, 2013, we, the Directors of the Company, state in respect of Financial Year 2024-25 that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis;

e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

Directors Report (Contd.)

f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

Statutory Auditors

As per provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, and RBI guidelines dated 27 April, 2021 and other relevant provisions including any statutory enactment or modification thereof, appointment of M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, having Registration Number 101049W/E300004 was approved by the Audit Committee and the Board of Directors at their meeting held on 08 May, 2024 and subsequently by the shareholders of the Company in the Annual General Meeting held on 19 June, 2024 as Statutory Auditors of India Shelter Finance Corporation Limited to hold the office from the conclusion of 26th Annual General Meeting till the conclusion of 29th Annual General Meeting of the Company.

AUDITORS' REPORT

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

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

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

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

In accordance with Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, Mr. Jitender Singh (Membership No.: A33610 & CP: 26612) was appointed as Secretarial Auditor to conduct the Secretarial Audit of the Company for the Financial Year 2024-25 by the Board of Directors in their meeting held on 06 February, 2025. The Company has provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Report of Secretarial Auditor for Financial Year 2024-25 is attached and forms part of this Report as **Annexure 8**. The report is self-explanatory and there were no qualifications in the Auditor's Report.

Further, Pursuant to the provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Audit Committee and the Board of Directors have approved and recommended the appointment of Mr. Jitender Singh, Practicing Company Secretary (Membership No.: A33610 & CP: 26612) as the Secretarial Auditor of the Company for a term of 5 (Five) consecutive years from the Financial Year 2025-26 till Financial Year 2029-30, subject to the approval of the shareholders at the ensuing Annual General Meeting.

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

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

However, during the Financial Year 2024-25, the Company was levied a penalty of ₹ 68,000/- (excluding GST) each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for Non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The fines so levied were waived off later by the Stock exchanges upon reasonable justifications given by the Company.

APPRECIATION

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

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sd/-
Mr. Sudhin Bhagwandas Choksey
Chairman and Non-Executive Nominee Director
DIN: 00036085
Place: Indore
Date: 09 May, 2025

Sd/-
Mr. Rupinder Singh
Managing Director and Chief Executive Officer
DIN: 09153382
Place: Indore
Date: 09 May, 2025

Annexure 1

FORM AOC-1

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

PART "A": SUBSIDIARIES

Details of Subsidiaries

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

1. Number of subsidiaries- One

Sl. No.	Particulars		Details (₹ in Lacs)
1.	CIN/ any other registration number of subsidiary company		U65990HR2022PLC102253
2.	Name of the subsidiary		India Shelter Capital Finance Limited[1]
3.	The date since when subsidiary was acquired		-
4.	Provisions pursuant to which the company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii))		2(87)(ii)
5.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	From	01 April, 2024
		To	31 March, 2025
6.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Reporting Currency	₹
		Exchange Rate	NA
7.	Share capital		12,00,00,000.00
8.	Reserves & surplus		1,91,52,228.42
9.	Total assets		13,95,40,592.00
10.	Total Liabilities		13,95,40,592.00
11.	Investments		0.00
12.	Turnover		0.00
13.	Profit before taxation		1,10,24,677.00
14.	Provision for taxation		27,62,215.30
15.	Profit after taxation		82,62,461.70
16.	Proposed Dividend		0.00
17.	% of shareholding		100%

[1.] Subsidiary Company has not commenced business till 31 March, 2025.

2. Number of subsidiaries which are yet to commence operations: One

Sl. No.	CIN /any other registration number	Names of subsidiaries which are yet to commence operations
1.	U65990HR2022PLC102253	India Shelter Capital Finance Limited

3. Number of subsidiaries which have been liquidated or have ceased to be a subsidiary during the year.

Sl. No.	CIN /any other registration number	Names of subsidiaries
Not Applicable		

PART "B": ASSOCIATES AND JOINT VENTURES

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

4. Number of Associate / Joint Venture- NIL

1.	Name of associates/Joint Ventures	-	-	-
2.	Latest audited Balance Sheet Date			
3.	Date on which the Associate or Joint venture was associated or acquired	-	-	-
4.	Shares of Associate/Joint Ventures held by the Company on the year end			
	A. Number	-	-	-
	B. Amount of Investment in Associates/Joint Venture	-	-	-
	C. Extent of shareholding %	-	-	-
5.	Description of how there is significant influence	-	-	-
6.	Reason why the associate/joint venture is not consolidated	-	-	-
7.	Net worth attributable to shareholding as per latest audited Balance Sheet	-	-	-
8.	Profit/Loss for the year	-	-	-
i.	Considered in Consolidation	-	-	-
ii.	Not Considered in Consolidation	-	-	-

5. Number of associates or joint ventures which are yet to commence operations: NIL

Sl. No.	CIN /any other registration number	Names of subsidiaries which are yet to commence operations
Not Applicable		

6. Number of associates or joint ventures which have been liquidated or have ceased to be a subsidiary during the year: NIL

Sl. No.	CIN /any other registration number	Names of subsidiaries
Not Applicable		

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sd/-	**Sd/-**	**Sd/-**	**Sd/-**	**Sd/-**
Sudhin Bhagwandas Choksey	**Rupinder Singh**	**Rachna Dikshit**	**Ashish Gupta**	**Mukti Chaplot**
Chairman and Non-Executive Nominee Director	Managing Director and Chief Executive Officer	Independent Director	Chief Financial Officer	Company Secretary
DIN: 00036085	DIN: 09153382	DIN: 08759332		Membership No. 38326

Annexure 2

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

India Shelter Finance Corporation Limited ("The Company") demonstrates a strong commitment towards corporate governance adhering to its core values **"Honesty, Respect, and Hard work"**, encompassing its culture, policies, and relationship with our stakeholders. Integrity and transparency are essential to our corporate governance strategies and performance. Its governance framework ensures timely and appropriate disclosures to its stakeholders enabling an informed decision-making. We ensure that we acquire and maintain the trust of our stakeholders at all times. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising employees, investors, customers, regulators, suppliers and the society at large. We are committed to defining, following and practicing the highest level of corporate governance across all our business functions.

We believe that good corporate governance is a journey of continuous improvement. We strive to exceed these standards through diligent oversight, effective risk management, and the fulfilment of our strategic objectives. Our governance processes are designed to meet the aspirations of our stakeholders and to ensure that our business conduct is aligned with our core values.

The Company is in compliance with Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (hereinafter "RBI Master Directions") and the applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Companies Act, 2013 and other applicable laws as amended from time to time.

GOVERNANCE STRUCTURE AND DEFINED ROLES AND RESPONSIBILITIES

The Company's governance structure comprised of Board of Directors, Committees of Board and the Management. The Company encompasses the structure, practices and processes adopted in every sphere of the Company's operations to provide long term value to its stakeholders through ethical behaviour in business operations.

Our corporate governance is based on the guidelines established by the Board of the Company. These guidelines provide a framework within which directors and the Management can effectively pursue the Company's objectives for the benefit of its stakeholders. These are framed in conjunction with the Company's Memorandum & Articles of Association, the charters of the committees of the Board and applicable laws / regulations. The Company duly acknowledges its fiduciary role and responsibility towards all of its stakeholders including shareholders.

The Corporate Governance policy is hosted on the website of the Company at https://www.indiashelter.in/investor-relations.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

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

BOARD OF DIRECTORS ("BOARD")

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

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

Size and Composition of Board

The Company's Board is constituted with highly experienced professionals from diverse backgrounds which consists of values of collaborative spirit, expert thinking and a primary role of trusteeship to protect and enhance stakeholders' value through strategic supervision. The Board provides direction and exercises appropriate controls.

The Company's Board has an appropriate mix of Independent and Non-Independent Directors as well as Non-Executive and Executive Directors. The Board of Directors of the Company comprises of 8 (Eight) Directors, consisting of 1 (One) Chairman & Non-Executive Nominee Director, 1 (One) Managing Director & Chief Executive Officer, 4 (Four) Independent Directors (including 2 (Two) Woman Directors), 2 (Two) Non-Executive Directors, as on 31 March 2025. The Chairman of the Company is a Non-Executive Nominee Director and not related to the Managing Director & Chief Executive Officer of the Company. The Composition of the Board is in conformity with the applicable provisions of the Companies Act, 2013 (hereinafter referred as "Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and regulatory requirements and is in accordance with the highest standards of Corporate Governance.

The Board of Directors of the Company as on 31 March, 2025 are:

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

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

Changes in Board of Directors

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

- The shareholders of the company have passed a special resolution for continuation of Mr. Shailesh J. Mehta (DIN: 01633893) as a Non-Executive Non-Independent Director beyond the age of 75 Years, in their Extraordinary General Meeting held on 19 April, 2024.
- The shareholders of the company have approved re-appointment of Mr. Sumir Chadha (DIN: 00040789), who retired by rotation and being eligible, was reappointed, as Non-Executive Non-Independent Director, in their meeting held on 19 June, 2024.
- The Board of Directors of the Company accepted resignation of Mr. Shailesh J Mehta as a Non-Executive Non-Independent Director w.e.f. 01 April, 2025, through Circular Resolution dated 31 March, 2025.

Directorship/Membership of Directors in other Listed Entities as on 31 March, 2025

Name of Director	No. of other Directorships in Listed Entities	Membership in Committees as per regulation 26 of SEBI (LODR) Regulation 2015 as**	
		Member	Chairmanships
Mr. Sudhin Bhagwandas Choksey	5	8	4
Mr. Rupinder Singh	0	1	0
Mr. Shailesh J. Mehta*	1	2	0
Mr. Sumir Chadha	2	0	0
Mr. Parveen Kumar Gupta	1	5	2
Ms. Rachna Dikshit	1	1	1
Ms. Savita Mahajan	0	3	1
Mr. Thomson Kadantot Thomas	0	1	0

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

**In terms of Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the purpose of considering the Committee Memberships and Chairmanships, the Audit Committee and the Stakeholders Relationship Committee of Listed /Unlisted Public Companies including our Company has been considered.

ANNEXURE 2 (Contd.)

Other Directorships of Directors on the Board of other Listed Entities as on 31 March, 2025

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

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

Independent Directors

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

Meeting of Independent Directors

During the Financial Year 2024-25, two separate meetings of Independent Directors were held on 06 February, 2025 and on 31 March, 2025, without the presence of Non-Independent Directors and the management in compliance with Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV of the Companies Act, 2013.

Declaration by Independent Directors

The Independent Directors have submitted declaration of independence, as required pursuant to sub-section (7) of Section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Act and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors have confirmed that they are not aware of any situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

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

Fit & Proper Criteria

The Company has formulated and adopted the Policy on Fit & Proper Criteria for the Directors as per the provisions of the RBI Master Directions. All the Directors of the Company have confirmed that they satisfy the fit and proper criteria at the time of their appointment/re-appointment and on a continuing basis as prescribed under the RBI Master Directions.

Familiarisation Programmes for the Independent Directors

The Familiarisation Programme for the Independent Directors of the Company endeavours to provide an understanding of its operations, strategies, business, functions, policies, industry and environment in which it functions and the regulatory environment applicable to it.

Pursuant to the provisions of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company familiarised the Independent Directors at the respective meetings about the Company through matters relating to the industry in which Company operates, its business model, the operational and financial performance of the Company, risk matrix, mitigation and management, governing regulations, information technology including cyber security, and major developments and updates on the Company so as to enable them to take well-informed decisions in a timely manner.

Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/ her role, function, duties and responsibilities. The details of familiarisation programme imparted to Independent Directors and policy of the Company is hosted on the Company's website at https://www.indiashelter.in/investor-relations

ANNEXURE 2 (Contd.)

Core Skills/Expertise/Competencies of the Board:

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

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

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

General Body Meetings

During the Financial Year 2024-25, Annual General Meeting of the members of the Company was held on 19 June, 2024 and 1 (One) Extra-Ordinary general meeting of the members of the Company was held on 19 April, 2024.

i. Annual General Meeting (AGM):

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

Financial year/AGM	Venue	Date & Time
2021-22/24th AGM	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")	26 July, 2022 at 11:00 A.M.
2022-23/25th AGM	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")	14 July, 2023 at 05:00 P.M.
2023-24/26th AGM	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")	19 June, 2024 at 11.00 A.M.

ii. Details of Special Resolutions passed during the last three AGMs are given below:

Date of Annual General Meeting	Particulars
26 July, 2022	• Approved an increase in Managerial Remuneration of MD & CEO of the Company for 2022-23, as Special Resolution:
14 July, 2023	• Approved an increase in Managerial Remuneration of MD & CEO of the Company for 2023-24, as Special Resolution • Approved the Transfer of option from Employee Stock option Plan 2017 to Employee Stock Option Plan 2021, as Special Resolution • Approved appointment of Mr. Parveen Kumar Gupta (DIN: 02895343) as independent Director of the Company, as Special Resolution: • Approved the amendments in the ESOP Schemes 2017 and 2021, as Special Resolution:
19 June, 2024	• Approved an increase in Managerial Remuneration of MD & CEO of the Company for Financial Year 2024-25, as Special Resolution • Approved the amendment in Articles of Association of the Company, as Special Resolution

ANNEXURE 2 (Contd.)

iii. Extra-Ordinary General Meeting (EGM):

The details of Extra-Ordinary General Meeting held in Financial Year 2024-25 along with the details of the Special Resolutions, as more particularly set out in the notice of the EGM and passed by the shareholders are as follows:

Financial year/EGM	Venue	Date & Time
2024-25/EGM	Through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")	19 April, 2024 at 11.00 A.M.

iv. Details of Special Resolutions passed in the Extra-Ordinary General Meeting (EGM) are given below:

Date of Meeting	Particulars
19 April, 2024	• Approved the continuation of Mr. Shailesh J Mehta (DIN: 01633893) as Non-executive Non-Independent Director

v. Postal Ballot:

No postal ballot conducted during the year under review.

vi. Details of special resolution proposed to be transacted through postal ballot:

No special resolution is proposed to be transacted at an ensuing AGM which requires passing of such special resolution through postal ballot.

BOARD OF DIRECTORS MEETING

During the Financial Year 2024-25, the Board of the company had met four times on [1] 08 May, 2024 ; [2] 08 August, 2024; [3] 25 October, 2024; [4] 06 February, 2025.

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

Name	Category	Number of Meetings			Last AGM attended
		Held	Entitled	Attended	
Mr. Sudhin Bhagwandas Choksey (DIN: 00036085)	Chairman and Non-Executive Nominee Director	04	04	04	Yes
Mr. Rupinder Singh (DIN: 09153382)	Managing Director & Chief Executive Officer	04	04	04	Yes
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	04	04	04	Yes
Mr. Thomson Kadantot Thomas (DIN: 09691435)	Independent Director	04	04	04	No
Mr. Parveen Kumar Gupta (DIN: 02895343)	Independent Director	04	04	03	No
Ms. Savita Mahajan (DIN: 06492679)	Independent Director	04	04	04	Yes
Mr. Shailesh J Mehta (DIN: 01633893) *	Non-Executive Non-Independent Director	04	04	03	No
Mr. Sumir Chadha (DIN: 00040789)	Non-Executive Non-Independent Director	04	04	04	No

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

Board Proceedings

The Board Meetings are held at regular intervals with a time gap of not more than 120 days between two consecutive meetings. The draft minutes of the proceedings of the meetings of the Board / Committee(s) are circulated to all the members of the Board or the Committee for their perusal, within 15 (fifteen) days from the date of the conclusion of the meeting. Comments, if any, received from the Directors are incorporated in the minutes. The minutes are approved by the members of the Board / Committee(s) and confirmed in accordance with the regulatory requirements.

Disclosure of relationship between Directors inter-se

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

COMMITTEES OF THE BOARD

The Board has constituted sub-committees to focus on specific areas and make informed decisions within the authority delegated to each of the Committees. Each Committee of the Board is guided by its charter, which defines the scope, powers and composition of the Committee. All decisions and recommendations of the Committees are placed before the Board for information or approval. All such decisions and recommendations were accepted by the Board during the Financial Year 2024-25. The composition and functioning of these Board Committees is in compliance with the applicable provisions of the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Master Directions") issued by Reserve Bank of India and amendment thereof.

1. Audit Committee
2. Nomination & Remuneration Committee
3. Environmental, Social, Governance and Corporate Social Responsibility Committee ("ESG & CSR Committee")[1]
4. Risk Management Committee
5. IT Strategy Committee
6. IT Steering Committee
7. Information Security Committee[2]
8. Stakeholders Relationship Committee
9. Asset Liability Management Committee
10. Customer Service and Grievance Redressal Committee
11. Wilful Defaulter Committee (Identification and Review Committee)
12. Internal Complaints Committee for redressal of Sexual Harassment Complaint
13. Special Committee of the Board for Monitoring and Follow-up of cases of Frauds' (SCBMF)[3]

[1] The Committee was renamed as ESG & CSR Committee by the Board of Directors in their meeting held on 09 May, 2025.

[2] The Information Security Committee was constituted by the Board of Directors through circular resolution dated 08 April, 2024.

[3] The Special Committee of the Board for Monitoring and Follow-up of cases of Frauds (SCBMF) was constituted by the Board of Directors in their meeting held on 25 October, 2024.

The Company Secretary acts as a Secretary to the Committees of the Board.

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

AUDIT COMMITTEE

The Board constituted the Audit Committee in terms of provisions of Section 177 of the Act and RBI Master Directions and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is chaired by an Independent Director.

The Audit Committee of the company as on 31 March, 2025 comprises four members including three independent directors as below:

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

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

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

1. oversight of financial reporting process and the disclosure of financial information relating to our Company to ensure that the financial statements are correct, sufficient and credible.
2. recommendation to the Board of Directors for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of our Company including the internal auditor, cost auditor and statutory auditor, of our Company and the fixation of the audit fee;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to
   a) matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
   b) changes, if any, in accounting policies and practices and reasons for the same;
   c) major accounting entries involving estimates based on the exercise of judgment by management;
   d) significant adjustments made in the financial statements arising out of audit findings;

ANNEXURE 2 (Contd.)

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

f) disclosure of any related party transactions; and

g) modified opinion(s) in the draft audit report.

5. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

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

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

8. approval of any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company, subject to the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

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

10. scrutiny of inter-corporate loans and investments;

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

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

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

14. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

15. discussion with internal auditors of any significant findings and follow-up thereon;

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

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

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

19. reviewing the functioning of the whistle blower mechanism;

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

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

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

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

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

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

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

ANNEXURE 2 (Contd.)

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

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

(2) to seek information from any employee;

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

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

(5) such other powers as may be prescribed under the Companies Act, 2013 and the SEBI Listing Regulations.

Reviewing Powers

The Audit Committee shall mandatorily review the following information:

I. management discussion and analysis of financial condition and results of operations;

II. management letters / letters of internal control weaknesses issued by the statutory auditors;

III. internal audit reports relating to internal control weaknesses;

IV. appointment, removal and terms of remuneration of the chief internal auditor;

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

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

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

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

During the Financial Year 2024-25, the Audit Committee of the Company had met four times on [1] 08 May, 2024 ; [2] 08 August, 2024; [3] 25 October, 2024; [4] 06 February, 2025.

The attendance of the members at the Audit Committee Meetings held during the Financial Year 2024-25 is as below:

Name	Category	Number of Meetings		
		Held	Entitled	Attended
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	4	4	4
Mr. Parveen Kumar Gupta (DIN: 02895343)	Independent Director	4	4	3
Mr. Thomson Kadantot Thomas (DIN: 09691435)	Independent Director	4	4	4
Mr. Shailesh J Mehta* (DIN: 01633893)	Non-Executive Non-Independent Director	4	4	3

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

Nomination and Remuneration Committee

The Board constituted the Nomination and Remuneration Committee in terms of the provisions of Section 178 of the Act and Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and RBI Master Directions and is chaired by a Non-Executive Independent Director.

The Nomination and Remuneration Committee of the company as on 31 March, 2025 comprises of three members including two independent directors as below:

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

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

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

2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an

ANNEXURE 2 (Contd.)

independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:

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

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

c. consider the time commitments of the candidates.;

3. formulation of criteria for evaluation of Independent Directors and the Board;

4. devising a policy on Board diversity;

5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including Independent Director), its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. Our Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;

6. whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;

7. recommend to the Board, all remuneration, in whatever form, payable to Senior Management;

8. the Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:

(a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;

(b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of our Company and its goals.

9. perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI SBEB Regulations, including the following:

(a) administering the employee stock option plans of our Company, as may be required;

(b) determining the eligibility of employees to participate under the employee stock option plans of our Company;

(c) granting options to eligible employees and determining the date of grant;

(d) determining the number of options to be granted to an employee;

(e) determining the exercise price under the employee stock option plans of our Company; and

(f) construing and interpreting the employee stock option plans of our Company and any agreements defining the rights and obligations of our Company and eligible employees under the employee stock option plans of our Company, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the employee stock option plans of our Company.

10. frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable; and

11. carrying out any other activities as may be delegated by the Board of Directors of our Company functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

During the Financial Year 2024-25, the Nomination and Remuneration Committee of the Company had met two times on [1] 08 May, 2024; [2] 06 February, 2025.

The attendance of the members at the Nomination and Remuneration Committee Meetings held during the Financial Year 2024-25 is as below:

Name	Category	Number of Meetings		
		Held	Entitled	Attended
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	2	2	2
Ms. Savita Mahajan (DIN: 06492679)	Independent Director	2	2	2
Mr. Sumir Chadha (DIN:00040789)	Non-Executivee Non-Independent Director	2	2	2

Performance Evaluation of Directors

Performance Evaluation of the Board as a whole, as well as that of its Committees, Independent Directors and Non-Independent Directors has been carried out in accordance with the relevant provisions of the Act read with relevant rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and in compliance with guidance note issued by SEBI under Circular no. SEBI/HO/ CFD/ CMD/ CIR/P/2017/004 dated 5 January, 2017. The performance evaluation of Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation criteria for Independent Directors included the criteria formulated by the NRC that inter alia included execution of roles and responsibilities, attendance, acquaintance with business, communication inter-se between board members, effective participation, domain knowledge, compliance with code of conduct. The Board has expressed its satisfaction with the evaluation process.

Particulars of Senior Management:

The particulars of senior management as on 31 March, 2025 are:

S. No.	Name	Designation
1	Mr. Rupinder Singh	Managing Director and Chief Executive Officer
2	Mr. Ashish Gupta	Chief Financial Officer
3	Mr. Sharad Pareek	Chief Risk Officer
4	Mr. Nilay	Chief Human Resources Officer
5	Mr. Nitin Goel	Head Credit & Policy
6	Mr. Ravinder Dhillon	Head- Collections
7	Mr. Abhinav Arya	Chief Information Officer
8	Mr. Aman Saini	National Business Head
9	Mr. Rohit Gaur	Head- Product and Strategy
10	Ms. Mukti Chaplot	Company Secretary
11	Mr. Aakash Jain	Chief Compliance Officer
12	Mr. Iqbal Singh	Head-Internal Audit

Corporate Social Responsibility Committee ("CSR Committee")

The Board constituted CSR Committee in terms of the provisions of Section 135 of the Act and is chaired by an Independent Director.

The CSR Committee of the company as on 31 March, 2025 comprises of three members including two independent directors as below:

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

* The Committee was renamed as ESG & CSR Committee by the Board of Directors in their meeting held on 09 May, 2025.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 forms part of this Annual Report as an annexure to the Director's report.

The Company has developed and implemented Environment, Social, Governance Policy and Corporate Social Responsibility Policy is hosted on the website of the company at https://www.indiashelter.in/investor-relations.

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

a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate amongst others, the guiding principles for selection, implementation and monitoring the activities as well as formulation of the annual action plan which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;

b) review and recommend the amount of expenditure to be incurred on the activities referred in clause (a) and amount to be incurred for such expenditure shall be as per the applicable law;

c) monitor the Corporate Social Responsibility Policy of our Company and its implementation from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programme; and

ANNEXURE 2 (Contd.)

d) Any other matter as Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

During the Financial Year 2024-25, the CSR Committee of the Company had met two times on [1] 08 May, 2024; [2] 06 February, 2025.

The attendance of the members at the CSR Committee Meetings held during the Financial Year 2024-25 is as below:

Name	Category	Number of Meetings	
		Held	Attended
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	2	2
Ms. Savita Mahajan (DIN: 06492679)	Independent Director	2	2
Mr. Sumir Chadha (DIN: 00040789)	Non-Executive Non-Independent Director	2	2

RISK MANAGEMENT COMMITTEE

The Board constituted the Risk Management Committee in terms of the provisions of RBI Master Directions and Regulation 21 read with Part D Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and is chaired by a Non-Executive Independent Director to identify the risks that can create an impact on the Company and to take appropriate measures to mitigate such risks for assisting the Board to establish a risk culture and risk governance framework in the organisation.

The Risk Management Committee of the company as on 31 March, 2025 comprises of seven members including two Independent Director as below:

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

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

The Risk Management Framework encompasses all of the Company's risks, such as strategic, operational, and legal and compliance risks. Appropriate risk indicators are used to identify these risks proactively. The Company takes cognizance of risks faced by its key stakeholders and their cumulative impact while framing the risk management policy.

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

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

b) ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;

c) monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

d) periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity, and recommend for any amendment or modification thereof, as necessary;

e) keep the Board of directors of our Company informed about the nature and content of its discussions, recommendations and actions to be taken;

f) review the appointment, removal and terms of remuneration of the chief risk officer (if any);

g) to implement and monitor policies and/or processes for ensuring cyber security; and

h) any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

During the Financial Year 2024-25, the Risk Management Committee of the Company had met four times on [1] 09 May, 2024; [2] 08 August, 2024; [3] 25 October, 2024; and [4] 06 February, 2025.

The attendance of the members at the Risk Management Committee Meetings held during the Financial year 2024-25 is as below:

Name	Category	Number of Meetings		
		Held	Entitled	Attended
Mr. Rupinder Singh (DIN: 09153382)	Managing Director & Chief Executive Officer	4	4	4
Mr. Thomson Kadantot Thomas (DIN: 09691435)	Independent Director	4	4	4
Mr. Parveen Kumar Gupta (DIN: 02895343)	Independent Director	4	4	4
Mr. Shailesh J Mehta (DIN: 01633893)*	Non-Executive Non-Independent Director	4	4	3
Mr. Sudhin Bhagwandas Choksey (DIN: 00036085)	Non- Executive Nominee Director	4	4	4
Mr. Sharad Pareek	Chief Risk Officer	4	4	4
Mr. Ashish Gupta	Chief Financial Officer	4	4	4

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders Relationship Committee in terms of provisions of Companies Act, 2013 and Regulation 20 read with Part D of the Schedule II of SEBI (LODR) Regulations.

The Stakeholders Relationship Committee of the company as on 31 March, 2025 comprises of three members and is chaired by the Independent Director as below:

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

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

(1) considering and looking into various aspects of interest of Shareholders, debenture holders and other security holders;

(2) resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

(3) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(4) allotment of equity shares and giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities, including applying to stock exchanges for listing of the said equity shares and any other matter incidental there to;

(5) issue of duplicate certificates and new certificates on split/ consolidation/renewal, etc.;

(6) review of measures taken for effective exercise of voting rights by Shareholders;

(7) review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

(8) to dematerialise or rematerialise the issued shares;

(9) review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the Shareholders of the Company; and

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

During the Financial Year 2024-25, the Stakeholders Relationship Committee of the Company had met one time on [1] 07 February, 2025.

ANNEXURE 2 (Contd.)

The attendance of the members at the Stakeholders Relationship Committee meeting held during the Financial Year 2024-25 is as below:

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

Details of investor complaints received during the Financial Year 2024-25 are as below:

Pending at the beginning of Financial Year 2024-25	Received during the Financial Year 2024-25	Disposed of during the Financial Year 2024-25	Unresolved at the end of the Financial Year 2024-25
1	6	7	0

The shareholders having any grievances may contact the Head Investor Relations of the Company. Alternatively, they can also reach out to the Registrar and Transfer Agent (RTA). Investor complaints can also be addressed through SEBI's centralised web-based grievance redressal platform, SEBI Complaints Redress System (SCORES). Additionally, the Company has enabled seamless online resolution of disputes in the Indian Securities Market through the SMART Online Dispute Resolution (ODR) Portal.

INFORMATION TECHNOLOGY STRATEGY COMMITTEE

The Board has constituted Information Technology Strategy Committee in accordance with Master Direction- Information Technology Framework for the NBFC Sector issued by the Reserve Bank of India dated 08 June, 2017.

The Information Technology Strategy Committee of the company as on 31 March, 2025 comprises of six members and is chaired by the Independent Director as below:

Directors	Designation	DIN
Mr. Thomson Kadantot Thomas	Independent Director (Chairman of Committee)	09691435
Mr. Parveen Kumar Gupta	Independent Director	02895343
Mr. Shailesh J. Mehta*	Non-Executive Non-Independent Director	01633893
Mr. Ashish Gupta	Chief Financial Officer	-
Mr. Sharad Pareek	Chief Risk Officer	-
Mr. Abhinav Arya	Chief Information Officer	-
Mr. Dheeraj Yadav	Chief Information Security Officer ("Permanent Invitee")	

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

The above Committee was re-constituted by the Board of Directors through Circular resolution dated 03 April, 2025 and Mr. Rupinder Singh, Managing Director and Chief Executive Officer was appointed as a member and Mr. Jose Tom, CISO, as Permanent Invitee in place of Mr. Dheeraj Yadav.

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

a) Ensuring that the Company has put an effective IT strategic planning process in place;

b) Guiding in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives;

c) Satisfying itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the organisation;

d) Ensuring that the Company has put in place processes for assessing and managing IT and cybersecurity risks;

e) Ensuring that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and

f) Reviewing, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company.

During the Financial Year 2024-25, the Information Technology Strategy Committee met four times on [1] 09 May, 2024; [2] 08 August, 2024, [3] 24 October, 2024 and [4] 06 February, 2025.

The attendance of the members at the Information Technology Strategy Committee Meetings held during the Financial Year 2024-25 is as below:

Name	Category	Number of Meetings		
		Held	Entitled	Attended
Mr. Thomson Kadantot Thomas (DIN: 09691435)	Independent Director	4	4	4
Mr. Parveen Kumar Gupta (DIN: 02895343)	Independent Director	4	4	4
Mr. Shailesh J. Mehta (DIN: 01633893) *	Non-Executive Non-Independent Director	4	4	2
Mr. Abhinav Arya	Chief Information Officer	4	4	4
Mr. Ashish Gupta	Chief Financial Officer	4	4	4
Mr. Sharad Pareek	Chief Risk Officer	4	4	4

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

Asset Liability Management Committee (ALCO)

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

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

*The ALCO Committee was reconstituted on 06 February, 2025 to include Mr. Aakash Jain (Chief Compliance Officer) in place of Ms. Mukti Chaplot as member of the Committee.

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

1. review borrowings & investments of our Company;
2. review fund planning;
3. profit planning and growth projection;
4. review interest/ market and liquidity risk;
5. forecasting and analysing 'what of scenario' and preparation of contingency plans;
6. review liquidity statements submitted to NHB and required action, if any;
7. avail banking and investment services and other matters incidental thereto;
8. avail borrowings, NHB refinance, non-convertible debentures, securitisation, direct assignment and all other fund-raising activities within the borrowings powers as may be approved under Section 180(1)(c) of the Companies Act, 2013;
9. create charge on the assets of our Company as may be approved under Section 180(1)(a) of the Companies Act, 2013;
10. avail foreign currency borrowing including External Commercial Borrowings and approve hedging/derivatives transactions including full currency swap with respect to Foreign Currency Borrowings and all other matters incidental thereto;
11. approve all investments as per the investment policy, such as but not limited to mutual funds, fixed deposits, etc.;
12. approve bank guarantees but not grant of guarantees by our Company to any other organisation/ individual;
13. review and approve loan documents, products and related charges;
14. to negotiate, discuss finalise and approve the proposals of co-lending with banks and to discuss, finalise and execute the documents or to do any acts as may be necessary to give effect to the above transaction;
15. to delegate the said authority to any of the authorised officers of our Company as it may deem fit; and
16. all other matters incidental thereto.

ANNEXURE 2 (Contd.)

During the Financial Year 2024-25, the ALCO Committee of the company had met eighteen times on [1] 30 April, 2024; [2] 29 May, 2024; [3] 21 June, 2024; [4] 23 July, 2024; [5] 30 August, 2024; [6] 02 September, 2024; [7] 26 September, 2024; [8] 11 October, 2024; [9] 28 October, 2024; [10] 04 November, 2024; [11] 27 November, 2024; [12] 10 December, 2024; [13] 20 December, 2024; [14] 31 January, 2025; [15] 28 February, 2025; [16] 11 March, 2025; [17] 26 March, 2025; and [18] 28 March, 2025.

The attendance of the members at the ALCO Committee Meetings held during the Financial year 2024-25 is as below:

Name	Category	Number of Meetings		
		Held	Entitled	Attended
Mr. Rupinder Singh (DIN: 09153382)	Managing Director and Chief Executive Officer	18	18	18
Mr. Ashish Gupta	Chief Financial Officer	18	18	18
Mr. Nitin Goel	Head-Credit & Policy	18	18	18
Mr. Sharad Pareek	Chief Risk Officer	18	18	18
Mr. Aman Saini	National Business Head	18	18	18
Mr. Aakash Jain*	Chief Compliance Officer	18	04	04
Ms. Mukti Chaplot*	Company Secretary	18	13	13

*The ALCO Committee was reconstituted on 06 February, 2025 to include Mr. Aakash Jain (Chief Compliance Officer) in place of Ms. Mukti Chaplot as member of the Committee.

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

The company is committed to providing a work environment that ensures that every employee is treated with equal dignity and respect. In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and the Rules made thereunder, the company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace.

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the POSH Act and Rules made thereunder and there were no cases / complaints filed during the year under POSH Act. Training / awareness programmes are conducted during the year to create sensitivity towards ensuring respectable workplace.

The Internal Complaints Committee as on 31 March, 2025 comprises of the following four members out of which 3 members are women:

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

An Appellate Committee is also constituted as below:

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

During the Financial Year 2024-25, there were 20 meetings of other Committees as per the business requirements of the Company as detailed below:

- The Wilful Defaulter (Identification) Committee had met four times on [1] 21 June, 2024; [2] 26 September, 2024; [3] 27 November, 2024; [4] 24 January, 2025.
- The Customer Service & Grievance Redressal Committee had met four times on [1] 21 June, 2024; [2] 26 September, 2024; [3] 27 November, 2024; [4] 24 January, 2025.
- The IT Steering Committee had met four times on [1] 11 June, 2024; [2] 10 September, 2024; [3] 29 November, 2024; [4] 20 March, 2025.
- The Information Security Committee had met four times on [1] 21 June, 2024; [2] 03 September, 2024; [3] 21 November, 2024; [4] 20 March, 2025.
- The Special Committee of the Board for Monitoring and Follow-up of cases of Frauds' (SCBMF) had met two times on [1] 06 November, 2024; [2] 03 December, 2024;

The Committee charter approved by the Board of Directors contains terms of reference of each of these Committee's.

REMUNERATION OF DIRECTORS/ PAYMENT TO NON-EXECUTIVE DIRECTORS

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

The details of sitting fees paid, and shares held by non-executive directors in the Company as at 31 March, 2025 are as follows:

Name	Sitting fees (In ₹)		Commission (In ₹)**	No. of equity shares held in the Company
	Board	Committees		
Mr. Parveen Kumar Gupta	3,00,000	7,25,000	6,00,000	-
Ms. Rachna Dikshit	4,00,000	6,10,000	6,00,000	-
Ms. Savita Mahajan	4,00,000	3,50,000	6,00,000	-
Mr. Thomson Kadantot Thomas	4,00,000	8,40,000	6,00,000	-
Mr. Sudhin Bhagwandas Choksey	-	-	-	-
Mr. Shailesh J. Mehta*	-	-	-	-
Mr. Sumir Chadha	-	-	-	-

* Mr. Shailesh J Mehta, ceased to be the Director of the Company w.e.f. 01 April, 2025.

** The Nomination and Remuneration Committee and Board of Directors in their meeting held 08 February, 2024 and shareholders vide resolution passed by postal ballot dated 19 March, 2024 approved commission upto a sum not exceeding ₹ 6,00,000 per Independent Director in accordance with the provisions of the Act, be paid to and distributed to the Independent Directors of the Company or some or any of them in such amounts or proportions and in such manner and in all respects as may be directed by the Nomination & Remuneration Committee/Board of Directors from Financial Year 2024-25 onwards. Commission payable to Independent Directors for the Financial Year 2024-25 was approved by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee in their meeting held on 09 May, 2025.

The criteria for making payments to non-executive Directors is hosted on the website of the Company at https://www.indiashelter.in/investor-relations.

Pecuniary relationship or transactions with Non-Executive Directors:

None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company, except sitting fees and profit related commission paid to the Independent Directors.

Remuneration of Managing Director & CEO ('MD & CEO')

The components of Mr. Rupinder Singh, MD & CEO's, compensation package include salary, a performance-linked Variable Pay, and other benefits. The Nomination and Remuneration Committee recommends the decision, which is then approved by the Board and is within the general parameters set by the shareholders at the annual general meeting.

The details of remuneration paid to Mr. Rupinder Singh, MD & CEO, for the financial year ended 31 March, 2025 are as follows:

S.No.	Particulars of Remuneration	Total Amount (in ₹)
1	Fixed Salary	34,837,294
2.	Variable Pay	40,373,280
3	Others*	40,00,000 Other benefits as per the terms of agreement and as approved by the Shareholders of the Company.
4.	Sweat Equity	Nil
5.	Commission - as % of profit - others, specify	Nil
6.	Number of Stock Options outstanding as on Financial Year 2024-25	10,95,000 stock options

- One time Ex-Gratia approved by the shareholders in their meeting on June 19, 2024.

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

ANNEXURE 2 (Contd.)

Details of service contracts, notice period, severance fees:

Service contract, notice period and severance fees are as per the Employment Agreement executed between him and the Company. The Current tenure of the Managing Director & Cheif Executive Officer is valid until November 22, 2025.

Penalties

During the Financial Year 2024-25, the Company was levied a penalty of ₹ 68,000/- (excluding GST) each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company was granted with waiver of penalty of ₹ 24,000/- and ₹ 68,000/-(excluding GST) which was imposed in Financial Year 2023-24 and Financial Year 2024-25 by each of the Stock exchanges, National Stock Exchange of India Limited and BSE Limited through email and letter dated 21 May, 2024 and 19 August, 2024 respectively for Non-compliance of Regulation 19(1) & 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Means of Communication

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

i. **Financial Results:** The quarterly, half yearly and annual financial results of the company were published in the national daily leading newspapers viz Business Standard (English & Hindi), The Mint (English) and Navodaya Times (Hindi) and are also posted on the company's website (www.indiashelter.in) and on the websites of Stock exchanges https://www.bseindia.com/ and https://www.nseindia.com/

ii. **Website:** In compliance with Regulation 46 and 62 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has maintained a separate section i.e. 'Investor Relations' on the Company's website providing all the announcements made by the Company, annual reports, results and policies of the Company.

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

iii. **Presentations made to Institutional Investors and Analysts:**

The schedule of analyst / institutional investor meets and presentations made to them on a quarterly basis are informed to the Stock Exchanges and are also displayed on the company's website. The audio recordings and transcripts of these meetings are also uploaded on the company's website and weblink of the same is intimated to the Exchanges.

Other Disclosures

i. **Related Party Transactions Policy**

The company has formulated a policy on materiality of related party transactions and dealing with Related Party Transactions ("RPT's") pursuant to the provisions of the Act and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which specify the manner of entering into Related Party Transactions. The details of related party transactions entered by the Company in the ordinary course of its business are included in the notes forming part of the financial statements. The Company did not enter into any material related party transaction during the Financial Year 2024-25. During the Financial Year 2024-25, all RPT's were placed before the Audit Committee for its approval as required under Section 177 of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No materially significant related party transactions and no omnibus approval was entered into by the company during the Financial Year 2024-25 that may have potential conflict of interests with the company.

The Policy on materiality of related party transactions and dealing with Related Party Transactions is hosted on the website of the company at https://www.indiashelter.in/investor-relations.

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

During the Financial Year 2024-25, the Company was levied a penalty of ₹ 68,000/- (excluding GST) each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended March 2024.

During the Financial Year 2023-24, the Company was levied a penalty of ₹ 24,000/- (excluding GST) each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended December, 2023.

The Company was granted with the waiver of penalties of ₹ 24,000/- and ₹ 68,000/-(excluding GST) which was imposed in Financial Year 2023-24 and Financial Year 2024-25 by both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited through email and letter dated 21 May, 2024 and 19 August, 2024 respectively for Non-compliance of Regulation 19(1) & 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iii. **Establishment of Vigil Mechanism and Whistle Blower Policy**

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

iv. **Weblink of Corporate Policies**

Particulars	Weblink
Policy for determining material subsidiaries	https://www.indiashelter.in/investor-relations
Policy on materiality of related party transactions and dealing with Related Party Transactions	https://www.indiashelter.in/investor-relations

vii. **Compliance with Accounting Standards**

The company has followed the guidelines on Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and notes to accounts.

viii. **MD/CFO Certification**

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

ix. **Compliance certificate on Corporate Governance**

As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate issued by Mr. Jitender Singh (Membership No. A33610 and C.P. No. 26612), Practicing Company Secretary, certifying that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said certificate forms part of the Annual Report as an Annexure to the Directors Report.

x. **Certificate from Practicing Company Secretary**

A certificate issued by Mr. Jitender Singh (Membership No. A33610 and C.P. No. 26612), Practicing Company Secretary, pursuant to Regulation 34(3) read with Clause 10 (i) of Paragraph C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certifying that none of the Directors on the Board of the Company as on 31 March, 2025, has been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India, or any such Statutory Authority. The said certificate is enclosed and is forming part of this report as Annexure B

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

Not Any

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

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

xiii. **Directors and Officers (D&O) Liability Insurance**

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has taken a D&O Liability Insurance policy on behalf of all Directors including Independent Directors and Key Managerial Personnel of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

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

During the Financial Year 2024-25, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

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

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

ANNEXURE 2 (Contd.)

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

The total fees for all services paid by Company, on a consolidated basis, to M/s S.R Batliboi & Associates LLP (Firm Registration No.: 101049W/E300004), Statutory Auditors of the Company and other firms in the network entity of which the Statutory Auditors are a part, as included in the Financial Statements of the Company for the year ended on 31 March, 2025, are as follows:

(₹ in Lacs)

(a)	**As Auditors**	
	Statutory audit including limited review	95.00
	Certification and other charges	10.00
(b)	**for re-imbursement of expenses**	4.62

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

The Company has complied with all the mandatory requirements of Corporate Governance as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also adopted certain voluntary compliance requirements as outlined in the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable acts, rules, regulations & guidelines. As per the discretionary requirements specified in Schedule II, Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed separate persons to the post of Chairperson and Managing Director & Chief Executive Officer.

xviii. Statutory and Regulatory Compliance

The Company has followed all applicable directions, guidelines and circulars issued by Reserve Bank of India from time to time. The Company also has been following directions / guidelines / circulars issued by Income Tax Act, 1961, Securities and Exchange Board of India and Ministry of Corporate Affairs from time to time, as applicable to the Company. There was no non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

xix. Disclosure regarding demat suspense account/ unclaimed suspense account

a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year- Two shareholders , equity shares aggregating to Sixty shares are lying in the suspense account lying at the beginning of the year.

b) Shareholders approached the Company for transfer of shares from suspense account during the year- Not Any

c) Number of shareholders to whom shares were transferred from suspense account during the year- Two shareholders , equity shares aggregating to Sixty shares

d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year- Not Any

e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares- Not Applicable

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

In compliance of the SEBI PIT Regulations, as amended from time to time, the Company has formulated a Code of Conduct for Prevention of Insider Trading in the shares of the Company, which inter alia, prohibits trading in shares of the Company by insiders while in possession of unpublished price sensitive information in relation to the Company and in order to ensure uniform dissemination of unpublished price sensitive information. The Board of Directors had adopted a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which is available on the website of the Company and can be accessed at https://www.indiashelter.in/investor-relations.

During the Financial Year 2024-25, the Company has Reported two violations related to SEBI (Prohibition of Insider Trading) Regulations, 2015 and Code of Conduct of the Company.

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

Pursuant to Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted Code of Conduct applicable to the Board of Directors and the Senior Management Personnel ('Code'). The Code provides guidance to the Directors and Senior Management Personnel to conduct their business affairs ethically and in full compliance with applicable laws, rules and regulations. In accordance with Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also received declaration from MD & CEO confirming that all the Directors and the Senior Management Personnel of the Company have complied to the Code of Conduct for the financial year

ANNEXURE 2 (Contd.)

ended 31 March, 2025. The said certificate is enclosed and is forming part of this report as Annexure C. The said code is hosted on the website at https://www.indiashelter.in/investor-relations.

xxii. Disclosure of certain types of agreements binding Listed Entities under Clause 5A of Paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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.

xxiii. General Shareholder Information

A separate section on General Shareholder Information required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been included in the Annual Report

For and on behalf of the Board of Directors of

India Shelter Finance Corporation Limited

Sd/-

Mr. Sudhin Bhagwandas Choksey

Chairman and Non-Executive Nominee Director

DIN: 00036085

Place: Indore

Date: 09 May, 2025

Sd/-

Mr. Rupinder Singh

Managing Director and Chief Executive Officer

DIN: 09153382

Place: Indore

Date: 09 May, 2025

Annexure A

MD & CFO CERTIFICATE

We hereby certify that:

1. We have reviewed the audited financial statements and the cash flow statement for the Financial Year ended 31 March, 2025 and that to the best of our knowledge and belief:
   a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee that there are no:
   a. significant changes in internal control over financial reporting during the year;
   b. significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
   c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For India Shelter Finance Corporation Limited

Sd/-
Mr. Rupinder Singh
MD & CEO

Sd/-
Mr. Ashish Gupta
Chief Financial Officer

Place: Indore
Date: 09 May, 2025

Annexure B

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of India Shelter Finance Corporation Limited having CIN: L65922HR1998PLC042782 and having registered office at 6th Floor, Plot No. 15, Sector - 44, Institutional Area, Gurugram - 122 002, Haryana, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I 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 being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	Designation	DIN	Date of Appointment
1.	Mr. Sudhin Bhagwandas Choksey	Chairman and Non- Executive Nominee Director	00036085	03/11/2021
2.	Mr. Rupinder Singh	Managing Director and Chief Executive Officer	09153382	12/05/2021
3.	Mr. Sumir Chadha	Non-Executive Non-Independent Director	00040789	03/06/2015
4.	Mr. Parveen Kumar Gupta	Independent Director	02895343	12/06/2023
5.	Ms. Rachna Dikshit	Independent Director	08759332	12/02/2021
6.	Ms. Savita Mahajan	Independent Director	06492679	31/07/2023
7.	Mr. Thomson Kadantot Thomas	Independent Director	09691435	02/08/2022
8.	Mr. Shailesh Jayantilal Mehta[1]	Non-Executive Non-Independent Director	01633893	03/11/2021

[1]Mr. Shailesh Jayantilal Mehta (DIN: 01633893) has resigned as the Non-Executive Non-Independent Director, with effect from April 01, 2025, citing personal reasons and other commitments.

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

Sd/-
Jitender Singh
Practicing Company Secretary
Membership No. A33610
C.P. No. 26612
UDIN: A033610G000291670
Peer Review No.: I2013UP1081800

Date: May 09, 2025
Place: Gurugram

Annexure C

DECLARATION ON CODE OF CONDUCT

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

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management of the company. The Code of Conduct has also been posted on the website of the company. It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the Code of Conduct of the company for the year ended 31 March, 2025, as envisaged in schedule V under regulation 34 (3) of the Listing Regulations.

Sd/-
Rupinder Singh
MD and CEO
DIN: 09153382

Place: Indore
Date: 09 May, 2025

GENERAL SHAREHOLDER INFORMATION

This section inter-alia provides information pertaining to Company, its Shareholding Pattern, means of dissemination of information, service standards and such other information, in terms of point no. C (9) of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, related to Corporate Governance.

CORPORATE INFORMATION:

Incorporation date	October 26, 1998
Corporate Identification Number	L65922HR1998PLC042782
Registered Office Address	6th Floor, Plot No. 15, Sector - 44, Institutional Area, Gurgaon, Haryana, India, 122 002
ISIN for equity shares of the Company	INE922K01024
Date, Time and Venue of the Annual General Meeting	Date: 28 July, 2025 Time: 11:00 AM Venue: Video Conferencing/ Other Audio Visual Means
Financial year	01 April, 2024 to 31 March, 2025
Dividend Payment Date	The final dividend, if approved, shall be paid/credited on or before 27 August, 2025.
Record Date	As mentioned in the Notice of this AGM
Name & Address of the Stock Exchanges	The Equity shares of the Company are listed on Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). **BSE Limited** Phiroze Jeejeebhoy Towers, Dalal street, Mumbai - 400 001. **National Stock Exchange of India Limited** Exchange Plaza, Floor 5, Plot C/1, Bandra-Kurla Complex, Bandra (East), Mumbai-400051 Non-convertible Debentures issued by the Company are listed on the BSE.
Payment of Listing Fees	The Company has paid the annual listing fees to both BSE and NSE.
In case the securities are suspended from trading, the Director's Report shall explain the reasons thereof	Not Applicable
Registrar and Share Transfer Agent	Kfin Technologies Limited (Formerly known as Kfin Technologies Private Limited) Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana - 500 032 Phone: 18003094001 E-mail: einward.ris@kfintech.com
Trustees for Debenture Holders	Catalyst Trusteeship Limited GDA House, Plot No.85 Bhusari Colony (Right), Paud Road, Kothrud Pune MH - 411 038 Maharashtra
Dematerialisation of shares and liquidity	As of 31 March, 2025, 100% of the Company's shares were held in dematerialised form. The Company's shares are regularly traded on NSE and BSE.
Share Transfer System	The Company's shares are traded under compulsory dematerialised mode and are freely tradable. The Board of Directors have delegated the power to attend all the formalities relating to transfer of securities to the Registrar and Share Transfer Agent of the Company.
Address for Correspondence	Kfin Technologies Limited (Formerly known as Kfin Technologies Private Limited) Selenium Tower-B Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Telangana, India India Shelter Finance Corporation Limited The Company Secretary & Compliance Officer 6th Floor, Plot No. 15, Sector - 44, Institutional Area, Gurgaon, Haryana, India, 122 002 Email- secretarial@indiashelter.in

Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity;	The Company has not issued any Global Depository Receipts or American Depository Receipts or any convertible instruments.
Commodity price risk or foreign exchange risk and hedging activities	The Company does not have any unhedged foreign currency risk.
Plant Locations	Not Applicable

DISTRIBUTION OF SHAREHOLDING

Sl. No.	Category (Shares)	No. of Holders	% of Holders	No. of Shares	% of Shares
1.	1-5000	54,514	97.78	31,35,789	2.91
2.	5001-10000	604	1.08	8,53,001	0.79
3.	10001-20000	285	0.51	7,96,430	0.74
4.	20001-30000	115	0.21	5,64,903	0.52
5.	30001-40000	44	0.08	3,07,447	0.28
6.	40001-50000	26	0.05	2,32,107	0.22
7.	50001-100000	48	0.08	6,77,526	0.63
8.	100001 & above	115	0.21	10,13,28,084	93.91
Total		**55,751**	**100%**	**10,78,95,287**	**100.00**

CONSOLIDATED SHAREHOLDING PATTERN AS ON 31 MARCH, 2025

S. No.	Category	No. of holders	Total Shares	% Equity
1.	Promoters	1	15,70,734	1.46
2.	Foreign Promoters	2	5,01,31,120	46.46
3.	Mutual Funds	17	1,33,00,513	12.33
4.	Alternative Investment Fund	7	8,41,578	0.78
5.	Qualified Institutional Buyer	2	58,37,784	5.41
6.	Foreign Portfolio - Corp. (Category I)	43	69,09,845	6.41
7.	Foreign Portfolio - Corp. (Category II)	8	5,76,190	0.53
8.	Directors And Their Relatives	1	6,47,172	0.6
9.	Key Management Personnel	2	5,14,729	0.48
10.	Employees	164	22,15,313	2.05
11.	Resident Individuals	52,544	49,64,038	4.60
12.	Non-Resident Indian Non Repatriable	391	2,06,372	0.19
13.	Non-Resident Indians	393	7,70,277	0.71
14.	Foreign Corporate Bodies	3	1,85,26,711	17.17
15.	Bodies Corporates	240	6,80,948	0.63
16.	H U F	1,442	1,99,794	0.19
17.	Clearing Members	4	2,169	0.00
Total		**55,264**	**10,78,95,287**	**100**

CREDIT RATING

The credit rating details of the Company as on 31 March, 2025, are as follows:

Agency	Instrument	Rating (Outlook)
ICRA	Non-Convertible Debentures	ICRA AA- (Stable)
ICRA	Long Term Borrowing	ICRA AA- (Stable)
CARE	Long Term Borrowing	CARE AA- (Stable)
India Ratings	Long Term Borrowing	IND AA- (Stable)

UNCLAIMED SUSPENSE ACCOUNT

As on 31 March, 2025, there were no equity shares lying in the unclaimed suspense account.

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

Pursuant to the provisions of Sections 124 and 125 of the Act, rules made thereunder and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto, the amounts of dividend / deposits remaining unclaimed for a period of seven years from the date of transfer to unpaid dividend account is required to be transferred to IEPF as constituted by the Central Government.

There was no dividend declared in the last Seven (7) years prior to the current Financial Year 2024-25 and hence, there was no requirement of transferring the same to the Investors Education and Protection Fund.

DIRECTORS AND OFFICERS (D&O) LIABILITY INSURANCE

As per the provisions of the Act and in compliance with Regulation 25(10) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has taken a D&O Liability Insurance policy on behalf of all Directors including Independent Directors and Key Managerial Personnel of the Company for indemnifying any of them against any liability arises in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

ONLINE SERVICES PROVIDED BY THE REGISTRAR AND SHARE TRANSFER AGENT

The shareholders can reach out to the Registrar and Share Transfer Agent, Kfin Technologies Limited (Formerly known as KFin Technologies Private Limited), through the modes given below.

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

Annexure 3

To,

The Board of Directors

India Shelter Finance Corporation Limited

6th Floor, Plot No. 15, Sector - 44, Institutional Area,

Gurugram - 122 002, Haryana, India.

I have examined the compliance of the conditions of Corporate Governance by **India Shelter Finance Corporation Limited ("the Company")** having CIN: L65922HR1998PLC042782 and having registered office at 6th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram-122002, Haryana, India for the year ended 31 March, 2025 as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations") read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31 March, 2025.

MANAGEMENT'S RESPONSIBILITY

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

OUR RESPONSIBILITY

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

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

OPINION

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C D and E of Schedule V of the SEBI Listing Regulations during the year ended 31 March, 2025.

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

Sd/-

Jitender Singh

Practicing Company Secretary

Membership No. A33610

C.P. No. 26612

UDIN: A033610G000291736

Peer Review No.: I2013UP1081800

Date: May 09, 2025

Place: Gurugram

ANNEXURE 4

CORPORATE SOCIAL RESPONSIBILITY (CSR)

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

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

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

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

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

2. THE COMPOSITION OF THE CSR COMMITTEE AS ON 31 MARCH, 2025

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

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

Name	Category	Number of Meeting	
		Held	Attended
Ms. Savita Mahajan (DIN: 06492679)	Independent Director (Chairman of Committee)	2	2
Ms. Rachna Dikshit (DIN: 08759332)	Independent Director	2	2
Mr. Sumir Chadha (DIN: 00040789)	Non-Executive Non-Independent Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

The composition of CSR Committee and CSR Policy are hosted at https://www.indiashelter.in and for CSR Project is https://www.indiashelter.in/csr.

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

The average CSR obligation of the Company does not exceed the prescribed threshold limit of ₹ 10 Crs or more in pursuance of Section 135(5) of the Companies Act, 2013. Thus, the impact assessment report is not applicable to the Company.

5. (a) Average net profit of the Company as per sub-section (5) of section 135. ₹ 22,677.53 Lacs

(b) Two percent of average net profit of the Company as per section 135(5): ₹ 453.55 Lacs

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

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

(e) Total CSR obligation for the financial year ((b)+(c)-(d)) : ₹ 453.55 Lacs

6. **(a) Total amount on CSR Projects** (both Ongoing Project and other than Ongoing Project) : ₹ 435.15 Lacs

(b) Amount spent in Administrative Overheads: ₹ 22.68 Lacs

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year ((a)+(b) + (c)): ₹ 457.83 Lacs

ANNEXURE 4 (Contd.)

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

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

(f) Excess amount for set off, if any: ₹ 4,27,800/-

Sl. No.	Particulars	Amount (₹ in Lacs)
(i)	Two percent of average net profit of the company as per Section 135(5)	453.55
(ii)	Total amount spent for the Financial Year	457.83
(iii)	Excess amount spent for the financial year [(ii)-(i)]	4.28
(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)]	4.28

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

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2021-22	-						
2.	2022-23	-						
3.	2023-24	-						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes ☐ No ☑

If Yes, enter the number of Capital assets created/ acquired ☐

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

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

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

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

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

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

Annexure 5
Business Responsibility and Sustainability Report



India Shelter is pleased to present its Business Responsibility and Sustainability Report (BRSR) for the financial year ending March 31, 2025. This report highlights our dedication to ethical business conduct and sustainable growth. At India Shelter, we believe our responsibilities go beyond providing housing finance — they extend to supporting the well-being of our customers, communities, and the environment.

This report reflects India Shelter's unwavering commitment to ethical, environmental, and social responsibility. We recognize the significant influence financial institutions can have on society, and we are dedicated to ensuring that our impact is both meaningful and positive.

Designed to ensure transparency and accountability, this report presents our key initiatives and accomplishments across multiple pillars of corporate responsibility and sustainability.

At India Shelter, we aim to deliver long-term value through innovative, customer-centric solutions while fostering an inclusive and sustainable ecosystem. We are committed to being a dependable partner for our stakeholders — connecting communities, advancing environmental stewardship through innovation, and contributing to economic development.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the listed entity	L65922HR1998PLC042782
2.	Name of the listed entity	India Shelter Finance Corporation Limited
3.	Year of incorporation	1998
4.	Registered office address	6th Floor, Plot No. 15, Sector 44, Institutional Area, Gurugram – 122 002, Haryana, India
5.	Corporate address	3rd Floor, Upper Ground Floor and Lower Ground Floor, Plot No. 15, Institutional Area, Sector 44, Gurugram – 122 002, Haryana, India
6.	Email	secretarial@indiashelter.in
7.	Telephone	0124-4131800
8.	Website	https://www.indiashelter.in/
9.	Financial year for which reporting is being done	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	BSE Ltd. (BSE) and National Stock Exchange Ltd. (NSE)
11.	Paid-up capital	539476435
12	Name and contact details (telephone, Email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Ms. Mukti Chaplot Designation: Company Secretary Email: secretarial@indiashelter.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The disclosures under this report are made on a consolidated basis, unless otherwise specified.
14.	Name of assessment or assurance provider	Not Applicable*
15.	Type of assessment of assurance obtained	Not Applicable*

*In pursuance of SEBI Circular No.: SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 r.w. SEBI LODR (Third Amendment) Regulations, 2024, dated 17 May, 2024 and its Press Release - PR 36/2024 dated 18 December, 2024, it is not mandatory for the Company to undertake reasonable assurance of the BRSR Core for the 2024-25.

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

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

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Product/service	NIC Code	% of total turnover contributed
Home Loans and Loan against Property	64910	100%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

International		National	
Number of plants	N.A.*	Number of plants	N.A.*
Number of offices	0	Number of offices	266#
Total	0	Total	266#

*The Company operates as a Non-Banking Financial Company (NBFC) specialising in Housing Finance (NBFC-HFC) and, as such, does not engage in any manufacturing operations.

Excluding Registered and Corporate Office

19. Markets served by the entity:

a. Number of locations

National (No. of States)	International (No. of Countries)
15	0

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

India Shelter Finance Corporation Limited does not export any products/services. Thus, the question is not applicable.

c. A brief on types of customers

The Company's primary focus is on providing affordable home loans and loans against property to low- and middle-income individuals, particularly first-time homebuyers, in Tier 2 and Tier 3 cities and towns in India. By serving these underserved markets, the Company aims to promote financial inclusion, support the government's 'Housing for All' vision, and make a positive impact on the lives of its customers

Category	% of AUM in 2024-25
Self-employed	75%
Salaried	25%

Category	% of AUM in 2024-25
EWS	20%
LIG	52%
MIG	26%
HIG	2%

IV. Employees

20. Details as at the end of the financial year:

a. Employees and workers (including differently abled):

Sr. no	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Employees					
1.	Permanent (D)	3,818	3,665	96%	153	4%
2.	Other than permanent (E)			N.A.		
3.	**Total employees (D + E)**	**3,818**	**3,665**	**96%**	**153**	**4%**
	Workers					
4.	Permanent (F)					
5.	Other than permanent (G)			N.A.		
6.	**Total workers (F + G)**					

*Not Applicable since the Company has no Other than Permanent employees

b. Differently abled employees and workers:

Sr. no	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	Differently abled employees					
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than permanent (E)			N.A.		
3.	**Total differently abled employees (D + E)**	**0**	**0**	**0%**	**0**	**0%**
	Differently abled workers					
4.	Permanent (F)					
5.	Other than permanent (G)			N.A.		
6.	**Total differently abled workers (F + G)**					

*Not Applicable since the Company has no Other than Permanent employees

21. Participation/inclusion/representation of women



	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	7	2	29%
Key Management Personnel	3	1	33%

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	2024-25			2023-24			2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	41%	38%	41%	42%	38%	42%	44%	40%	44%
Permanent workers	N.A.								

*The Company does not have any permanent workers, thereby turnover rate for permanent workers is not applicable.

V. Holding, subsidiary and associate companies (including joint ventures)

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

Name of the holding/ subsidiary/associate companies/joint venture(A)	Indicate whether holding/ subsidiary/associate companies/joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
India Shelter Capital Finance Limited	Wholly owned subsidiary	100%	No

VI. CSR details

24.

(i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: **Yes**

(ii) Turnover (in ₹): **1,176 Crs**

(iii) Net worth (in ₹): **2,709 Crs**



VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (If yes, then provide web link	2024-25			2023-24		
		Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at the close of the year	Remarks
Communities	No	0	0	On ground staff consults community members and manages to address their concerns. Additionally, for our social impact projects pertaining to CSR, we have a CSR policy in place. During implementation of the projects, basis consultation, community concerns, if any, are incorporated.	0	0	-
Investors (other than shareholders)	Yes	0	0	-	0	0	-
Shareholders	Yes	6	0	-	17	1	One complaint which was pending resolution was resolved within the turnaround time
Employees and workers	Yes	18	0	-	0	0	-
Customers	Yes	239	2	Two complaint which was pending resolution was resolved within the turnaround time	178	4	2 complaints which have been closed by the Company, were pending with NHB as of 31 March, 2024
Value chain partners	No	0	0	-	0	0	-

Link: https://www.indiashelter.in/investor-relations

26. Overview of the entity's material responsible business conduct issues

Opportunity Risk

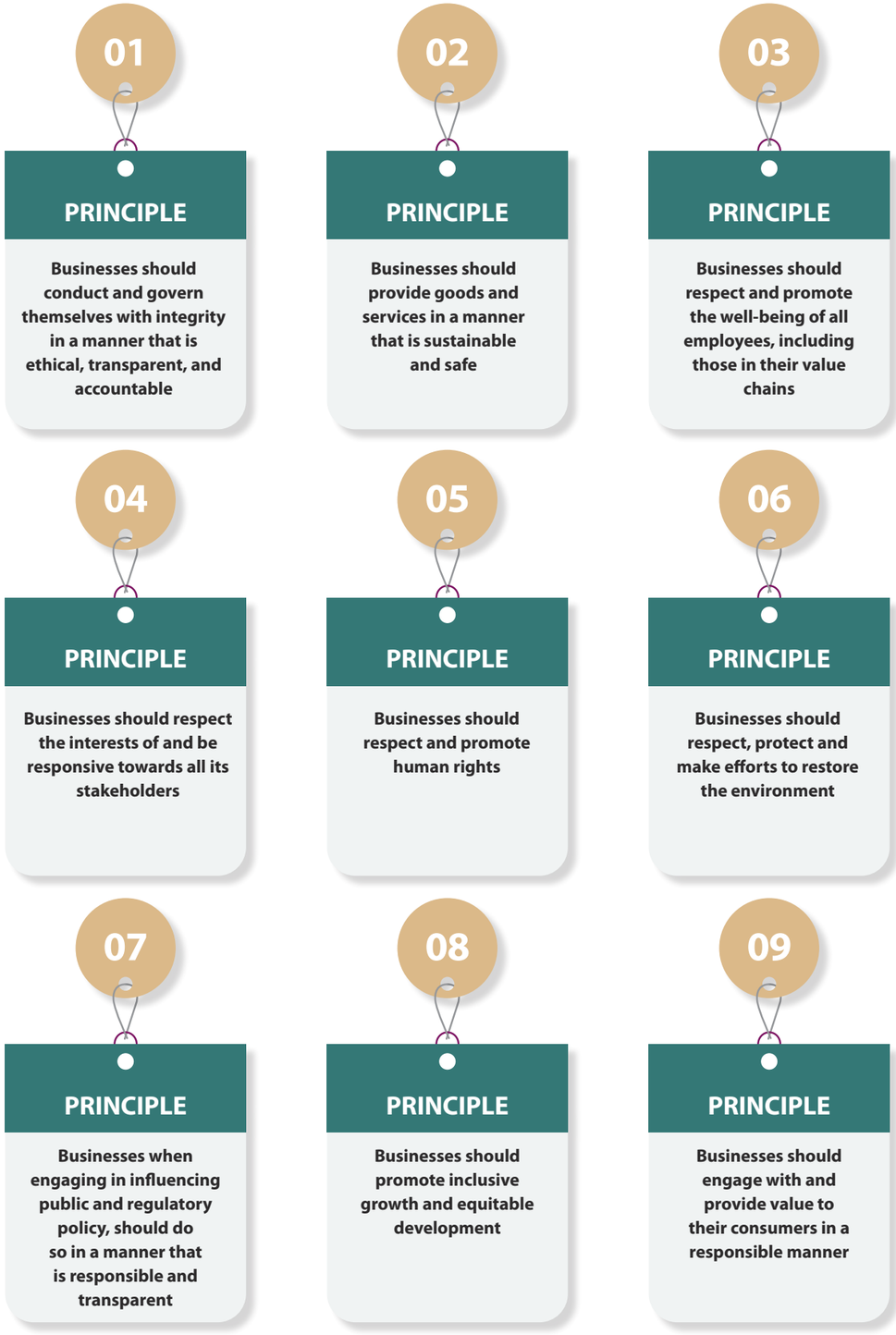
Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Climate Change	Risk	Climate change risks affect housing finance companies through increased loan defaults from property damage, declining property values in vulnerable areas, and insurance challenges. As lenders, not builders, they face credit and collateral risks from climate events and must adapt to evolving regulations and market preferences for sustainable, resilient housing.	By integrating climate assessments into credit evaluation, financing resilient properties, partnering with insurers, and staying updated on regulations, the Company can mitigate climate risks. Additionally, by educating borrowers on climate risks and encouraging insurance uptake, it may reduce default risks and protect asset quality, ensuring long-term portfolio and business stability.	**Negative:** As a housing finance lender, IndiaShelter faces financial risks from climate change through increased loan defaults in disaster-prone areas, strained borrower finances, and declining property values in regularly affected regions. These risks can raise operational costs for due diligence, impact collateral recovery, and introduce regulatory burdens—collectively affecting credit quality, lending strategy, and the long-term stability of the loan portfolio.
Energy Management	Opportunity Risk	Inefficient practices can lead to higher operational costs, regulatory non-compliance, and environmental impact. However, proactive energy management enhances efficiency, reduces expenses, supports regulatory adherence, and strengthens sustainability performance, offering access to green financing, improved stakeholder confidence, and long-term business resilience for India Shelter.	The Company's efforts for proactive energy management will enhance efficiency, reduce expense, support regulatory adherence, and strengthen sustainability performance.	**Positive:** Efficient energy management reduces utility costs, improves operational efficiency, and can attract green financing and incentives, enhancing overall profitability and financial stability for India Shelter. **Negative:** Inefficient energy use increases operating expenses, may lead to regulatory penalties, and can deter investors concerned with sustainability, ultimately affecting the Company's bottom line and long-term financial health.



Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Financial Inclusion	Opportunity	The Company views financial and digital inclusion as a key strategic opportunity to broaden its customer base, deepen customer relationships, and increase access to its services for underserved and marginalised communities, ultimately promoting social equity and bridging the gap in financial and digital divides. By leveraging technology and innovative solutions, the Company aims to create a more inclusive and equitable financial ecosystem, where everyone has access to essential services and opportunities, regardless of their background or socioeconomic status.	-	**Positive:** By prioritising financial and digital inclusion, the Company aims to democratise access to financial services, empowering a wider range of individuals and communities to participate fully in the economy. This not only fosters greater economic equality and social mobility, but also enables the delivery of personalised and efficient services, tailored to the unique needs of each customer. As a result, customer satisfaction is enhanced, and the overall quality of service is improved, creating a more inclusive, responsive, and customer-centric financial ecosystem.
Diversity and Inclusion	Opportunity	Investment in a diverse and inclusive workplace culture reflects the diversity of its clientele, driving market relevance, affordability, and sustainable growth.	-	**Positive:** Investment in diversity and inclusion has a direct positive reputational impact on the brand value of the Company.
Community Engagements	Opportunity	By participating in social welfare initiatives, IndiaShelter can foster a deeper connection with the community, understanding their values, needs, and aspirations. This connection enables the Company to build trust, credibility, and loyalty, ultimately driving long-term sustainable growth and success.	-	**Positive:** Investment in community engagements has a direct positive reputational impact on the brand value of the Company.

Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Business Ethics		Business ethics is both a risk and an opportunity for India Shelter. Ethical lapses can lead to reputational damage, legal issues, and loss of stakeholder trust. Conversely, strong ethical practices enhance brand reputation, build customer and investor confidence, ensure regulatory compliance, and contribute to long-term sustainable growth and resilience.	India Shelter has a strong code of conduct, regular ethics training, whistleblower mechanisms, and strict compliance monitoring. Leadership commitment to ethical practices and transparent communication further ensures accountability, reduces misconduct, and builds a culture of integrity across all levels of the organisation.	**Positive:** Strong business ethics enhance investor confidence, reduce legal risks, and attract ethical investments, contributing to financial stability and long-term profitability. **Negative:** Ethical lapses can lead to fines, legal costs, loss of business, and reputational damage, negatively impacting revenue and increasing financial liabilities for India Shelter.
Risk Management		Risk management is both a risk and an opportunity for IndiaShelter. Poor or inadequate risk management can lead to unexpected losses, operational disruptions, and reputational damage. However, effective risk management helps identify and mitigate potential threats, improves decision-making, protects assets, and drives sustainable growth and resilience.	To mitigate associated risks, proactive measures like risk assessments, internal controls, and compliance programs to reduce the likelihood and impact of risks would be carried out. IndiaShelter will develop flexible strategies to respond to emerging risks, including contingency planning, crisis management, and continuous monitoring.	**Positive:** Effective risk management minimises losses, reduces insurance costs, prevents legal penalties, and safeguards assets, leading to greater financial stability and improved investor confidence for the Company. **Negative:** Poor risk management can result in unexpected expenses, fines, operational disruptions, and reputational damage, causing significant financial losses and reduced profitability.
Regulatory Compliance		While regulatory non-compliance can lead to legal penalties, fines, operational restrictions, and reputational damage, adhering to regulations enhances trust with stakeholders, avoids penalties, improves operational efficiency, and opens access to new markets and incentives, strengthening overall business sustainability.	IndiaShelter will work on implementing more robust compliance programmes, conduct regular audits, provide employee training, and stay updated with changing regulations to prevent violations and reduce legal risks.	**Negative:** Non-compliance can result in heavy fines, legal costs, business interruptions, and loss of customer trust, all of which negatively impact profitability and financial health.
Selling Practices and Product Labelling		Misleading labels or unethical selling can lead to legal penalties, customer distrust, and reputational damage. However, transparent, accurate labelling and ethical selling build consumer trust, enhance brand reputation, and drive customer loyalty, boosting sales and competitive advantage.	The Company ensures that all product labels are accurate, clear, and compliant with legal standards. It trains sales teams on ethical practices and regularly monitors marketing materials to prevent misinformation and avoid penalties.	**Positive:** Accurate labelling and ethical selling enhance customer trust, increase sales, reduce legal costs, and improve brand reputation, leading to higher revenue and long-term profitability. **Negative:** Misleading labels or unethical selling can result in fines, lawsuits, and loss of customers, causing significant financial losses and damaging India Shelter's market position.
Customer Satisfaction		High customer satisfaction drives loyalty, repeat business, positive reviews, and competitive advantage, boosting revenue and growth.	-	**Positive:** High customer satisfaction reduces customer acquisition costs, encourages positive word-of-mouth, and strengthens brand loyalty, all contributing to higher revenue, improved profitability, and sustainable business growth for India Shelter.
Data Privacy and Cybersecurity		As a provider of affordable housing finance in India, IndiaShelter's operations are reliant on its data-based infrastructure. With a significant majority of transactions being processed digitally, the Company is exposed to an increased risk of cyber threats and information security breaches, which could potentially compromise sensitive customer data and disrupt business operations.	IndiaShelter has a Cyber Risk Management framework, which ensures that cyber threats and mitigation strategies are closely monitored and addressed by two dedicated committees.	**Negative:** Breach of Data privacy or cybersecurity incidents can lead to reputational, information security, cyber, and compliance risks, which may result in regulatory challenges like fines/penalties.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES



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

✓ Yes ✗ No

Sr. no.	Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	✓	✓	✓	✓	✓	✓	✓	✓	✓
	b. Has the policy been approved by the Board? (Yes/No)	✓	✓	✓	✓	✓	✓	✓	✓	✓
	c. Web Link of the Policies, if available	https://www.indiashelter.in/								
2.	Whether the entity has translated the policy into procedures. (Yes/No)	✓	✓	✓	✓	✓	✓	✓	✓	✓
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	✓	✓	✓	✓	✓	✓	✓	✓	✓
4.	Name of the national and international codes/certifications/labels/standards adopted by your entity and mapped to each principle.	ISO/ IEC 27001:2022								
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any	The company focusses on the below areas of our ESG framework: • Commit to minimizing our environmental impact by promoting sustainable building practices and through our lending policies. • Foster inclusive growth and improve the well-being of communities by promoting affordable, accessible, and transparent home financing solutions. • Uphold a commitment to diversity and inclusion, providing equal opportunities for all employees and prohibiting discrimination in any form. • Deliver exceptional customer service and maintain transparency in our home loan services. • Operate with integrity, adhering to strict corporate governance standards and well-defined policies and procedures. • Prioritize risk management, implementing cautious and informed strategies to protect our financial stability. • Foster open and honest relationships with all stakeholders, addressing their concerns in a timely and transparent manner.								
6.	Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	**Environment:** • Penetration of e-Sign & e-Stamp at 67% (from 50% in FY24) • E-NACH Mandate at 100% (from 99% in FY24) • 80% of customers are registered on India Shelter Customer App (38% in FY24) • 70% of service requests were raised on the Customer App (30% in FY24) • 95% Digital Collections (93% in FY24) **Social:** • 19,880 work hours of classroom training in FY25 (19,142 work hours in FY24) • The company has Equal Opportunity Policy, Parental Leave Policy and a formal talent pipeline development strategy. • 25% of Employee Base covered under ESOP programme (23% in FY24) • 99% of customers are women applicant in FY25 (98% in FY24) • EWS and LIG customers account for more than 72% of AUM (71% in FY24) **Governance:** • 6 of 7 Directors are non-executive, 4 of 7 Directors are Independent Directors and 2 of 7 Directors are Woman Directors • Strong governance structure with 7 Board Level Committees and 9 Management Level Committees • ESG risk rating of 69.9 from SES indicating "medium risk"								

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG -related challenges, targets, and achievements

India Shelter believes that environmental sustainability is not just a responsibility, but a fundamental aspect of its long-term vision for inclusive growth and responsible business practices. In recognition of the urgent need to address ecological challenges, the Company has formulated a strategy aimed at minimising its environmental footprint across all facets of its operations. Its sustainability efforts are concentrated primarily in two critical areas: improving energy efficiency and implementing robust waste management systems, with a strong emphasis on the environmentally sound disposal of electronic waste (e-waste). To support these goals, the Company has proactively embraced the digital transformation of lending and operational processes. By shifting to digital platforms, India Shelter has significantly reduced dependency on paper-based documentation, thereby conserving natural resources and contributing to a cleaner environment. This transition has not only streamlined operations but also aligned business practices with global sustainability standards. Aligned with its inclusive growth agenda, India Shelter also places a strong emphasis on financial inclusion. The Company is dedicated to empowering underserved and economically weaker sections of society by providing them access to affordable housing finance. Through simplified lending processes, customised financial products, and digital platforms, it bridges the gap for those traditionally excluded from the formal financial system. Its efforts aim to not only enable homeownership but also foster economic stability and upward mobility for marginalized communities. By promoting financial inclusion, but also contribute meaningfully to building a more equitable and inclusive society. Beyond its internal operations, the Company is deeply committed to advancing environmentally friendly practices within the housing sector. It offers tailored financial solutions to support green housing initiatives, encouraging the construction of energy-efficient solutions. These projects are designed to reduce carbon footprints, optimise energy consumption, and foster environmentally responsible living. By financing such initiatives, India Shelter aims to drive a shift towards eco-conscious development that benefits customers, communities, and the planet. Furthermore, under its Corporate Social Responsibility (CSR) framework, the Company has launched a major afforestation initiative, resulting in the plantation of 25,000 trees. This tree plantation drive underscores its dedication to enhancing biodiversity, mitigating climate change, and promoting environmental stewardship. Through these concerted efforts, the Company continues to foster a culture of sustainability and social accountability within the organisation, reinforcing its role as a responsible corporate citizen committed to preserving the environment for future generations.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

Mr. Rupinder Singh

MD & CEO

DIN: 09153382

9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability-related issues? If yes, provide details

Yes. The MD & CEO, along with the Risk Management Committee and ESG and CSR Committee, monitors various aspects of social, environmental, and governance.

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (annually/half-yearly/quarterly/ any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow-up action	The Company, on a periodic basis, reviews the performance against the above policies, and changes are implemented as needed.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, the Company is in compliance with the regulations to the extent applicable.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. *

P1	P2	P3	P4	P5	P6	P7	P8	P9
No. However the Company's procedures and compliances are subject to examination by regulators, credit rating agencies, internal auditors, and statutory auditors. Senior Management and the Board conduct regular reviews and revisions of policies, considering risk and best practices. This ensures that the Company's governance framework remains transparent and aligned with regulatory requirements. Through this ongoing review process, the Company maintains the highest standards of compliance, risk management, and corporate governance, fostering a culture of transparency and accountability.								

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

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



SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent and accountable

The core objective of this principle is to promote transparency, accountability, and fairness in the Company's performance, ensuring that its economic, social, and environmental impacts are managed and communicated in a responsible and equitable manner. This principle is rooted in the Company's commitment to ethical business practices, which are integrated throughout its entire value chain. The Company's governance framework provides the operational framework for implementing this principle, outlining its obligations and responsibilities across the triple bottom line of economic, social, and environmental sustainability.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

P1: Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of Directors	12	The Board members were apprised of various developments on the ESG front and educated on topics such as the evolution of ESG dynamics, Green Housing, GHG emissions, and green initiatives undertaken during the year.	100%
Key Managerial Personnel	12	The KMPs were part of the capacity-building session on the 9 principles as per BRSR. They were also apprised of various developments on the ESG front and educated on topics such as the evolution of ESG dynamics, Green Housing, GHG emissions, and green initiatives undertaken during the year.	100%
Employees other than BOD and KMPs	27,219 work-hours	The employees were part of the capacity-building session on the 9 principles as per BRSR. They were also apprised of various developments on the ESG front and educated on topics such as the evolution of ESG dynamics, Green Housing, GHG emissions, and green initiatives undertaken during the year. Additionally, they were part of the sessions on Skill Upgradation, Health and Safety, Prohibition of Sexual Harassment, and Code of Conduct	100%
Workers	NA	NA	NA

*Not Applicable since the Company has no Other than Permanent employees

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

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

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

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

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
N.A.	

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

Yes, India Shelter has a mechanism in place to address bribery and corruption risks as outlined in its Code of Conduct. The Company promotes awareness on matters pertaining to bribery and corruption through employee inductions and periodic training sessions. Concerns or potential violations can be reported through designated internal channels, including to HR or compliance teams. The reported cases are reviewed confidentially and dealt with in accordance with internal procedures, ensuring fair evaluation and appropriate corrective actions where necessary.

Web link: https:// www.indiashelter.in/investor-relations.

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

	2024-25 (Current financial year)	2023-24 (Previous financial year)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	NA	NA

*Not Applicable since the Company has no Other than Permanent employees

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

	2024-25 (Current financial year)	2023-24 (Previous financial year)
Number of complaints received in relation to issues of conflict of interest of the Directors	0	0
Number of complaints received in relation to issues of conflict of interest of the KMPs	0	0

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

Fine/penalty/action taken on conflict of interest and corruption	Corrective action taken
0	No fines/penalties for the reporting year.

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

	2024-25 (Current financial year)	2023-24 (Previous financial year)
Number of days of accounts payables	19	21



9. Openness of business:

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

In the following format:

Parameter	Metrics	2024-25	2023-24
Concentration of purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading houses where purchases are made from	0%	0%
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of sales	a. Sales to dealers/distributors as % of total sales	0%	0%
	b. Number of dealers/distributors to whom sales are made	0%	0%
	c. Sales to top 10 dealer/distributers as % of total sales to dealer/distributers	0%	0%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	0%	0%
	b. Sales (Sales to related parties/Total Sales)	0%	0%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	0%	0%
	d. Investments (Investments in related parties/ Total investments made)	0%	0%

P1: Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
Nil		

The Company fosters a collaborative environment with its value chain partners, working together to ensure that all interests are aligned and mutually beneficial. To achieve this shared goal, India Shelter clearly defines expectations for responsible business practices within its service agreements and encourages partners to adhere to these standards. The Company prioritises compliance with all relevant laws and policies, both during the onboarding process and through regular annual reviews. Through these efforts, India Shelter demonstrates its commitment to upholding the highest ethical standards and promoting a culture of shared values across its entire value chain.

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

India Shelter's Code of Conduct applies to all employees and Directors, requiring them to prioritise the Company's interests and avoid conflicts of interest. This includes disclosing any personal or business associations that may compromise their judgement or loyalty, thereby ensuring transparency and integrity in all actions and decisions. In doing so, the Company upholds its values and protects its reputation. The Company also has a policy on the Materiality of Related Party Transactions and on Dealing with Related Party Transaction which addresses the issue of conflict of interest.

Web link: https://www.indiashelter.in/investor-relations

Principle 2

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

This principle emphasises the importance of designing and producing goods with safety and resource efficiency in mind, while minimising their negative environmental and social impacts throughout their entire lifecycle, from creation to disposal. It encourages organisations to adopt a holistic approach, considering the broader sustainability implications of their products and value chains, to create value while reducing harm.



P2: Essential Indicators

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

	2024-25	2023-24	Details of improvements in environmental and social impacts
R&D	0%	0%	-
CAPEX	0%	0%	IndiaShelter demonstrates its dedication to environmental and social stewardship through targeted capital expenditures (CapEx) that integrate sustainability considerations. Over the past few years, the organisation has undertaken significant initiatives in collaboration with key stakeholders to enhance its Environmental, Social, and Governance (ESG) performance. These efforts include the development of ESG policies, identification of areas for environmental improvement, such as water conservation and waste management in operational facilities, and the introduction of eco-friendly products into its portfolio, thereby mitigating its ecological footprint and promoting a culture of sustainability.

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

As a housing finance company, India Shelter's resource consumption is primarily associated with the operation of its offices and support functions. While its core business does not involve heavy manufacturing or high environmental impact, the Company remains committed to minimising its ecological footprint through sustainable operational practices. Wherever feasible, it adopts responsible sourcing methods that align with its environmental values.

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

Refer to answer 2. a.

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

Although the Company's business operations have a relatively limited environmental footprint, it acknowledges the importance of responsible waste management. Therefore, the Company has implemented measures to minimise its ecological impact, including promoting reuse and recycling wherever feasible. To ensure the safe and environmentally responsible disposal of electronic waste, the Company has an e-waste policy in place, demonstrating its commitment to sustainable practices and reducing its environmental footprint.

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

Extended Producer Responsibility (EPR) is not applicable to India Shelter.

P2: Leadership Indicators

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

NIC Code	Name of the Product/ Service	% of total Turnover contributed	Boundary for which the Life cycle Perspective /Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web link.
Life Cycle Assessment (LCA) is not directly applicable to the Company's operations as it is a housing finance company and does not engage in the design, development, or manufacturing of physical products.					

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

Name of Product/Service	Description of the risk / concern	Action Taken
Not Applicable		

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

Indicate input material	Recycled or re-used input material to total material	
	2024-25	2023-24
Not Applicable		

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

	2024-25			2023-24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable, as the Company does not offer any physical products.					
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not Applicable	

Principle 3

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

This principle is rooted in the Company's commitment to upholding the highest standards of social responsibility, ensuring that all individuals within its value chain and organisational structure are treated with dignity, respect, and fairness. The Company is dedicated to fostering an inclusive and diverse environment, free from discrimination, where every individual has access to decent work and equal opportunities. Furthermore, the principle recognises the importance of promoting the well-being and welfare of not only its workers, but also their families, acknowledging the interconnectedness of their lives and the Company's responsibility to support their overall quality of life.

P3: Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	3,665	3,665	100%	3,665	100%	-	-	3,665	100%	240	7%
Female	153	153	100%	153	100%	153	100%	-	-	57	37%
Total	3,818	3,818	100%	3,818	100%	153	100%	3,665	100%	297	8%
Other than permanent employees											
Male	0	N.A.*									
Female	0										
Total	0										

*Not applicable, since the Company has no employees other than permanent ones.

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	0	N.A.*									
Female	0										
Total	**0**										
Other than permanent workers											
Male	0	N.A.*									
Female	0										
Total	**0**										

*Not applicable, since the Company does not employ either permanent or other-than-permanent workers.

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

	2024-25	2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	0.3%	0.3%

2. Details of retirement benefits.

Benefits	2024-25			2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Provident Fund	100%	NA	Yes	100%	NA	Yes
Gratuity	100%		Yes	100%		Yes
ESI	17%		Yes	27%		Yes

*Not Applicable since the Company has no Other than Permanent employees

3. Accessibility of workplaces:

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

The majority of the Company's offices are situated in commercial buildings that are easily accessible, with many located on the ground floor or equipped with elevators and other facilities that cater to the needs of persons with disabilities, ensuring an inclusive and barrier-free environment for all.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

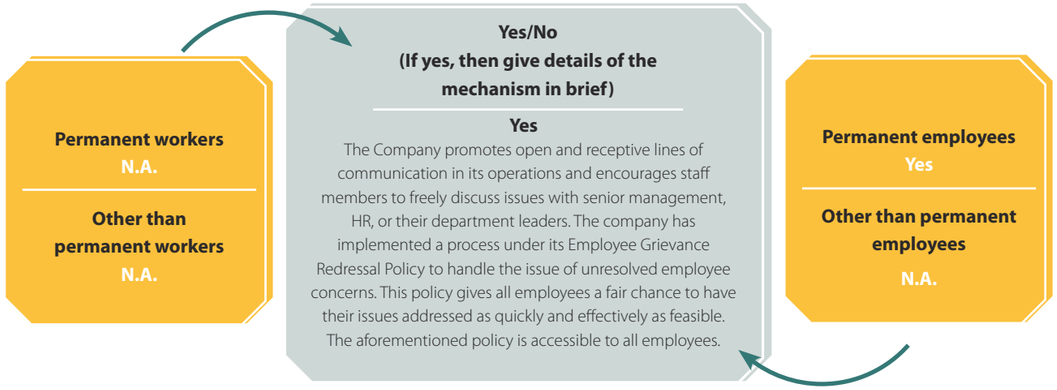
Yes, in alignment with the Rights of Persons with Disabilities Act, 2016, the Company has its Equal Opportunity and Non-discrimination Policy. The policy ensures that all employees are treated with dignity and respect, regardless of their age, gender, race, nationality, ethnicity, language, or religious beliefs.

5. Return to work and retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	78%	N.A.	N.A.
Female	100%	43%	N.A.	N.A.
Total	100%	63%	N.A.	N.A.

*Not Applicable since the Company has no Other than Permanent employees

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.



*Not Applicable since the Company has no Other than Permanent employees

7. Membership of employees and worker in association(s) or unions recognised by the listed entity:

The Company does not have any employee associations. The Company, however, recognises the right to freedom of association and does not discourage collective bargaining.

Category	2024-25			2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total permanent employees	N.A.					
Male						
Female						
Total permanent workers						
Male						
Female						

8. Details of training given to employees and workers:

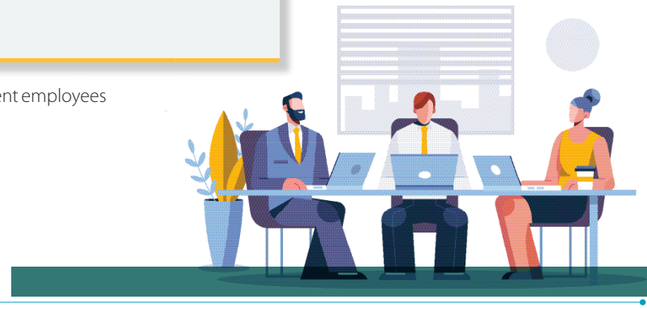
Category	2024-25					2023-24				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	3,665	3,665	100%	3,665	100%	3,164	3,164	100%	3,164	100%
Female	153	153	100%	153	100%	159	159	100%	159	100%
Total	**3,818**	**3,818**	**100%**	**3,818**	**100%**	**3,323**	**3,323**	**100%**	**3,323**	**100%**
Workers										
Male	N.A.									
Female										
Total										

*Not Applicable since the Company has no Other than Permanent employees

9. Details of performance and career development reviews of employees and worker:

Category	2024-25			2023-24		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	3,665	2,593	71%	3,164	1,964	62%
Female	153	127	83%	159	116	73%
Total	**3,818**	**2,720**	**71%**	**3,323**	**2,080**	**63%**
Workers						
Male	N.A.					
Female						
Total						

*Not Applicable since the Company has no Other than Permanent employees



10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system

The Company is in the business of providing housing loans and loans against properties. Hence, there are no occupational health and safety risks due to the nature of the work. However, the Company has provided health, accidental and life insurance to its employees

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company is in the business of providing housing loans and loans against properties. Hence, there are no occupational health and safety risks due to the nature of the work

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No)

The Company is in the business of providing housing loans and loans against properties. Hence, work-related hazards are not envisaged. In case of an emergency situation, the employee can reach out to HR/functional heads to report the incident

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No).

Yes, all employees are covered under Group Personal Accident Insurance and Group Health Insurance Policies.

11. Details of safety-related incidents:

Safety incident/number	Category	2024-25	2023-24
Lost Time Injury Frequency Rate (LTIFR) per Mn person-hours hours worked)	Employees	0	0
	Workers	N.A.	N.A.
Total recordable work-related injuries	Employees	0	0
	Workers	N.A.	N.A.
Total number of permanent disabilities	Employees	0	0
	Workers	N.A.	N.A.
No. of fatalities	Employees	0	0
	Workers	N.A.	N.A.
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	N.A.	N.A.

*Not Applicable since the Company has no Other than Permanent employees

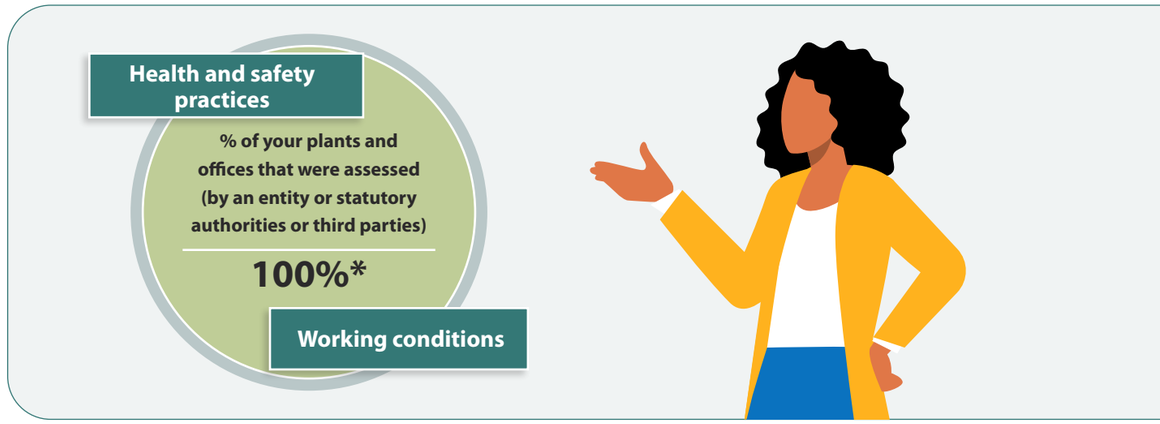
12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company prioritises the development and well-being of its employees, ensuring a healthy and balanced work environment. The Company has initiated various measures to encourage health consciousness and fitness among its employees, including health check-ups, yoga classes and a fitness community. These initiatives are centred around psychological and social well-being of employees.

13. Number of Complaints on the following made by employees and workers:

	2024-25			2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	0	0	-	0	0	-
Health and Safety	0	0	-	0	0	-

14. Assessments for the year:



*The Company has proactively implemented a comprehensive maintenance programme, which includes regular preventive maintenance contracts for its firefighting equipment, to ensure the safety and reliability of its operations.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

No corrective action plan has been necessitated for the above-mentioned parameters.

P3: Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

	(Y/N/NA)
Employees	Yes
Workers	N.A.
Yes, the Company has a term insurance policy, a group personal accident policy and a group health insurance policy for the employees. In the event of the death of an employee who was granted stock options under the ESOP scheme, the unvested options shall immediately vest with the nominee of such employee.	

*Not applicable, since the Company has no employees other than permanent ones.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company ensures that statutory dues as applicable to transactions within the remit of the Company are deducted and deposited in accordance with prevailing regulations. The Company expects its value chain partners to uphold the same business responsibility principles and values of transparency and accountability as are observed by the Company.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	2024-25	2023-24	2024-25	2023-24
Employees	0	0	0	0
Workers	N.A.			

*Not Applicable since the Company has no Other than Permanent employees

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, the Company currently does not have a transition assistance programme for employees in the separation stage, but it will evaluate the programmes that it could offer in the upcoming years to facilitate continued employability due to career endings resulting from retirement or employment termination.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed	
Health and safety practices	The Company expects all its value chain partners to follow existing regulations with regard to health, safety and working conditions. Our ESG Policy has a prohibited activities list which lays down certain activities that do not qualify for financing which include child labor, forced labor etc.	Working Conditions



6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

Principle 4 Businesses should respect the interests of and be responsive towards all its stakeholders

The principle acknowledges that businesses operate within a complex and interconnected ecosystem, where their activities have far-reaching impacts on stakeholders, including shareholders and investors, as well as the natural environment, local communities, and the planet. At its core, this principle recognises that businesses have a fundamental responsibility to not only maximise positive outcomes, but also to minimise and mitigate the negative consequences of their products, operations, and practices on their stakeholders and the environment, thereby adopting a holistic approach to sustainability and social responsibility.

P4: Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The company has identified individuals, groups of individuals, institutions and entities that add value to the business value chain as key stakeholders. The Company's key stakeholders identified include Customers, Employees, Shareholders/Investors, Regulators, Lenders, Rating Agencies and Communities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable and Marginalised Group (Yes/No)	Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website, other)	Frequency of engagement (annually/half-yearly/ quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	Yes, if they qualify based on specific criteria such as gender, and income, among other.	Customer care phone number and Email, branch interactions, digital channels (customer app, SMS, social media engagement, WhatsApp), house and business premise visits, pamphlets, standees, and banners.	Regular and need basis	To assist customers throughout the loan life cycle, address any issues / concerns, and provide quality customer service
Investors	No	Annual General Meeting, Annual Report, Investor Presentations, investor/analyst meets, media releases, conference/video calls, investor conferences, and roadshows	Regular and as per statutory requirements	To update on the Company's developments, including operational and financial performance, adherence to regulatory compliance, governance and ethical practice
Lenders and rating agencies	No	Emails, meetings and conference calls	Regular and need basis	To update on the Company's developments, including operational and financial performance, adherence to regulatory compliance, governance and ethical practice

Stakeholder Group	Whether identified as Vulnerable and Marginalised Group (Yes/No)	Channels of communication (Email, SMS, newspaper, pamphlets, advertisement, community meetings, notice board, website, other)	Frequency of engagement (annually/half-yearly/ quarterly/others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Direct interactions and other modes like SMS, Emails, HRMS portal, webinars, reward and recognition programme, appraisal process and employee engagement activities	Regular and need basis	To ensure wellness and safety, provide learning and development sessions, address employee grievances, and increase employment in tier-II and III geographies
Regulatory bodies	No	Emails, meetings and regulatory filings	Regular and as per statutory requirements	Update on regulations and amendments, inspections and approvals
Local community	Yes	Directly and through implementing agencies	Regular and need basis	Implementation of CSR activities

P4: Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Stakeholder engagement is a continuous process, and this process is driven by senior management of the Company. The Board and its various statutory committees are kept abreast of various developments and feedback is gathered on a continuous basis.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   The Company engages with various stakeholders on a continuous basis to understand the requirements and expectations from the Company. Continuous engagement leads to changes in the policies of the Company as and when required.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   The Company believes in creating meaningful change by bringing together its employees and communities to create a positive impact on society. The Company also seeks to empower communities through targeted interventions in areas such as healthcare, education, women's empowerment, and societal welfare. Furthermore, the Company works towards long-term solutions that have a lasting and positive impact on the communities that it serves.



Principle 5 Businesses should respect and promote human rights

This principle acknowledges that businesses operate within a complex ecosystem that encompasses a diverse range of stakeholders, including shareholders, investors, and the broader community. It recognises that the respect and protection of fundamental human rights, such as fair treatment of workers and adherence to human rights policies, are essential to maintaining a positive business environment, upholding the reputation of internal stakeholders, and preserving the value of the organisation's reputation. Furthermore, this principle emphasises the importance of businesses prioritising the well-being and trust of their stakeholders, while also mitigating and addressing any negative consequences that may arise. The principle is grounded in the understanding that human rights are inherent, universal, and interconnected, and that their protection is essential to the long-term sustainability and success of a business.



P5: Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity:**

   The Company's code of conduct, equal opportunity and non-discrimination policy, and policy against sexual harassment have all been approved by the Board. Employees receive regular training to ensure they are aware of the aforementioned policies. For easier employee access, these policies are also available on the Company's website. In addition, as part of the induction, all new hires receive a copy of the employee guide, which helps them better comprehend the Company's policies.

Category	2024-25			2023-24		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	3,818	3,818	100%	3,323	3,323	100%
Other than permanent	N.A.					
Total	**3,818**	**3,818**	**100%**	**3,323**	**3,323**	**100%**
Workers						
Permanent						
Other than permanent	N.A.					
Total						

*Not Applicable since the Company has no Other than Permanent employees

2. **Details of minimum wages paid to employees and workers:**

Category	2024-25					2023-24				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	3,665	21	1%	3,644	99%	3,164	17	1%	3,147	99%
Female	153	0	0%	153	100%	159	1	1%	158	99%

Category	2024-25				2023-24				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Other than permanent employees										
Male	N.A.									
Female										
Permanent workers										
Male	N.A.									
Female										
Other than permanent workers										
Male	N.A.									
Female										

*Not Applicable since the Company has no Other than Permanent employees

3. Details of remuneration/salary/wages:

a. Median remuneration/wages

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	1	3,80,88,000	-	-
Key Managerial Personnel	1	1,40,70,000	1	38,83,000
Employees other than BoD and KMPs	3,663	3,50,000	152	3,73,500
Workers	N.A.			

* MD & CEO, is categorised as a member of the Board of Directors for the purposes of this table.

*Not Applicable since the Company has no Other than Permanent employees

b. Gross wages paid to females as % of total wages paid by the entity

4% **2024-25**

5% **2023-24**

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes. the Company has a Board-approved Human Rights Policy led by the CHRO and HR department.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Yes, the internal mechanisms to redress grievances related to human rights issues for the Company include reporting non-compliance through appropriate channels, adherence to the code of business conduct, and periodic updates and monitoring of the Human Rights Guidelines.

6. Number of Complaints on the following made by employees and workers:

	2024-25			2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at the workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced labour/involuntary labor	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Human rights issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	2024-25	2023-24
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

To prevent adverse consequences to the complainant in discrimination and harassment cases, India Shelter has established several mechanisms. The organisation ensures that no employee who brings forward a harassment concern is subject to reprisal. The complainant and witnesses are protected from victimisation or discrimination. The Internal Complaints Committee (ICC) maintains confidentiality throughout the investigation process, and all records of complaints are kept confidential except where disclosure is required under disciplinary or remedial processes. The Company guarantees complete confidentiality for the complainant during and after the resolution of their grievances, shielding them from adverse actions, including harassment. Senior members manage these complaints, maintaining strict confidentiality to safeguard the complainant.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, in certain business agreements where relevant.

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

We have defined policies to ensure 100% compliance in every respect.

P5: Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

The Company promotes awareness and understanding of its Code of Conduct and policies including Equal Opportunity and non-discrimination policy, Prevention of Sexual Harassment (POSH) , and Human rights among its employees, with a focus on sensitisation. The organisation has implemented a grievance redressal mechanism to address instances of policy non-compliance, providing a structured framework for reporting, investigating, and resolving complaints in a fair and timely manner. Furthermore, we engage with stakeholders to continuously monitor and evaluate the effectiveness of the policies including grievance redressal mechanism, leveraging insights gathered from stakeholder feedback to inform process improvements and implement corrective actions that mitigate the risk of similar incidents occurring in the future. This iterative approach enables the organisation to refine its policies, procedures, and training programs, ensuring a proactive and adaptive response to emerging challenges and fostering a culture of compliance and accountability.

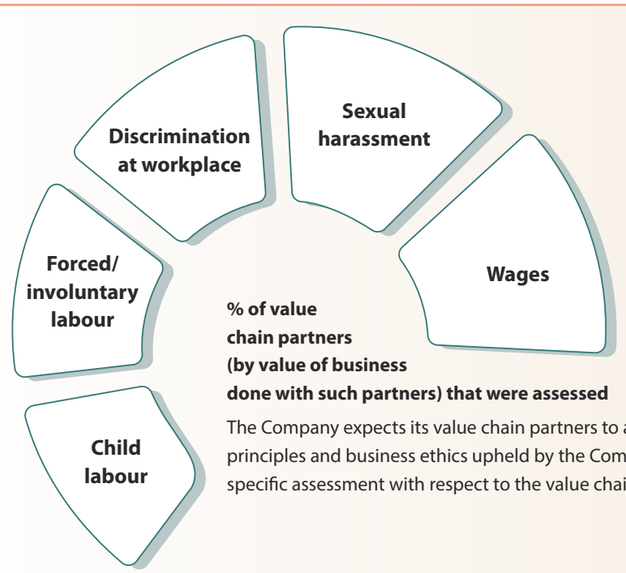
2. Details of the scope and coverage of any Human rights due diligence conducted.

The Company has adopted an open culture where its employees can raise any concerns about wrongful conduct, with the help of its Whistle Blower Policy. The said policy provides a Vigilance Mechanism to channelize reporting of instances of wrongful conduct.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The majority of the Company's offices are situated in commercially leased premises that are either located on the ground floor or are equipped with elevators and other accessibility features, ensuring that they are easily accessible for individuals with disabilities.

4. Details on assessment of value chain partners:



% of value chain partners (by value of business done with such partners) that were assessed

The Company expects its value chain partners to adhere to the same values, principles and business ethics upheld by the Company in all their dealings. No specific assessment with respect to the value chain partners has been carried out.

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable in view of point no 4.

Principle 6

Businesses should respect and make efforts to protect and restore the environment

In accordance with this principle, efforts should be focussed on systematically addressing pressing environmental challenges, including pollution mitigation, biodiversity conservation, responsible resource management, and climate change adaptation. Furthermore, it emphasises the importance of tackling environmental concerns that have far-reaching implications, transcending local, regional, and global boundaries. This principle drives businesses to embed environmental protocols and methodologies into their operations, aiming to minimise or eliminate adverse impacts throughout their entire value chain. Additionally, it encourages companies to adopt a precautionary approach, exercising foresight and caution in all their actions to prevent potential environmental harm, and to consistently prioritise environmental stewardship and sustainability in their decision-making processes.



P6: Essential Indicators

1. Details of total energy consumption (GJ) and energy intensity:

Parameter	2024-25	2023-24
From renewable sources		
Total electricity consumption (A)	-	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A + B + C))	-	-
From non-renewable sources		
Total electricity consumption (D) (GJ)	6,306.32	5,698.1
Total fuel consumption (E)	-	-
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D + E + F)		
Total energy consumed (A + B + C + D + E + F)	6,306.32	5,698.1
Energy intensity per ₹ of turnover	6,306.32	5,698.1
(Total energy consumption/turnover in rupees) (GJ/₹ Mn)	0.053628385	0.0661512732
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/Mn ₹)	0.000011079	0.0000136887
Energy intensity in terms of physical output (Total energy consumption / Production in metric tonne) (GJ/MT of production)	NA	NA

*IndiaShelter being in financial services business, energy intensity in terms of physical output is not applicable.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the PAT scheme is not applicable to the Company.

3. Provide details of the following disclosures related to water:

Parameter	2024-25	2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	1,203.81	939.45
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1,203.81	939.45
Total volume of water consumption (in kilolitres)	**1,280.17***	**1,005.91***
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (KL/₹ Lacs)	0.010886452	0.0116779676
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP) (KL/ ₹ Lacs)	0.000002249	0.000002417
Water intensity in terms of physical output*** (Total water consumption / MT of production data) (KL /MT of production)	N.A.	N.A.

* Water consumption has been calculated using the water procured for drinking purpose from third-party. Additional water consumption is estimated using https://cgwa-noc.gov.in/landingpage/Guidlines/NBC2016WatRequirement.pdf

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

4. Provide the following details related to water discharged:

Parameter	2024-25	2023-24
Water discharge by destination and level of treatment (in Kilolitres)		
(i) To surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To groundwater		
- No treatment	-	-
- With treatment – in ETP, STP & CRS	-	-
(iii) To seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – Effluent Treatment Plant	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Given that the Company's water usage is limited to human consumption purposes, a zero liquid discharge system has not been deemed necessary. However, the Company has proactively implemented various water conservation measures to optimise its water usage.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Please specify unit	2024-25	2023-24
NO_x	The Company's reliance on diesel generator (DG) sets, which are owned by the landlord, is limited to occasional use during power outages, resulting in negligible air emissions of pollutants (excluding greenhouse gases) that are not considered material or significant.		
SO_x			
Particulate Matter (PM)			
Persistent Organic Pollutants (POP)			
Volatile Organic Compounds (VOC)			
Hazardous Air Pollutants (HAP)			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	2024-25	2023-24
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	1,273.53	1,133.29
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent / ₹ Mn	0.010829986	0.0131567674
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO_2 equivalent / ₹ Mn	0.000002237	0.000002723
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO_2 equivalent / MT of production	N.A.	N.A.

*As IndiaShelter is in the financial services business, emission intensity in terms of physical output is not applicable.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

At India Shelter, environmental stewardship efforts focus on two key areas: enhancing energy efficiency and effective waste management, including responsible e-waste disposal. The Company has been certified by JAN GRIHA for its Green Home initiative. It offers specialised financing options for green housing projects and actively supports initiatives that promote eco-friendly practices within the housing sector, underscoring sustainable development and environmentally conscious living.



9. Provide details related to waste management by the entity:

Parameter	2024-25	2023-24
Total waste generated (in metric tonnes)		
Plastic waste **(A)**	-	-
E-waste **(B)**	-	-
Bio-medical waste **(C)**	-	-
Construction and demolition waste **(D)**	-	-
Battery waste **(E)**	-	-
Radioactive waste **(F)**	-	-
Other hazardous waste. Please specify, if any **(G)**	-	-
Other non-hazardous waste generated **(H)**.	-	-
Total (A + B + C + D + E + F + G + H)	**-**	**-**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT /₹ Mn)	-	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP) (MT/ Mn)	-	-
Waste intensity in terms of physical output (MT of waste generated / MT of production)	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	**-**	**-**
(i) Recycled	-	-
(ii) Reused	-	-
(iii) Other recovery operations	-	-
Total	**-**	**-**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	**-**	**-**

*As IndiaShelter operates in the financial services sector, waste intensity in terms of physical output is not applicable.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Since the Company is a housing finance company, the key waste products are paper waste and e-waste. The Company does not use any hazardous and/or toxic chemicals. As the majority of processes are is digitised with a high reliance on technology, paper waste is minimal. Moreover, employees are trained to be mindful of paper use by restricting paper waste.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details:

Not Applicable. The Company does not have any operations or offices in or around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable. The Company has not undertaken any projects that require an Environmental Impact Assessment (EIA).

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

P6: Leadership Indicators

1. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

We do not have any operations in water-stressed areas.

For each facility/plant located in areas of water stress, provide the following information:

(i) Name of the area:

(ii) Nature of operations:

(iii) Water withdrawal, consumption, and discharge:

Parameter	2024-25	2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres)	**-**	**-**
Total volume of water consumption (in kilolitres)	**-**	**-**
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into surface water	**-**	**-**
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into groundwater	**-**	**-**
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into seawater	**-**	**-**
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties	**-**	**-**
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	**-**	**-**
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	**-**	**-**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No.

2. Please provide details of total Scope 3 emissions & its intensity:

Parameter	Unit	2024-25	2023-24
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	3,496.07	1,786.34
Total Scope 3 emissions per rupee of turnover	MtCO2e / Rs.	0.000006142	0.00004291
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	

*The Company has computed its Scope 3 emissions from employee commute and business travel. Going forward, it aims to cover additional applicable categories to estimate Scope 3 emissions more comprehensively.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable, as the Company does not have any operations in ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

Sl. No	Initiative undertaken	Details of the initiative (web link, if any may be provided along with summary)	Outcome of the initiative
1	Capturing customer data in digital form and digital onboarding of customers	• Mobile app for new loan applications and onboarding • Online verification and document capture • Facilitates real-time submission of applications	• Reduced paper usage, thereby contributing to environmental conservation • Improved turnaround time by having an ecofriendly process • Enhanced operational efficiency and data security
2	Digital loan agreements	• Customers can e-sign loan agreements	• 99% e-signing of agreements
3	Digital collections and remote payment ability	• EMI collection and other dues from customers • Allows mutual agreement on payment dates • Updates outstanding balances in real-time	• Reduced number of cash collections, with digital collections at 95% • Saving time and effort for the collection officer and providing convenience to the customer, thereby reducing fuel consumption
4	Customer application	• App for customers to check loan status • Allows payment of EMIs and pending dues • Supports service requests in multiple languages	• Customers can avoid branch visits and save time, fuel and energy

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

To guarantee the dependability and smooth continuation of the Company's operations during unforeseen adverse events, the Company has a Business Continuity Policy in place. To protect sensitive information and uphold client data confidentiality, it places a strong focus on information and cybersecurity practices, alongside adequate data privacy measures. The Company's Business Continuity Plan has well-defined roles and responsibilities for IT activities through adequate disaster recovery measures. The Company's IT business continuity plan is carefully designed to ensure minimal disruption of its day to-day business operations in the event of contingencies.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not Applicable.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable.

8. How many Green Credits have been generated or procured?

a. By the listed entity - Nil

b. By the top ten (in terms of value of purchases and sales) value chain partners?

Not Applicable.

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

This principle acknowledges that business operations are subject to the regulatory and policy frameworks established by national and international authorities, which provide a structured environment for their growth and define the limits of their activities. It also recognises that companies have a legitimate role to play in engaging with governments, either to express concerns or to provide input and expertise in the development of public policies. Moreover, any advocacy efforts by companies to influence public policy must be guided by a commitment to promoting the greater good and the well-being of society as a whole, while always operating within the bounds of the law and respecting the principles of transparency, accountability, and responsible governance



P7: Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Nil

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
Nil	

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

The Company has not received any adverse order from the regulatory authority.

Name of authority	Brief of the case	Corrective action taken
Nil		

P7: Leadership Indicators

1. Details of public policy positions advocated by the entity

Sr. no.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board (annually/half-yearly/quarterly/ others – please specify)	Web link, if available
Not Applicable					

Principle 8

Businesses should promote inclusive growth and equitable development

The principal underscores alignment with the national and developmental agenda, aligning with government goals and priorities, and addressing the socioeconomic challenges facing the country. This is particularly vital in regions characterised by social unrest and limited human development, where collaborative efforts can help mitigate these issues.



P8: Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

The Company has not undertaken Social Impact Assessments.

Name and brief details of project	SIA notification no.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Our operations and expansion projects have not resulted in the displacement of any population or their livelihoods. As a result, we have not undertaken any Rehabilitation and Resettlement (R&R) activities.

Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
Not Applicable					

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has various mechanisms in place to receive and redress grievances of its various stakeholders. Details of such mechanisms and policies are given elsewhere in this report.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2024-25	2023-24
Directly sourced from MSMEs/ small producers	35%	32%
Directly from within India	100%	100%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	2024-25	2023-24
Rural	28%	23%
Semi-urban	40%	35%
Urban	27%	33%
Metropolitan	6%	10%

P8: Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not Applicable	

No project was undertaken in 2024-25 that required a Social Impact Assessment and therefore this question is not applicable.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Sr. no.	State	Aspirational District	Amount spent (in ₹)
1	Punjab	Moga	₹ 11 lacs

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)

No, the Company caters to the housing finance needs of lower and middle-income customers. Given the nature of the business, purchases from suppliers in the above-mentioned groups are limited.

(b) From which marginalised /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

The Company has not engaged with any entity during the reporting period for deriving or sharing any benefits from the intellectual properties it owns or has acquired.

Sr. no.	Intellectual property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit
Not Applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sr. no.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalised groups
1	Education Initiative – 1. The Akshaya Patra Foundation	675	100%
2	Healthcare Initiative- 1. Bansi Vidya Memorial Trust 2. Impact Guru Foundation	 170 30,000+	 100% 100%
3	Empowerment Initiative- 1. Paralympic Committee of India	12	100%
4	Tree Plantation Drive by India Shelter	N.A.	N.A.
5	Apprenticeship Programme	520	100%



Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner

At its core, this principle affirms that a company's fundamental purpose is to provide its customers with secure, reliable, and valuable products and services, thereby creating mutual benefits for both the business and its customers. Recognising the diverse range of options available to consumers, companies are committed to offering products that not only meet but exceed customer expectations in terms of safety, affordability, usability, and environmental sustainability.

P9: Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a 3-level grievance redressal mechanism to receive and respond to consumer complaints and feedback. Level 1 involves the Company Secretary, Level 2 involves the Chief Financial Officer, and Level 3 involves the MD & CEO. Customers can lodge complaints through various channels, including branches, toll-free number, Email, WhatsApp, and website. The Company provides acknowledgement and preliminary remarks at each level and aims to resolve complaints in a timely manner with specified Turnaround Times (TAT) for different service requests. Customers can also approach the National Housing Bank for external redressal.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	All the Company's loan products and Most Important Terms & Conditions (MITCs) are completely transparent and disclose all product-related details
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	2024-25			2023-24		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cybersecurity	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

5. Does the entity have a framework/ policy on Cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company has a privacy policy in place and is committed to protecting customer data. The policy outlines its approach to collecting, storing, and using personal information. It ensures confidentiality, integrity, and security of customer data, and provides choices to customers regarding their data sharing. It also outlines procedures for data access, correction, and grievance redressal. India Shelter adheres to applicable laws and regulations, including the Information Technology Act, 2000, and the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011, to safeguard customer data.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; Cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No penalty or action was taken by regulatory authorities on the safety of products or services.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches:

No instances of data breach were reported or observed during the reporting year.

b. Percentage of data breaches involving personally identifiable information of customers

Nil, no instances of data breach were reported or observed during the reporting year.

c. Impact, if any, of the data breaches

Nil

P8: Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information about the Company's products and services is available on the Company website (https://www.indiashelter.in/) and in the dedicated customer app. The Company has developed marketing collateral and maintains active social media handles to facilitate effective communication and promotion of its offerings.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services

The Company interacts with customers at various stages to provide information about loan details, terms, and conditions. The Company believes that transparency is a key factor in its customer service. To further promote awareness, the Fair Practice Code, Schedule of Charges, Most Important Terms and Conditions (MITC), and Grievance Redressal Policy are made available at branch locations and on the Company website. Additionally, these documents are available on the official website in regional languages to ensure customer understanding. Weblink: https://www.indiashelter.in/investor-relations

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Company's team proactively monitors and maintains services to prevent disruptions or discontinuations of essential operations. However, in the event of such an incident, the team swiftly initiates efforts to resolve the issue. During this time, customers can reach out to the Company through physical branch visits/digital channels for assistance.

4. Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No)

Yes. The Company initiates a welcome call with its customers and sends SMS updates at various stages to keep them informed. The loan agreement provided to customers includes the Most Important Terms and Conditions (MITC). The MITC is available at the Company's branches and on its website. Customers can submit requests or queries through the customer app or reach out to its customer service team via various communication modes. Additionally, the Company has an automated feedback call system in place to gather customer feedback.

ANNEXURE 6

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **Not Applicable**
   a) Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number
   b) Name(s) of the related party
   c) Nature of relationship
   d) Nature of contracts/ arrangements/ transactions
   e) Duration of the contracts / arrangements/ transactions
   f) Salient terms of the contracts or arrangements or transactions including actual / expected contractual amount
   g) Justification for entering into such contracts or arrangements or transactions
   h) Date of approval by the Board (DD/MM/YYYY)
   i) Amount paid as advances, if any
   j) Date on which the resolution was passed in general meeting as required under first proviso to section 188 (DD/MM/YYYY)
   k) SRN of MGT-14
2. Details of material contracts or arrangement or transactions **at arm's length basis**

Corporate identity number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number	During Financial Year 2024-25, the details of transactions with related parties at arm's length basis have been appropriately disclosed in the financial statements.
Name(s) of the related party	
Nature of relationship	
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e) Date(s) of approval by the Board, if any:	
(f) Amount paid as advances, if any:	

For and on behalf of the Board of Directors of

India Shelter Finance Corporation Limited

Sd/-

Mr. Sudhin Bhagwandas Choksey

Chairman and Non-Executive Nominee Director

DIN: 00036085

Place: Indore

Date: 09 May, 2025

Sd/-

Mr. Rupinder Singh

Managing Director and Chief Executive Officer

DIN: 09153382

Place: Indore

Date: 09 May, 2025

ANNEXURE 7

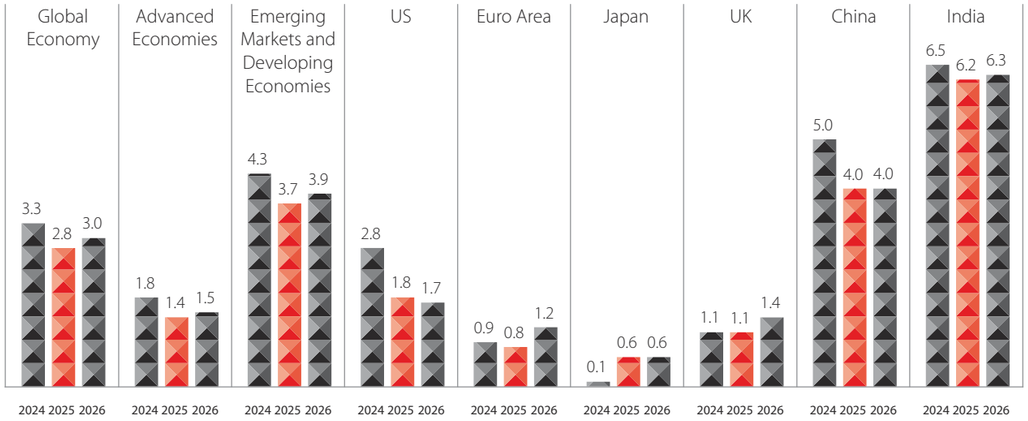
Management Discussion and Analysis

GLOBAL ECONOMIC OVERVIEW

In CY 2024, the global economy exhibited steady growth amid a complex environment characterised by significant opportunities and considerable challenges. These challenges were compounded by geopolitical tensions, evolving trade policies, and shifting monetary strategies across key global regions. According to the IMF's outlook, the global GDP is projected to grow by 3.3% in CY 2024, with a marginally lower growth of 2.8% and 3.0% anticipated for CY 2025 and CY 2026. Advanced economies experienced a growth rate of 1.8% in CY 2024, driven largely by the US, which continues to play a key role in global economic expansion. Conversely, the Euro area lagged, hindered by weak industrial output and policy uncertainties that undermined investor ensure adequate spacing between the words for better readability growth rate in CY 2024, with India emerging as a key contributor to the broader global economic momentum. Meanwhile, China's economic growth is expected to remain subdued, influenced by structural shifts, cautious consumer sentiment, and ongoing policy adjustments.

(Source: IMF report on World Economic Outlook, April 2025)

GDP Growth Projections (in %)



(Source: IMF report on World Economic Outlook, April 2025)

Outlook

In CY 2024, the global economy demonstrated a strong capacity for resilience amid evolving geopolitical and policy landscapes. Record levels of electoral activity across key economies have significantly influenced global trade, investment trends, and market sentiment. Ongoing geo-political conflicts continue to have far-reaching implications for global stability, with significant disruptions in energy markets and increased risks to food security. Additionally, escalating tensions between the US and China, marked by increased tariffs, have strained international supply chains and placed upward pressure on consumer prices. However, despite these persistent challenges, the global economy remains strong, supported by a decline in inflation and a steady shift towards accommodative monetary policies. Emerging markets, with their strong domestic demand, structural reforms, and rapid digital transformation, are well-positioned to benefit, leading to cautious optimism for the future.

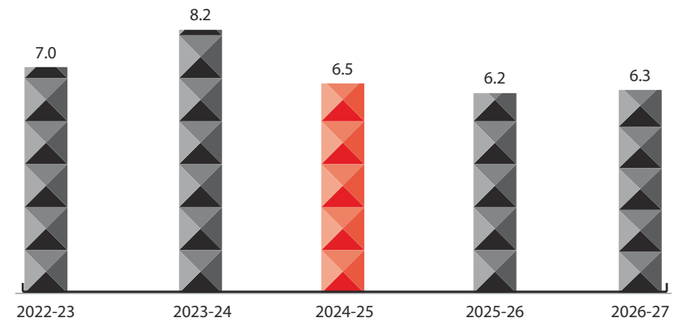
(Source: IMF report on World Economic Outlook, April 2025)

INDIAN ECONOMIC OVERVIEW

The Indian economy demonstrated resilience in 2024-25 with an estimated real GDP growth of 6.5%, driven by strong momentum in the services sector, increase in consumption, infrastructure-led government expenditure and increase in private investments. The Indian Government's allocation of ₹ 11.21 Lac Crs in the Union Budget 2025-26 to infrastructure reaffirms its commitment to driving economic recovery and development. This investment will accelerate industrial expansion, improve logistics efficiency, and attract private investments, positioning infrastructure as a key catalyst for growth. Private final consumption expenditure (PFCE) increased by 7.3% in 2024-25, up from 4.0% in the previous financial year. This growth was supported by a revival in rural demand. It is expected to gain momentum further, driven by a stronger labour market, increased access to credit, and lower inflation.

(Source: Ey Report on Union Budget 2025-26, Economic Survey 2024-25, Press Information Bureau, February 2025)

GDP Growth Projections (in %)



(Source: IMF report on World Economic Outlook, April 2025)

Outlook

India's remarkable economic trajectory reflects its commitment to inclusive growth and innovation-driven development. By implementing forward-thinking policies, fostering a robust infrastructure, and embracing digital transformation, the nation is redefining its global standing. As the fastest-growing large economy, with steady growth projected at 6.7% over the next two fiscal years, India continues to outpace global peers and cement its position as a leader in economic resilience and progress. From the Goods and Services Tax unifying the market to initiatives like Startup India and the Production-Linked Incentive (PLI) Scheme bolstering entrepreneurship and manufacturing, the nation is building a dynamic and robust economy. With this momentum, India is set to shape the future of the global economy, exemplifying the power of ambition, resilience, and strategic governance in achieving unparalleled progress.

(Source: Economic Survey 2024-25)

CREDIT PENETRATION IN INDIA

The Indian financial landscape in 2025 is characterised by a dynamic convergence of credit expansion, persistent structural challenges in rural financial inclusion, and the evolving significance of non-banking financial companies (NBFCs). Banking credit is anticipated to witness a growth rate of 12.5% in 2024-25, predominantly driven by the surge in retail lending, albeit tempered by macroeconomic headwinds like liquidity constraints and GDP deceleration. Retail credit, encompassing sectors such as housing finance, vehicle financing, gold loans, education loans, consumer durables, personal loans, credit cards, and microfinance amounted to ₹ 75 Tn as of Fiscal 2024, having experienced a robust compound annual growth rate (CAGR) of 15% from Fiscal 2019 to 2024. This increasing demand, coupled with prevailing positive market sentiment, offers an opportune moment for both banks and NBFCs to diversify and expand their investor base.

NBFCs continue to play a key role in closing the credit accessibility divide, particularly in underserved segments. With assets under management (AUM) projected to grow by 13–15%, the sector remains strong. Moreover, the accelerating adoption of digital lending, coupled with robust regulatory support and continuous financial innovation, is set to transform the landscape, fostering deeper financial inclusion and fortifying the overall credit ecosystem in India.

Annexure 7 (Contd.)

Key Growth Factors that Will Aid Retail Credit Growth



- Formalisation of Economy
- Growing Working Population
- Increasing Urbanisation
- Increasing Digital Adoption
- Financial Inclusion
- Increasing Disposable Income

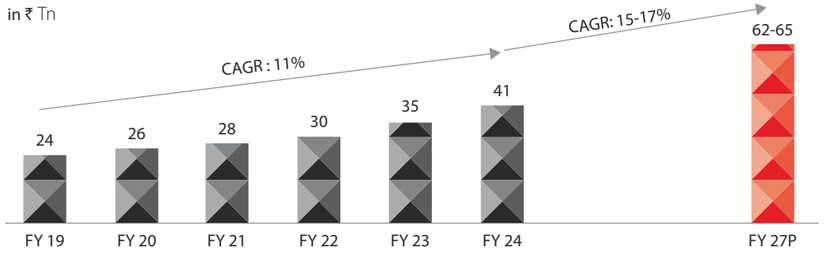
(Source: Crisil Report on Finance & Credit, Times of India, Business World, NABARD, ICRA Report)

CREDIT GROWTH IN THE NBFC SECTOR

The credit growth of NBFCs, whichhas historically trended above India's GDP growth, is expected to grow at a faster pace. NBFCs have shown remarkable resilience and gained importance in the financial sector, growing from less than ₹ 2 Tn AUM at the turn of the century to ₹ 41 Tn at the end of Fiscal 2024. During Fiscals 2019 to 2024, NBFC credit is estimated to have witnessed a CAGR of 11%. Rapid revival in the economy is expected to drive consumer demand in Fiscal 2025, leading to healthy growth in NBFCs. In the face of funding constraints, NBFCs continue to play a key role in closing the credit accessibility divide, particularly in underserved segments. Moreover, the accelerating adoption of digital lending, coupled with robust regulatory support and continuous financial innovation, is set to transform the landscape, fostering deeper financial inclusion and fortifying the overall credit ecosystem in India.

(Source: Crisil Report on Loans and Financial Services Industry in India, October 2024)

NBFC Credit to Grow at 15–17% Between Fiscal 2024 and Fiscal 2027



Note – P denotes projected. HDFC has been excluded from the overall NBFC credit calculation. Source: RBI, Company Reports, CRISIL MI&A.

The strong credit demand presents a significant growth opportunity, and as liquidity conditions stabilise, NBFCs are well-positioned to bridge financing gaps and support India's economic momentum.

(Source: Dam Capital, February 2025, Crisil MI&A)

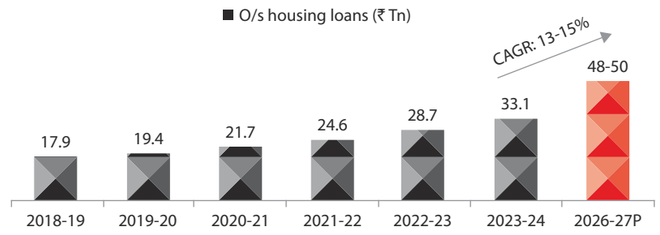
Annexure 7 (Contd.)

INDIA'S HOUSING FINANCE SECTOR

India's housing finance market is on a steady growth path, fuelled by rising homeownership aspirations, increasing loan sizes, and favourable policy interventions. While banks continue to be dominant players, Housing Finance Companies (HFCs) are carving a niche by catering to underserved segments and offering tailored financial solutions. This balanced expansion, supported by structural demand and regulatory initiatives, is expected to drive the sector's evolution over the coming years. Currently valued at approximately ₹ 33 Tn, the sector is projected to record a CAGR of 13-15% between 2024-25 and 2029-30.

(Source: Report on Housing Finance Market by CareEdge Ratings, March 2025)

Overall Housing Loan Growth



Source: Company data, CRIF Highmark, DAM Capital Research

However, this growth coexists with structural challenges, including a deepening shortage of affordable housing, regional disparities in supply, and evolving consumer preferences. The sector's dynamics are further shaped by government initiatives, technological advancements in loan processing, and a post-pandemic surge in homeownership demand.

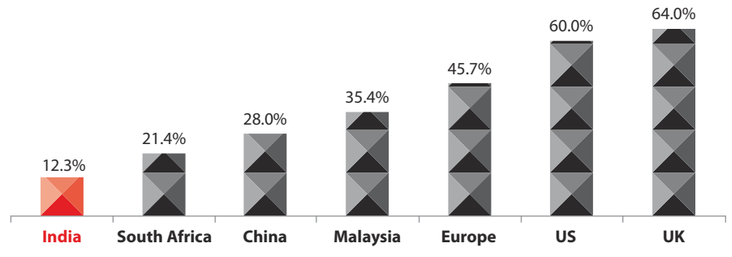
(Source: Dam Capital, February 2025, Crisil MI&A)

Mortgage Penetration and GDP Linkage

While India has witnessed rapid growth in mortgage lending, its mortgage penetration remains relatively low at just 12.3% of GDP as of March 2023, a considerable disparity compared to advanced economies like the US (68%) and the UK (62%). This underpenetration represents a substantial opportunity, particularly in Tier-2 and Tier-3 cities, where access to formal credit is still limited. As India is set to contribute the most to global population growth in the coming decade, the demand for affordable housing is expected to remain strong, particularly for loan amounts under ₹ 2.5 Mn, which account for nearly two-thirds of total disbursements. Moreover, only four states in India have a mortgage-to-GDP ratio above the national average, underscoring the considerable potential for growth within the housing finance sector.

(Source: ICRA)

Mortgage-to-GDP Ratio



Source: Company data, DAM Capital Research
Note: India's mortgage-to-GDP ratio is for Financial Year 2023, while data for other regions is as of Calendar Year 2018. Europe refers to the 28 European Union member states as of December 2018. Source: HOFINET, European Mortgage Federation, NHB, CRISIL MI&A.

Annexure 7 (Contd.)

Housing Shortage

The demand for housing in India has been largely structural, driven by a persistent shortage of housing units and a rapidly growing population. India's potential demand for housing in 2022 was pegged at 100 Mn units.

The Low Income Group (LIG) and Economically Weaker Section (EWS) account for 95% of the housing shortage, while the Middle-Income Group (MIG) and higher-income categories make up the remaining 5%. The total financial demand to bridge this gap is estimated to be ₹ 149 Tn, with ₹ 58 Tn anticipated to come from housing loans.

(Source: Reserve Bank of India's Report of the Committee on the Development of Housing Finance Securitisation Market in Sep-2019)

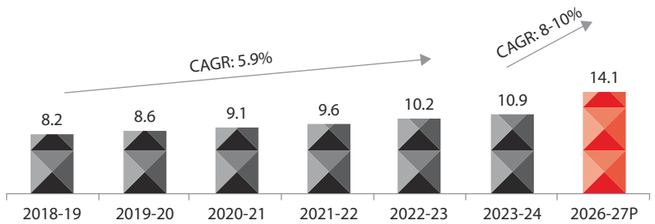
AFFORDABLE HOUSING FINANCE

Affordable Housing Finance Companies (AHFCs) Landscape

India's affordable housing segment is witnessing sustained growth, propelled by the dual forces of urbanisation and rising incomes, alongside an increased desire for homeownership. Nearly 40% of residential real estate sales in 2023 took place in Tier-2 and Tier-3 cities. This trend has been driven by improved connectivity through initiatives like smart city developments and large-scale infrastructural projects like Bharatmala and Sagarmala. Additionally, government-backed schemes such as the Pradhan Mantri Awas Yojana (PMAY) have proven indispensable in facilitating affordable housing, with home loan subsidies significantly easing access to homeownership for middle-income households.

(Source: Dam Capital Initiating Coverage, February 2025, Crisil MI&A)

Affordable Housing Finance Market



Source: Company data, CRISIL MI&A, DAM Capital Research

The affordable housing finance market is undergoing a major shift, driven by rising homeownership aspirations and strong regulatory support. Affordable Housing Finance Companies (AHFCs) have shown steady growth in 2024-25, reaching ₹ 10.9 Tn by 2023-24, which makes up about approximately 33% of the overall housing finance market. With rising incomes and government incentives, the affordability and accessibility of housing are steadily improving.

With a greater emphasis on underserved segments and innovations in business models, the sector is moving towards greater inclusivity. In order to balance rapid growth with sustainability, policymakers see the market playing a key role in addressing the housing challenges facing India.

Key Growth Factors

Customer and Market Strategy

Successful companies build their strength by focussing on specific regions where they truly understand the local market before they expand. By offering tailored loan products to underserved groups, such as the Economically Weaker Sections (EWS) and Low-Income Groups (LIG), they not only help bring more people into the financial system but also ensure that the demand for affordable housing stays strong.

Operational Efficiency and Cost Management

The Phygital model, combined with digital tools, allows for effective outreach to rural and semi-urban areas while keeping operations flexible and cost-efficient. System-driven credit assessments, digital onboarding, and automated collections help streamline processes, reduce defaults, and ensure a smooth borrowing experience.

Risk Management and Financial Performance

By adopting advanced techniques like cash flow analysis and using alternative data, we can better assess borrower risk, which ultimately strengthens the overall quality of our loan portfolio. A well-balanced approach to risk, particularly focussing on lower-risk Tier-2 and Tier-3 markets, ensures steady long-term profits and helps keep non-performing assets (NPAs) under control.

Regulatory Alignment and Strategic Initiatives

Utilising government initiatives and interest subsidies enhances the affordability of housing, thereby broadening access to loans. Strategic co-lending collaborations between banks and NBFCs, supported by strict adherence to regulatory guidelines, allow for optimal capital allocation and minimise financial risks.

Government Support and Initiatives

SWAMIH (Special Window for Affordable and Mid-Income Housing) Fund 2

As part of the Union Budget 2025-26, the government introduced SWAMIH Fund 2, an initiative to enhance accessibility to cost-effective housing. This blended finance model will draw on contributions from the government, banks, and private investors, with an outlay of ₹ 15,000 Crs. The fund's objective is to facilitate the timely completion of 100,000 housing units, thereby providing a substantial boost to the affordable and mid-income housing markets.

Pradhan Mantri Awas Yojana (PMAY)

The PMAY is a flagship initiative of the Indian government, dedicated to addressing the country's housing shortages through the promotion of low-cost housing projects. In 2025-26, the Indian Government has allocated ₹ 19,794 Crs towards the original iteration of PMAY, reaffirming its commitment to making housing more affordable and accessible.

PMAY-Urban (PMAY-U) 2.0

PMAY-U plays an essential role in providing permanent, all-weather homes to urban families in need. As of now, ₹ 1.18 Crs houses have been sanctioned, with over 85.5 Lac homes already built and delivered. To take this further, the Government has launched PMAY-Urban 2.0, setting aside ₹ 3,500 Crs for 2025-26, a sharp rise from the revised ₹ 1,500 Crs in 2024-25.

Loans Against Property (LAP)

LAP has emerged as a significant contributor to the growth of AHFCs, providing much-needed liquidity to small businesses and individuals. Exhibiting a strong CAGR of ~32% over the past three years, LAP has gained traction due to improved underwriting standards, rising demand from micro, small, and medium enterprises (MSMEs), and greater access to financial data. While growth is expected to normalise to 22-23% in the coming years, the segment remains resilient, supported by structural demand drivers and evolving financial ecosystems.

Key Growth Factors

- **Rising MSME Demand** – Increasing need for business expansion and working capital.
- **Improved Underwriting Standards** – Enhanced risk assessment and better credit evaluation.
- **Ease of Access** – Streamlined loan approval processes leveraging digital advancements.
- **Strong Growth Momentum** – LAP continues to outpace broader mortgage finance expansion.
- **Supportive Policy Environment** – Government focus on financial inclusion and SME support.
- **Stable Asset Quality** – Well-managed delinquency levels despite portfolio seasoning.
- **Attractive Returns** – Healthy yields supporting AHFCs' profitability.

COMPANY OVERVIEW

India Shelter Finance Corporation Limited (referred to as 'India Shelter,' 'Our Company' or 'We') is a technology-driven housing finance company specialising in affordable housing solutions and LAPs. We focus on serving self-employed individuals and first-time homebuyers, especially in low- and middle-income segments across Tier-1and Tier-3 cities. Established in 2010, we have built a strong presence across 15 states with 266 branches, leveraging a mix of both physical and digital models to enhance customer outreach.

With a scalable technological infrastructure, our Company employs an end-to-end in-house approach to manage all critical aspects of the lending process, ensuring comprehensive control over the entire customer lifecycle, minimising turnaround times and transaction costs. Our focus remains on effective risk management and using advanced tools to assess credit to maintain a stable and healthy loan portfolio. Backed by trusted investors and a strong capital base, we continue to grow our presence in the market while staying committed to sound financial management and responsible governance.

Annexure 7 (Contd.)

SWOT Analysis



S - Strengths

- Extensive footprint across 15 states to serve a large customer base effectively.
- Adoption of digital lending platforms improving loan processing efficiency.
- Well-established risk management and underwriting processes, ensuring stable asset quality.
- Positive Asset-Liability Management (ALM) and strong investor support reinforce financial stability.
- Diversified funding sources and strong credit ratings to raise capital efficiently and sustain long-term growth.

W - Weaknesses

- Ability to raise funds at competitive rates is susceptible to market fluctuations.

O - Opportunities

- Urbanisation and rising middle-class aspirations continue to drive housing demand.
- Government policies like PMAY and reduced GST rates on affordable housing create significant growth potential.
- Rising adoption of formal financial channels among self-employed individuals opens new customer segments.
- Growing demand for LAPs from small businesses and self-employed individuals.
- Increasing focus on financial inclusion, bringing more underserved borrowers into the formal credit system.

T - Threats

- Global events such as economic slowdowns, geopolitical conflicts, or pandemics could impact business growth.
- Long-term interest rate fluctuations may affect affordability and credit demand.
- Policy adjustments in the housing finance sector could impact lending operations.

Outlook and Future Strategy

India's housing finance sector continues to grow, fuelled by rising homeownership aspirations and the increasing need for accessible credit. We remain focussed on expanding our reach through branch-led growth, direct customer engagement, and digital-first solutions. By leveraging system-driven automation, risk-intelligent lending, and operational excellence, we are strengthening our market leadership while ensuring financial stability. Our commitment to innovation, governance, and customer empowerment enables us to unlock new opportunities, drive responsible growth, and create a lasting impact.

INDIA SHELTER'S PERFORMANCE DURING 2024-25

Operational Performance

Assets Under Management (AUM)

As of 31 March, 2025, our AUM increased to ₹ 8,189.2 Crs, compared to ₹ 6,084.0 Crs in the previous financial year, reflecting a growth of 35%.

Disbursements

As of 31 March, 2025, our total disbursements rose to ₹ 3,355.1 Crs, compared to ₹ 2,646.0 Crs in the previous financial year, marking a growth of 27%.

Financial Performance

We delivered strong financial performance in 2024-25. Total income saw a 37% year-on-year (Y-o-Y) growth, rising to ₹ 1,175.9 Crs in 2024-25 from ₹ 861.4 Crs in 2023-24. Finance costs increased by 23% Y-o-Y, reaching ₹ 353.4 Crs in 2024-25 from ₹ 287.0 Crs in 2023-24. Additionally, net total income witnessed a 43% Y-o-Y increase, climbing to ₹ 822.5 Crs in 2024-25 from ₹ 574.4 Crs in 2023-24.

Operating expenses grew to ₹ 306.9 Crs in 2024-25 from ₹ 236.0 Crs in 2023-24, driven by our strategic focus on expanding the Branch Network, workforce, investing in technology, and enhancing brand visibility amid strong business momentum. Pre-provisioning operating profit increased 52% Y-o-Y, reaching ₹ 515.6 Crs in 2024-25 from ₹ 338.4 Crs in 2023-24. Asset quality improvements helped contain credit costs at ₹ 26.4 Crs in 2024-25 compared to ₹ 19.2 Crs in 2023-24.

Profit before Tax stood at ₹ 489.2 Crs. After accounting for income tax of ₹ 111.3 Crs, the Profit after Tax (PAT) increased 53% Y-o-Y, reaching ₹ 377.9 Crs in 2024-25, up from ₹ 247.6 Crs in the previous year.

Balance Sheet (₹ in Crs)

Particulars	2024-25	2023-24
Sources of Funds		
Share Capital	53.9	53.5
Reserves and Surplus	2,654.8	2,245.1
Borrowings	4,969.1	3,415.1
Other Liabilities and Provisions	69.7	80.4
Total	**7,747.5**	**5,794.2**
Application of Funds		
Loan Assets	6,859.5	5,062.4
Investments	315.3	157.8
Fixed Assets	29.4	29.8
Cash and Bank Balance	343.4	377.7
Other Assets	200.0	166.5
Total	**7,747.5**	**5,794.2**

P&L Summary (₹ in Crs)

Particulars	2024-25	2023-24
Total Income	1,175.9	861.4
Finance Cost	353.4	287.0
Operating Expense	306.9	236.0
Pre-Provisioning Operating Profit	515.6	338.4
Credit Cost	26.4	19.2
Profit before Tax	489.2	319.2
Tax Expense	111.3	71.6
Profit after Tax	377.9	247.6
Basic EPS	35.2	26.3
Diluted EPS	33.9	25.2

Key Ratios

Particulars	2024-25	2023-24
Total Revenue to Average Total Assets	17.4%	17.1%
Finance Cost to Average Total Assets	5.2%	5.7%
Spread to Average Total Assets	12.1%	11.4%
Operating Expenses to Average Total Assets	4.5%	4.7%
Credit Cost to Average Total Assets	0.4%	0.4%
PBT to Average Total Assets	7.2%	6.3%
ROA (PAT to Average Total Assets)	5.6%	4.9%
Leverage (Average Total Assets to Average Net Worth)	2.7	2.9
ROE (PAT to Average Net Worth)	15.1%	14.0%
Cost-to-Income	37.3%	41.1%
Operating Expenses/AUM	4.3%	4.5%
CRAR	60.6%	70.9%
Book Value per Share	251.1	214.7

Annexure 7 (Contd.)

RESOURCE MOBILISATION

Net Worth

As of 31 March, 2025, the net worth of India Shelter stood at ₹ 2,709 Crs.

ESOP Allotment

During the year, we issued and allotted 8,44,151 equity shares under our Employee Stock Option Plan (ESOP), following the exercise of stock options by eligible employees.

Term Loans from Banks and Financial Institutions

In 2024-25, we raised ₹ 2,047 Crs in funding from banks and financial institutions, with a weighted average tenure of more than five years. As of 31 March, 2025, the undrawn sanctioned amount stood at ₹ 570 Crs. Term loans from banks and financial institutions constituted 54% of total borrowings.

Refinance from National Housing Bank (NHB)

Under the NHB refinance scheme, India Shelter received a fresh sanction of ₹ 450 Crs in 2024-25. During the financial year, ₹ 459 Crs was availed, including disbursements of ₹210 Crs from the previous year's sanction. As of 31 March, 2025, the outstanding NHB refinance stood at 15% of total borrowings, with an undrawn sanctioned amount of ₹ 201 Crs as of 31 March, 2025.

Non-Convertible Debentures (NCDs)

In 2024-25, we have issued ₹ 50 Crs Non-Convertible Debentures (NCD) to bank. As of 31 March, 2025, the outstanding proportion of Non-Convertible Debentures (NCDs) was 1% of total borrowings.

External Commercial Borrowings (ECB)

India Shelter has an External Commercial Borrowing (ECB) line of USD 30 Mn from the U.S. International Development Finance Corporation (DFC). The total outstanding foreign currency loan exposure in ECBs to 4% of total borrowings. This exposure is fully hedged through cross-currency swaps.

Co-Lending

Through strategic partnerships with two well-established banks, we have utilised their distribution networks and diversified our funding channels. In the reporting period, ₹ 286 Crs was disbursed under these co-lending initiatives, with partner banks retaining 80% of the disbursed amount in their own portfolios. Portfolio under Co-Lending constitutes around 4% of the total AUM.

Direct Assignment (DA) from Banks and Financial Institutions

During 2024-25, we received a purchase consideration of ₹ 570 Crs through the Direct Assignment (DA) of Loan Against Property (LAP) assets to banks and financial institutions. These transactions were executed in compliance with RBI guidelines on the Transfer of Loan Exposure of Standard Assets, ensuring the assigned assets were de-recognised from our books. DA as a % of AUM, stood at 15.0%.

HUMAN RESOURCES

Our people are fundamental to our success, and we are committed to fostering a work environment that promotes growth, collaboration, and a pursuit of excellence. By prioritising professional development, employee well-being, and inclusivity, we empower our employees to excel and progress in their careers. Our emphasis on continuous learning, recognising outstanding performance, and fostering workplace engagement ensures that our team remains motivated and high-performing. As of 31 March, 2025, we have a strong workforce of 3,818 employees and remain dedicated to building a dynamic, future-ready organisation that drives meaningful impact.

For more detailed information, please refer to Page 50.

INFORMATION TECHNOLOGY

The financial ecosystem is rapidly evolving with the emergence of tech-driven and branchless lending models. Our technology framework is designed to enhance operational efficiency and elevate the customer experience. By integrating AI, automation, and digital infrastructure, we have transformed traditional processes into seamless, technology-driven workflows. From machine learning-powered credit assessment to robotic process automation (RPA) for operational efficiency, IT enables us to make faster, data-driven decisions while enhancing security and compliance. Our proprietary platforms, such as iTrust for digital loan origination, iServe for customer service, and iCollect for collections, ensure a frictionless experience for customers and employees alike. Additionally, cloud-native architecture, cybersecurity frameworks, and predictive analytics help us stay ahead of emerging risks, ensuring a secure, scalable, and future-ready business model. As we continue to innovate, our IT strategy remains focussed on building a smarter, more connected, and resilient financial ecosystem.

For more information, refer to Page 42.

Annexure 7 (Contd.)

RISK MANAGEMENT

A strong and dynamic risk management framework is essential for ensuring financial soundness, maintaining regulatory compliance, and fostering sustainable growth. Our integrated three-tiered defense structure consisting of operational management, risk oversight, and audit governance facilitates an all-encompassing, real-time risk monitoring system. As the regulatory framework evolves, our firm commitment to strong governance, state-of-the-art digital risk controls, and continuous optimisation of operational processes ensures lasting resilience, superior operational efficiency, and long-term trust among our stakeholders.

Risk Type	Description	Risk Mitigation Measures
Credit Risk	The risk of asset value loss due to borrowers' inability to repay loans.	Comprehensive credit risk framework, borrower evaluation (credit history, demographics, income), rigorous credit sanction process, and continuous post-disbursement monitoring.
Operational Risk	Risk arising from failed internal processes, people, systems, or external events.	Robust internal control systems, clear demarcation of duties, access, authorisation, reconciliation procedures, regular monitoring, staff education, internal audits, risk containment units, and digitisation to reduce manual errors.
Market Risk	Risk due to market fluctuations affecting liabilities and asset values.	Regular assessment of maturity profile, and stress testing to ensure sufficient mitigation.
Interest Rate Risk	Risk of financial loss due to changes in interest rates.	Interest rate sensitivity gap evaluation, portfolio tests, mix of fixed and floating rate instruments, diversified funding sources, and close monitoring of interest rate trends.
Forex Risk	Risk of loss due to foreign currency exposure and international interest rate fluctuations.	External Commercial Borrowing (ECB) line of USD 30 Mn is fully hedged via cross-currency swaps.
Liquidity Risk	Risk of shortfall in cash assets to meet urgent cash needs.	Sufficient cash reserves, Asset-Liability Policy to ensure adequate cash flow and unused credit facilities.
Reputation Risk	Risk of indirect losses due to negative public perception.	Corporate governance and compliance framework integrated into business operations.
Technology Risk	Risk of system breakdowns leading to losses.	Governance framework, including IT risk management practices.
Regulatory Risk	Risk of economic or reputational loss due to non-compliance with legal requirements.	Strict adherence to rules and regulations to prevent violations.
Information Security Risk	Risk of unauthorised access, data breaches, or compromise of confidentiality, integrity, or availability of information assets.	Implementation of an enterprise-wide Information Security Management System (ISMS) aligned with ISO 27001, regular vulnerability assessments, role-based access controls (RBAC), multi-factor authentication (MFA), robust data classification and encryption protocols, and a secure software development lifecycle (SDLC).
Cybersecurity Risk	Risk of financial and reputational losses due to cyberattacks, malware, ransomware, or exploitation of system vulnerabilities.	Deployment of a dedicated Security Operations Center (SOC), real-time threat intelligence and monitoring, cyber incident response plan, periodic Vulnerability assessment, penetration testing, multi-factor authentication (MFA), endpoint detection and response (EDR) tools, and Board-level oversight of cyber risks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

We have established a comprehensive internal control framework that aligns with the size, scale, and complexity of our business operations. The Internal Audit Department carries out audits across various functional sectors to ensure strict adherence to internal policies, regulatory guidelines, and operational procedures. Audit findings, along with follow-up actions, are presented to the Audit Committee on a quarterly basis, which is tasked with assessing the adequacy and efficiency of our internal control system. The Committee also oversees the implementation of audit recommendations to enhance governance structures and operational excellence. The Board of Directors is committed to maintaining an effective internal control system, which ensures a reasonable level of assurance regarding the integrity of financial reporting, the efficiency of operational processes, and the mitigation of regulatory risks.

Throughout the review period, no material breaches in controls, procedures, or systems were detected, and no significant developments occurred that could impact the internal financial controls adversely.

Annexure 7 (Contd.)

CORPORATE SOCIAL RESPONSIBILITY

Our goal is to leave a meaningful, transformative mark on society, enhancing the quality of life through purposeful and impactful community involvement. The CSR programmes we champion are built with a focus on long-term sustainability, ensuring a lasting contribution to societal well-being. Our primary CSR goals include driving the development of affordable housing, promoting financial inclusion, supporting the growth of local communities, and addressing critical societal issues such as hunger, poverty, healthcare, and rural advancement.

For more information, refer to Page 53.

CAUTIONARY STATEMENT

This document contains 'forward-looking' statements and information. Such statements are based on our current expectations and certain assumptions. Therefore, they are subject to specific risks and uncertainties. Should one or more of these risks or uncertainties materialise, or if underlying assumptions prove incorrect, actual results may differ. Our Company does not intend to assume any obligation to update or revise these 'forward-looking' statements in response to developments that differ from those anticipated.

Annexure 8

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
India Shelter Finance Corporation Limited
CIN: L65922HR1998PLC042782
Registered Office Address: 6th Floor, Plot No. 15, Sector - 44, Institutional Area, Gurugram-122002, Haryana, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **India Shelter Finance Corporation Limited** (hereinafter called **'the Company'**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company, has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter along with Annexure 1 attached to this report.

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

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

b. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

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

f. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

g. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(vi) The other laws which are specifically applicable to the Company based on its sector/industry are:

a. Regulations and Directions issued by National Housing Bank ("**NHB**");

b. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

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

a. Secretarial Standards issued by the Institute of Company Secretaries of India;

b. The Listing Agreement entered into by the Company with Bombay Stock Exchange ("**BSE**") and National Stock Exchange ("**NSE**").

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

I further report that –

The Board of the Company is duly constituted with a proper mix of Executive Directors, Non-Executive Directors and Independent Directors; the Board of Directors are fit and proper as stated in the RBI HFC Master Directions and in accordance with the applicable provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at

Annexure 8 (Contd.)

least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out with requisite majority. Further as informed, there were no dissenting views by any member of the Board or Committee(s) during the period under review.

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

During the year under review, Mr. Shailesh Jayantilal Mehta continued to serve as a Non-Executive Non-Independent Director beyond the age of 75 years by way of a Special Resolution passed at the Meeting of Members held on April 19, 2024. Further, Mr. Sumir Chadha, who was liable to retire by rotation and eligible for re-appointment, was re-appointed as a Non-Executive Non-Independent Director at the Annual General Meeting held on June 19, 2024.

Furthermore, Mr. Shailesh Jayantilal Mehta (DIN: 01633893) has resigned as the Non-Executive Non-Independent Director, with effect from April 01, 2025, citing personal reasons and other commitments.

During the year under review, the remuneration of Mr. Rupinder Singh has been increased w.e.f. April 01, 2024, with the approval of Board in their meeting held on May 08, 2024, and shareholders' approval in the Annual General Meeting held on June 19, 2024.

As per the information provided by the Company, BSE and NSE, vide their communication dated May 22, 2024, have levied fine of Rs. 68000/- each, on the Company with respect to non-compliance under Regulation 19(1)/ 19(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for quarter ended March 31, 2024, with respect to the composition of Nomination and Remuneration Committee. The Company has reconstituted the said Committee dated February 03, 2024, based on the communication received from BSE and NSE. The Company requested for waiver of the said fines and the said fines were waived off by BSE and NSE favourably.

It is also reported that during the audit period, the Company has:

- Approved allotment of equity shares pursuant to the following:

S. No.	Allotment pursuant to	Date of Allotment	No. of equity shares
1.	Employee Stock Option Plan 2017 & 2021	June 20, 2024	1,65,658
2.	Employee Stock Option Plan 2017, 2021 & 2023	August 08, 2024	38,415
3.	Employee Stock Option Plan 2017, 2021 & 2023	September 20, 2024	1,47,600
4.	Employee Stock Option Plan 2021 & 2023	November 11, 2024	1,69,690*
5.	Employee Stock Option Plan 2021 & 2023	December 30, 2024	1,49,090
6.	Employee Stock Option Plan 2021 & 2023	January 15, 2025	7,450
7.	Employee Stock Option Plan 2021 & 2023	February 07, 2025	1,46,460
8.	Employee Stock Option Plan 2021 & 2023	March 10, 2025	19,788

*On November 11, 2024, the Stakeholders and Relationship Committee ("SRC Committee") of the Company, by way of resolution passed through circulation, approved the allotment of 1,75,456 equity shares pursuant to the exercise of stock options under the Employee Stock Option Plans 2021 and 2023 (ESOP 2021 & ESOP 2023). Subsequently, on November 18, 2024, the SRC Committee, through a resolution passed by circulation, modified the earlier resolution dated November 11, 2024, and approved a revised allotment of 1,69,690 equity shares under the said ESOPs. The Company duly refunded the excess application money received from shareholders in respect of the differential shares.

- The Company, vide Special resolution passed on June 19, 2024, altered the Articles of Association ("AOA") of the Company for deletion of reference of "The Seal" from "Definitions and Interpretation" and Deletion of Clause 79 from AOA of the Company.
- The Company, vide resolution passed in the Asset Liability Management Committee meeting held on March 11, 2025, had approved the issuance of 10,000 (Ten Thousand) rated, listed, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees ("₹"), having a face value of ₹ 1,00,000/- (Indian Rupees One Lac) each and an aggregate nominal value of ₹ 1,00,00,00,000/- (Indian Rupees One Hundred Crores only) on private placement basis including a green shoe option of up to 5,000 (Five Thousand) rated, listed, secured, transferable, redeemable, non-convertible debentures denominated in Indian Rupees, having a face value of ₹ 1,00,000 (Indian Rupees One Lac) each and an aggregate nominal value of ₹ 50,00,00,000 (Indian Rupees Fifty Crore).

Annexure 8 (Contd.)

- The Company vide resolution passed in the Asset Liability Management Committee meeting held on March 26, 2025, approved the allotment of 5,000 (Five Thousand) rated, listed, secured, transferable, redeemable, non-convertible debentures of face value of Rs. 1,00,000/- (Rupees One Lakh only) aggregating upto ₹ 50,00,00,000/- (Indian Rupees Fifty Crores only) on private placement basis.
- The Company vide resolution passed in the Asset Liability Management Committee meeting held on March 26, 2025, considered re-purchase of 300 (Three Hundred), 10.75%, secured, rated, listed, redeemable, Non-Convertible Debentures (NCDs) of face value of ₹ 10,00,000/- (Indian Rupees Ten Lakhs only) aggregating up to ₹ 30,00,00,000/- (Indian Rupees Thirty Crores only) under ISIN - INE922K07070 prior to maturity.

Sd/-
Jitender Singh
Practicing Company Secretary
Mem. No.: A33610
C.P. No.: 26612
UDIN: A033610G000291582
Peer Review No.: I2013UP1081800

Date: May 09, 2025
Place: Gurugram

Note: This report is to be read with our letter of even date which is annexed as **Annexure-1** and forms an integral part of this report.

Annexure 8 (Contd.)

ANNEXURE – 1

To,
The Members,
India Shelter Finance Corporation Limited
CIN: L65922HR1998PLC042782
Registered Office Address: 6th Floor,
Plot No. 15, Sector - 44, Institutional Area,
Gurugram - 122002, Haryana, India

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

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

Sd/-
Jitender Singh
Practicing Company Secretary
Mem. No.: A33610
C.P. No.: 26612
UDIN: A033610G000291582
Peer Review No.: I2013UP1081800

Date: May 09, 2025
Place: Gurugram

Independent Auditor's Report

To the Members of

India Shelter Finance Corporation Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the Standalone financial statements of India Shelter Finance Corporation Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid Standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Standalone financial statements.

Key audit matter	How our audit addressed the key audit matter
Impairment of Financial assets (as described in Note 28 of the standalone financial statements)	
Indian Accounting Standard (IND AS) 109 'Financial Instruments', requires the Company to provide for impairment on its financial assets using the Expected Credit Loss (ECL) approach involving an estimation of probability weighted loss on financial instruments over their lives, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions. In the process, a significant degree of judgement and estimate have been applied by the management for: • Grouping of the borrowers based on homogeneity for estimating probability of default ("PD"), loss given default ("LGD"), and exposure at default ("EAD") on a collective basis. • Staging of loans, i.e., classification in 'significant increase in credit risk' ("SICR") and 'default' categories based on past due status or qualitative assessment and compliance with RBI Circular; • Determining macro-economic and other factors impacting the credit quality of loans. • Management overlay based on risk assessment and qualitative adjustments.	• Read and assessed the Company's accounting policy for impairment of financial instruments and its compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • Evaluated the reasonableness of management's estimates by gaining an understanding of the ECL estimation process and underlying assumptions and tested the controls related to impairment of financial assets specifically with respect to data extraction, validation, and computation. • Assessed the staging criteria of loans based on past-due status to evaluate compliance with the requirements of Ind AS 109. Tested a sample of performing (Stage 1) loans to assess whether any SICR or loss indicators were present, requiring them to be classified under Stage 2 (i.e., default in repayment between 31 and 90 days) or Stage 3 (i.e., default in repayment exceeding 90 days). • Involved internal experts for testing of the ECL model and computation, including factors that affect the PD, LGD and EAD, considering various forward-looking and macro-economic factors.

Key audit matter	How our audit addressed the key audit matter
Impairment of Financial assets (as described in Note 28 of the standalone financial statements)	
The Company has developed models that derive key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of these models is then applied to the provision calculation with other information including and the exposure at default (EAD). In view of the high degree of management's judgement involved in the staging and estimation of ECL including risk of completeness and accuracy of historical data used, and the overall significance of the impairment loss allowance to the standalone financial statements, it is considered as a key audit matter.	• Tested the inputs used on a sample basis and tested the arithmetical accuracy of the ECL computation. • Tested assumptions used by the management in determining the overlay for macro-economic and other factors. • Assessed the adequacy of disclosures included in the standalone financial statements with the relevant requirements of Ind AS 107 and 109 and Schedule III to the Companies Act, 2013.

OTHER INFORMATION

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited standalone financial statements.

RESPONSIBILITIES OF MANAGEMENT FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements, including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

The standalone financial statements of the Company for the year ended March 31, 2024, included in these Standalone financial statements, have been audited by the predecessor auditor i.e. T R Chadha & Co LLP who expressed an unmodified opinion on those statements on May 08, 2024.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books except (i) we are unable to comment as regards to backup logs and related configurations for the accounting software (Microsoft Dynamics 365 finance) since evidence related to such configurations is not available, and (ii) for the matter stated in the paragraph (i)(vi) below on reporting under Rule 11(g). Refer note 51 to the Standalone financial statements.
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.
   (g) With respect to the adequacy of the internal financial controls with reference to these Standalone financial statements and the operating effectiveness of such

controls, refer to our separate Report in "Annexure 2" to this report;

(h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements. Refer note 35 to the Standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer note 5 to the standalone financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 58 to the Standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 58 to the Standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. As stated in note 21 to the Standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used accounting software (Microsoft D365 Finance) and certain other applications managed by a third party software service provider, for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in these applications, except that with respect to the accounting software (Microsoft Dynamics 365 finance) there is no independent evidence verifiable as to whether audit trail feature is enabled for direct changes to the data when using certain access rights that may be available with the service provider (Microsoft). Refer note 51 to the Standalone financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Amit Kabra
Partner
Membership Number: 094533
UDIN: 25094533BMLXIM5956

Place of Signature: Indore
Date: May 09, 2025

Annexure 1

Annexure '1' referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: India Shelter Finance Corporation Limited ("the Company")

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(i) (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(i) (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(i) (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(i) (e) There are no proceedings initiated or are pending against the Company as at March 31,2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(ii) (b) As disclosed in note 17 to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year. However, such loans are secured by way book debts pledged with the bank and as per the facility arrangement there is no requirement of the company to file quarterly return with the bank. The Company does not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) The Company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(a) is not applicable to the Company.

(iii) (b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are, prima facie not prejudicial to the Company's interest.

(iii) (c) In respect of loans and advance in the nature of loans granted by company as part of its business of providing loans, the schedule of repayment of principal and payment of interest has been stipulated by the company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business.

Further, except for 7,141 instances having amount outstanding of Rs. 45,878.10 Lakhs and overdue amount of Rs. 751.80 lakhs as at March 31, 2025 where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(iii) (d) In respect of loans and advances in the nature of loans, the total amount of cases which are overdue for more than ninety days as at March 31, 2025 is Rs. 6,940.31 lakhs and the number of such cases are 1,140. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(iii) (e) The company's principal business is to give loans and is a registered NBFC, accordingly, reporting under clause (iii)(e) is not applicable.

(iii) (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent

applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed under section 148(1) of the companies Act, 2013 read with Companies (Cost Records and Audit) rules, 2014 as amended. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the disputed dues	Amount (In Rs. Lakhs)	Amount Deposited (in Lakhs) #	Period to which the amount relates
Income Tax Act, 1961	Income Tax	445.19	445.19	2017-18
Income Tax Act, 1961	Income Tax	214.84	214.84	2019-20
Goods and Service Act, 2017	Goods and Service tax	49.06	2.39*	2017-18, 2018-19, 2019-20

#Adjusted against refund.

*Deposited under protest.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender during the year.

(ix) (c) Money raised during the year by the company as term loans were applied for the purpose for which the loans were obtained other than temporary deployment pending application of proceeds.

(ix) (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(ix) (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The company does not have any associates or joint ventures.

(ix) (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary and the Company does not have any joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(x) (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year except as reported in note no. 44.31 of the standalone financial statements.

(xi) (b) During the year and upto the date of this report, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditors or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(xiv) (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a)(b) The Company is a Housing Finance Company having a valid Certificate of Registration under Section 29A of the NHB Act, 1987 and is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 in terms of exemption granted under Master Direction - Exemptions from the provisions of RBI Act, 1934 dated 25 August 2016 (as amended). Accordingly, reporting under clauses 3(xvi) (a) and (b) of the Order are not applicable to the Company.

(xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(xvi) (d) There is no Core Investment Company as a part of the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year;

(xviii) The previous statutory auditors of the Company concluded their term due to completion of tenure and there are no issues, objections or concerns raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in note no. 48 the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note no. 31.2 to the standalone financial statements.

(xx) (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Amit Kabra
Partner
Membership Number: 094533
UDIN: 25094533BMLXIM5956

Place of Signature: Indore
Date: May 09, 2025

Annexure 2

Annexure 2 referred to in paragraph 2(g) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the standalone financial statements of India Shelter Finance Corporation Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements ("financial statements") of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE FINANCIAL STATEMENTS

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

OPINION

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

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Amit Kabra
Partner
Membership Number: 094533
UDIN: 25094533BMLXIM5956

Place of Signature: Indore
Date: May 09, 2025

Standalone Balance sheet

As At 31 March, 2025

(All amounts in ₹ Lacs, unless otherwise stated)

		Notes	As at 31 March, 2025	As at 31 March, 2024
ASSETS				
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3	18,185.41	11,185.41
(b)	Bank balance other than cash and cash equivalents	4	14,722.02	25,276.24
(c)	Derivative financial instruments	5	570.17	-
(d)	Receivables	6	38.32	-
(e)	Loans	7	6,85,948.54	5,06,239.58
(f)	Investments	8	32,727.25	16,979.70
(g)	Other financial assets	9	16,838.74	12,639.52
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	10	357.96	1,484.07
(b)	Deferred tax assets (net)	11	623.93	304.98
(c)	Property, plant and equipment	12	2,827.70	2,953.20
(d)	Intangible assets	13	108.57	28.09
(e)	Other non-financial assets	14	1,018.29	1,580.79
(f)	Assets held for sale	37	590.41	636.57
Total assets			**7,74,557.31**	**5,79,308.15**
LIABILITIES AND EQUITY				
Liabilities				
(1)	**Financial liabilities**			
(a)	Derivative financial instruments	5	-	255.54
(b)	Trade payables			
(i)	total outstanding dues of micro enterprises and small enterprises	15	5.65	18.55
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	15	896.28	480.61
(c)	Debt securities	16	4,991.14	3,000.90
(d)	Borrowings (other than debt securities)	17	4,91,914.57	3,38,508.97
(e)	Other financial liabilities	18	4,501.21	5,681.70
(2)	**Non-financial liabilities**			
(a)	Provisions	19	438.55	280.64
(b)	Other non-financial liabilities	20	1,127.94	1,323.58
Total liabilities			**5,03,875.34**	**3,49,550.49**
(3)	**Equity**			
(a)	Equity share capital	21	5,394.76	5,352.56
(b)	Other equity	22	2,65,287.21	2,24,405.10
Total equity			**2,70,681.97**	**2,29,757.66**
Total liabilities and equity			**7,74,557.31**	**5,79,308.15**

The accompanying material accounting policies information and notes form an integral part of standalone financial statements.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Nominee Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

Standalone Statement of Profit and Loss

For the year ended 31 March, 2025

(All amounts in ₹ Lacs, unless otherwise stated)

		Notes	For the year ended 31 March, 2025	For the year ended 31 March, 2024
REVENUE FROM OPERATIONS				
(i)	Interest income	23	94,228.57	70,158.05
(ii)	Fees and commission income	24	11,454.21	3,778.94
(iii)	Net gain on fair value changes	25	961.60	1,009.70
(iv)	Net gain on derecognition of financial instruments under amortised cost category		9,805.54	7,914.76
(I)	**Total revenue from operations**		**1,16,449.92**	**82,861.45**
(II)	Other income	26	1,029.94	3,176.21
(III)	**Total income (I+II)**		**1,17,479.86**	**86,037.66**
EXPENSES				
(i)	Finance costs	27	35,487.55	28,851.71
(ii)	Impairment on financial instruments	28	2,643.02	1,917.59
(iii)	Employee benefits expenses	29	22,908.45	17,942.88
(iv)	Depreciation and amortisation	30	1,159.70	991.36
(v)	Other expenses	31	6,472.50	4,513.09
(IV)	**Total expenses**		**68,671.22**	**54,216.63**
(V)	**Profit before tax (III-IV)**		**48,808.64**	**31,821.03**
(VI)	**Tax expense:**	32		
	(1) Current tax		11,461.76	6,967.56
	(2) Deferred tax charge/(credit)		(357.80)	166.16
	Total tax expense		**11,103.96**	**7,133.72**
(VII)	**Profit for the year (V-VI)**		**37,704.68**	**24,687.31**
(VIII)	**Other comprehensive income**			
(i)	Items that will not be reclassified to profit or loss			
	-Re-measurment (losses)/gains on defined benefit plans	38	(9.16)	16.29
	-Income tax effect relating to re-measurement (losses)/gains on defined benefit plans	32	2.31	(4.10)
(ii)	Items that will be reclassified to profit or loss			
	-Re-measurement gains/ (losses) on hedge instruments	5	163.46	(691.02)
	-Income tax effect relating to re-measurement gains/ (losses) on hedge instruments	32	(41.14)	173.92
	Total other comprehensive income		**115.47**	**(504.91)**
(IX)	**Total comprehensive income for the year(VII+VIII)**		**37,820.15**	**24,182.40**
(X)	**Earnings per equity share (face value ₹ 5 per equity share)**	42		
	Basic (₹)		35.10	26.24
	Diluted (₹)		33.86	25.10

The accompanying material accounting policies information and notes form an integral part of standalone financial statements.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Nominee Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

Standalone statement of changes in equity

For the year ended 31 March, 2025

(All amounts in ₹ Lacs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01 April, 2023	Changes during the year	Balance as at 31 March, 2024	Changes during the year	Balance as at 31 March, 2025
Equity share capital	4,376.47	976.09	5,352.56	42.20	5,394.76

B. OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and Surplus				Items of other comprehensive income		Total
		Statutory reserve	Securities premium	Employee share based payment reserve	Retained earnings	Re-measurements of defined benefit plans	Effective portion of cash flow hedge reserve	
Balance as at 31 March, 2023	**-**	**10,092.05**	**68,713.05**	**1,661.02**	**39,295.58**	**54.06**	**(176.02)**	**1,19,639.74**
Profit for the year	-	-	-	-	24,687.31	-	-	24,687.31
Other comprehensive income(net of taxes)	-	-	-	-	-	12.19	(517.10)	(504.91)
Transfer to statutory reserve	-	4,937.46	-	-	(4,937.46)	-	-	-
Issue of share capital		-	79,352.85	-	-	-	-	79,352.85
Share options exercised during the year		-	1,248.49	(1,248.49)	-	-	-	-
Share based payment to employees	-	-	-	1,230.11	-	-	-	1,230.11
Balance as at 31 March, 2024	**-**	**15,029.51**	**1,49,314.39**	**1,642.64**	**59,045.43**	**66.25**	**(693.12)**	**2,24,405.10**
Profit for the year	-	-	-	-	37,704.68	-	-	37,704.68
Other comprehensive income(net of taxes)	-	-	-	-	-	(6.85)	122.32	115.47
Transfer to statutory reserve	-	7,540.94	-	-	(7,540.94)	-	-	-
Issue of share capital	-	-	1,662.65	-	-	-	-	1,662.65
Share options exercised during the year	47.86	-	494.42	(494.42)	-	-	-	47.86
Share based payment to employees	-	-	-	1,351.45	-	-	-	1,351.45
Balance as at 31 March, 2025	**47.86**	**22,570.45**	**1,51,471.46**	**2,499.67**	**89,209.17**	**59.40**	**(570.80)**	**2,65,287.21**

The accompanying material accounting policies information and notes form an integral part of standalone financial statements.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Nominee Director
DIN: 00036085

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Rachna Dikshit
Independent Director
DIN: 08759332

Ashish Gupta
Chief Financial Officer

Mukti Chaplot
Company Secretary
Membership No. 38326

Standalone Statement of Cash Flows

As At 31 March, 2025

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
(A)	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit before tax	48,808.64	31,821.03
	Adjustments for:		
	Depreciation and amortisation expense	1,159.70	991.36
	Effective interest rate adjustment on financial assets	2,957.22	2,051.16
	Effective interest rate adjustment on debt securities and borrowings	436.56	(12.28)
	Share based payments to employees	1,351.45	1,230.11
	Impairment on financial instruments	2,643.02	1,917.59
	Adjustment of derivative financial assets	(662.25)	(429.63)
	Net loss on derecognition of property, plant and equipment	14.15	11.86
	Net gain on derecognition of financial instruments under amortised cost category	(6,394.69)	(2,979.51)
	Gain on termination of leases	(0.65)	(8.50)
	Interest expense on lease liabilities	142.73	153.51
	Operating profit before working capital changes	**50,455.88**	**34,746.69**
	Movements in working capital		
	Increase in loans	(1,85,271.74)	(1,49,265.52)
	Increase in receivables	(38.32)	-
	Decrease/(Increase) in other financial assets	2,195.47	(675.38)
	Decrease/(Increase) in other non-financial assets	571.20	(699.25)
	Increase/(Decrease) in trade payables	402.77	(114.81)
	(Decrease)/Increase in other financial liabilities	(1,493.50)	370.23
	(Decrease)/Increase in other non-financial liabilities	(195.64)	35.77
	Increase/(Decrease) in provisions	148.75	(219.08)
	Cash flows used in operating activities post working capital changes	**(1,33,225.13)**	**(1,15,821.35)**
	Income tax paid (net)	(10,335.64)	(7,475.63)
	Net cash flows used in operating activities (A)	**(1,43,560.77)**	**(1,23,296.98)**
(B)	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payments made for purchase of property, plant and equipment and intangible assets	(906.16)	(624.09)
	Proceeds from sale of property, plant and equipment	41.64	28.53
	Purchase of investments (net)	(15,747.55)	(11,086.87)
	Redemption/(Investment) of fixed deposits (net)	10,554.23	(11,647.45)
	Net cash used in investing activities (B)	**(6,057.84)**	**(23,329.88)**
(C)	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from issue of equity share capital	1,752.70	79,292.89
	Proceeds from debt securities	5,000.00	-
	Proceeds from borrowings(other than debt securities)	2,86,345.36	1,58,870.00
	Repayment of borrowings	(1,32,652.64)	(1,01,979.29)
	Repayment of debt securities	(3,000.00)	(13,500.00)
	Payment towards lease liabilities	(826.81)	(725.17)
	Net cash flows from financing activities (C)	**1,56,618.61**	**1,21,958.43**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	**7,000.00**	**(24,668.43)**

Standalone Statement of Cash Flows
As At 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Cash and cash equivalents at the beginning of the year	11,185.41	35,853.84
Cash and cash equivalents at the end of the year	18,185.41	11,185.41
Components of cash and cash equivalents:-		
Cash on hand	173.32	308.43
Balances with banks (of the nature of cash and cash equivalents)		
(a) Balance with banks in current accounts	16,511.26	10,876.98
(b) Deposits with original maturity of less than 3 months	1,500.83	-
Total cash and cash equivalents	**18,185.41**	**11,185.41**

Note:

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash flows' as specified under Section 133 of the Companies Act, 2013, ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
2. Refer note 17 for reconciliation of liabilities arising from financing activities.

The accompanying material accounting policies information and notes form an integral part of standalone financial statements.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Nominee Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

Summary of material accounting policies and other explanatory information

For the year ended 31 March, 2025

1. COMPANY OVERVIEW/CORPORATE INFORMATION

India Shelter Finance Corporation Limited ("the Company") is a Housing Finance Company registered under section 29A of The National Housing Bank Act, 1987 vide Registration Certificate No. 09.0087.10 dated 14 September, 2010. The Company is engaged in providing secured retail home loans, home equity loans and loans against property to borrowers for a period up to twenty years. These loans are primarily to be used by the borrowers for home purchase, home improvements, home extension and for construction of dwelling units on plots owned by borrowers. Under the scale based regulation the Company is categorised as Middle layer (HFC-ML).

The Company does not accept public deposits and utilises internal and external funds to provide loans to borrowers.

The Company's registered office and principal place of business is situated at 6th Floor, Plot No-15, Sector 44, Gurugram- 122001. The Company is public limited Company and has equity listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). Company's Non-Convertible Debentures (NCDs) are listed on the BSE.

1.1 Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These standalone financial statements ("the Financial Statements") have been prepared in conformity with the accounting principles generally accepted in India, Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('Act'), read with relevant rules issued thereunder, requirements prescribed under the Schedule-III-Division III of the Act, as amended, the circulars, the guidelines and the master directions issued by Reserve Bank of India (RBI) and National Housing Bank (NHB) to the extent applicable. The Company has uniformly applied the accounting policies for the periods presented in these financial statements.

The financial statements for the year ended 31 March, 2025 were reviewed by audit committee and approved for issue by the Company's Board of Directors on 09 May, 2025.

(ii) Historical cost convention

The financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in relevant accounting policies. The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

Valuation framework

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 'Impairment of Assets'.

Valuation Principles

Fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

These financial statements have been prepared using the material accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the financial statements, except where the Company has applied certain exemptions upon transition.

2.1. Revenue recognition

Interest and processing fee income on loans

Interest and processing fee income on financial assets is recognised on a time proportion basis considering the amount outstanding and the effective interest rate applicable.

Summary of material accounting policies and other explanatory information
For the year ended 31 March, 2025 (Contd.)

Effective Interest Rate ("EIR")

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the contractual life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at Fair Value Through Profit and Loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Interest/Dividend income on investment

Interest income on investments and fixed deposits is recognised on time proportionate basis with reference to EIR method. Dividend income is accounted for when the right to receive it is established.

Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the EIR of underlying pool of loans rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS is evaluated and adjusted for ECL and expected prepayment.

Fee and Commission Income

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Company's Statement of Profit and Loss include among other things, fees charged for servicing a loan. Income in the form of fees and charges includes cheque bouncing charges, prepayment charges, etc. which are recognised on realisation.

2.2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

2.3. Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

2.4. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by the Company, over the useful life so determined.

Depreciation on additions to property, plant and equipment is provided for full month in which acquisition of the assets is made. No depreciation is provided for the month of sale/disposal of asset. Leasehold improvements are amortised over a period of lease. Asset costing less than 10,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

Estimated useful lives of the assets are as follows:

Asset category	Estimated useful life (in Years)	Life as per Schedule II
Plant & Equipment- Computer and other related equipment	3 years	3 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Handheld communication devices (included in office equipment)	2 years	5 years
Leasehold improvements	Over the period of the lease or the estimated useful life whichever is lesser.	Over the period of the lease or the estimated useful life whichever is lesser.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is derecognised.

2.5. Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation method, estimated useful lives and residual value

Intangible assets are amortised over a period of 4 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

2.6. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. For the purpose of assessing impairment, the smallest identifiable group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit.

Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

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

If at the reporting date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

2.7. Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current

Summary of material accounting policies and other explanatory information
For the year ended 31 March, 2025 (Contd.)

tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

2.8. Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Company has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Company in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries by using the projected unit credit method . Actuarial gains/ losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Company also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Share based payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the option determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

In respect of re-pricing of existing stock option, the incremental fair value of the option on the date of re-pricing is accounted for as employee cost over the remaining vesting period.

2.9. Expected credit losses and write-off of financial assets

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

The Company measures ECL based on category of loans at a collective level. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 3 are those accounts which are classified as Non-Performing Assets ("NPA") as pe RBI guidelines

Stage 2 are those accounts wherein Days Past Due ("DPD") is 30-90 days or there is significant increase in credit risk and not considered in Stage 3

Stage 1 are those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default. It includes principal, interest which will be accrued till date of default and sanctioned but undisbursed amount.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial

Summary of material accounting policies and other explanatory information
For the year ended 31 March, 2025 (Contd.)

recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

2.10.Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

2.11.Leases

Company as a Lessee:

At inception of a contract, Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in 'borrowings (other than debt securities)' in the balance sheet.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

2.12.Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through statement of profit and loss are recognised immediately in statement of profit and loss.

Financial assets

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers

Classification and Subsequent measurement of financial assets

Financial assets are classified in to three categories for subsequent measurement:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit and loss(FVTPL)

Financial asset at amortised cost

Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

Financial assets (debt instruments) at FVOCI

Financial asset (debt instruments) is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI. Financial assets included within the above category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at FVTPL

Financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets classified under FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Financial liabilities

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL. Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

Summary of material accounting policies and other explanatory information
For the year ended 31 March, 2025 (Contd.)

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative Financial Instruments

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its external commercial borrowings arising from changes in exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13.Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits/reverse share splits and bonus shares, as appropriate.

2.14.Foreign currency

Functional and presentation currency

Items included in the financial statement of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements have been prepared and presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

2.15.Insurance Claims

Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.16.Operating Cycle

Based on the nature of products/activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months.

2.17.Share/Securities issue expense

Share/security issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share/security issue expenses in excess of the balance in the Securities Premium Account are expensed off in the Statement of Profit and Loss.

2.18.Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs primarily include interest on amounts borrowed for the revenue operations of the Company. These are expensed to the statement of profit and loss using the EIR. All other Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.19.Assets held for sale

Assets acquired by the Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the Company is committed to sell these assets and they are measured at the lower of their carrying amount and the fair value less costs to sell.

2.20.Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Company and make strategic decision.

2.21.Investment in Subsidiaries, Joint Ventures and Associates

Investment in subsidiaries are measured at cost less impairment loss (if any) as per Ind AS 27- Separate Financial Statements.

2.22.Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Company makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

The inputs and process followed by the Company in determining the ECL have been detailed in Note no. 7.

Business Model Assessment

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Company determines the business model at a level that reflects how the Company's financial instruments are managed together to achieve a particular business objective.

The Company monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for

Summary of material accounting policies and other explanatory information
For the year ended 31 March, 2025 (Contd.)

which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Provision for employee benefits

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. These provisions requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change the Company's retirement benefit obligations.

Assumptions used in determining the liability are stated in Note no. 38

2.23 Standard issued but not yet effective

The Ministry of Corporate Affairs ("MCA"), through notifications, introduces new standards or notifies amendments to the existing standards under the Companies (Indian Accounting Standards) Rules, 2015, from time to time. There is no such notification which would have been applicable with effect from 01 April, 2025.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

3. CASH AND CASH EQUIVALENTS

		As at 31 March, 2025	As at 31 March, 2024
I.	Cash on hand	173.32	308.43
II.	Balances with banks (of the nature of cash and cash equivalents)		
	(a) Balance with banks in current accounts	16,511.26	10,876.98
	(b) Deposits with original maturity of less than 3 months	1,500.83	-
	Sub-total (a and b)	**18,012.09**	**10,876.98**
	Total (I and II)	**18,185.41**	**11,185.41**

4. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

		As at 31 March, 2025	As at 31 March, 2024
I.	Deposits with original maturity of more than 3 months	7,223.32	18,398.08
II.	Deposits held as margin money*	7,498.70	6,878.16
	Total	**14,722.02**	**25,276.24**

* Margin money with banks includes guarantee given to NHB for refinance of ₹ 4,783.31 Lacs (31 March, 2024:4,782.31 Lacs), cash collateral for securitisation transactions of ₹ 1,890.39 Lacs (31 March, 2024: ₹ 699.91 Lacs), lien marked towards term loan ₹ 295.78 Lacs (31 March, 2024: ₹ 470.93 Lacs), guarantee given for Unique Identification Authority of India(UIDAI) Rs 25 Lacs (31 March, 2024: ₹ 25 Lacs) and National Stock Exchange Nil (31 March, 2024: ₹ 900 Lacs).

5. DERIVATIVE FINANCIAL INSTRUMENTS

Paticulars	As at 31 March, 2025				As at 31 March, 2024			
	Notional Amounts	Fair value-assets	Fair value-liabilities	Net Assets/ Liabilities	Notional Amounts	Fair value-assets	Fair value-liabilities	Net Assets/ Liabilities
Part-I								
(i) Currency derivatives								
- Cross currency swaps	24,351.00	570.17	-	570.17	24,351.00	-	(255.54)	(255.54)
Subtotal (i)	24,351.00	570.17	-	570.17	24,351.00	-	(255.54)	(255.54)
(ii) Other derivatives								
- Forward contracts	-	-	-	-	-	-	-	-
Subtotal (ii)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Derivatives (i+ii)	**24,351.00**	**570.17**	**-**	**570.17**	**24,351.00**	**-**	**(255.54)**	**(255.54)**
Part-II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows								
(i) Fair Value hedging								
- Currency derivatives	-	-	-	-	-	-	-	-
(ii) Cash Flow hedging								
- Currency derivatives	24,351.00	570.17	-	570.17	24,351.00	-	(255.54)	(255.54)
Total derivative financial instruments (i+ii)	**24,351.00**	**570.17**	**-**	**570.17**	**24,351.00**	**-**	**(255.54)**	**(255.54)**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

(a) Cross Currency Swaps (CCS)

Particulars		As at 31 March, 2025	As at 31 March, 2024
i)	Total notional principal amount of CCS agreement undertaken during the year	-	16,370.00
ii)	Total notional principal amount of CCS agreement outstanding as on end of the year*	24,351.00	24,351.00
iii)	Maturity date of CCS	15-Jun-27;15-Mar-28	15-Jun-27;15-Mar-28
iv)	Hedge ratio	1:1	1:1
v)	Currency pair	USD/₹	USD/₹

* Notional amount outstanding is the original amount. Restated amount as at the balance sheet date basis exchange rate is 31 March, 2025: ₹ 25,674.42 Lacs (USD: 300 Lacs) (31 March, 2024: ₹ 25,021.70 Lacs (USD: 300 Lacs)).

(b) Hedging item

Particulars	Change in fair value of hedging item used for measuring ineffectiveness for the year ended 31 March, 2025	Change in fair value of hedging item used for measuring ineffectiveness for the year ended 31 March, 2024
Cross currency swaps	825.71	(261.39)

(c) The fair value mark to market (MTM) gains or (losses) in respect of CCS Agreement outstanding as at the Balance Sheet date is stated below:

Hedging Instrument	As at 31 March, 2025	As at 31 March, 2024
Cross currency swaps (CCS)	570.17	(255.54)
Total	**570.17**	**(255.54)**

(d) Movement in Hedge Reserve (excluding deferred tax)

Cash Flow Hedge Reserve Account		As at 31 March, 2025		
		Realised	Unrealised	Total
i)	Balance at the beginning of the year	-	(926.24)	(926.24)
ii)	Add: Changes in the fair value during the Year			
	Included in derivative financial instrument	-	825.71	825.71
	Included in ECB term loan	-	(662.25)	(662.25)
iii)	Less: Amounts reclassified to statement of profit & loss	-	-	-
iv)	Balance at the end of the year	-	(762.78)	(762.78)

Cash Flow Hedge Reserve Account		As at 31 March, 2024		
		Realised	Unrealised	Total
i)	Balance at the beginning of the year	-	(235.22)	(235.22)
ii)	Add: Changes in the fair value during the Year	-		
	Included in derivative financial instrument	-	(261.39)	(261.39)
	Included in ECB term loan	-	(429.63)	(429.63)
iii)	Less: Amounts reclassified to statement of profit & loss	-	-	-
iv)	Balance at the end of the year	-	(926.24)	(926.24)

All hedges are 100% effective.

Note: ECB carries coupon of 3.5% p.a in USD which has been hedged/swapped via Cross currency swap @ 7.15% p.a in ₹

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

6. RECEIVABLES

	As at 31 March, 2025	As at 31 March, 2024
Trade Receivables	38.32	-
Less; Impairment loss allowance	-	-
Total	**38.32**	**-**

(i) No trade receivables are due from Directors or any other officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any Director is a Partner, Director or a Member.

(ii) Trade Receivables are not interest bearing and are generally on terms of 30 days.

Trade receivable Ageing schedule

Particulars		Outstanding for following period from the date of transaction						
		Unbilled	Less than 6 months	6 months-1year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2025								
(i)	Undisputed Trade receivables – considered good	-	38.32	-	-	-	-	**38.32**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
As at 31 March, 2024								
(i)	Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii)	Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

7. LOANS

	As at 31 March, 2025	As at 31 March, 2024
At amortised cost		
Term loans	6,91,664.51	5,09,783.82
Staff loans	712.87	865.16
Total gross	**6,92,377.38**	**5,10,648.98**
Less: Impairment loss allowance	6,428.84	4,409.40
Total net	**6,85,948.54**	**5,06,239.58**
Secured by tangible assets	6,92,377.38	5,10,648.98
Total	**6,92,377.38**	**5,10,648.98**
Less: Impairment loss allowance	6,428.84	4,409.40
Total net	**6,85,948.54**	**5,06,239.58**
Loans in India		
Public sectors	-	-
Others (individuals and other corporates)	6,92,377.38	5,10,648.98
Loans outside India	**-**	**-**
Total gross	**6,92,377.38**	**5,10,648.98**
Less: Impairment loss allowance	6,428.84	4,409.40
Total net	**6,85,948.54**	**5,06,239.58**

7.1 Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security by way of equitable mortgage of property.

7.2 LOAN DETAILS

Particulars	Gross Carrying amount*	Effective interest rate adjustment	Total
As at 31 March, 2025	**7,03,359.33**	**(10,981.95)**	**6,92,377.38**
As at 31 March, 2024	5,18,673.70	(8,024.72)	5,10,648.98

* Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in books as on the last day of the relevant period.

7.3 There were no loans given against the collateral of gold jewellery or security of shares and hence the percentage of such loans to the total outstanding asset is Nil (31 March, 2024: Nil).

7.4 Loans sanctioned but undisbursed amount to ₹ 48,518.87 Lacs as on 31 March, 2025 (31 March, 2024: ₹ 42,834.11 Lacs).

7.5 During the financial year 2024-25, the Compnay has entered into two securitisation transaction amoutning to ₹ 35,799.04 Lacs (31 March, 2024- Nil). These loan assets have not been de-recognised from the loan portfolio of the Company as these does not meet the de-recognition criteria. The Company is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors. In terms of the said securitisation agreements, the Company pays to buyer/ investor on monthly basis the prorated collection amount as per the respective agreement terms.

7.6 During the financial year 2024-25, the Company has assigned pools of certain loans amounting to ₹ 56,993.56 Lacs (31 March, 2024: 45,066.42 Lacs) by way of a direct assignment transactions. These loans have been de-recognised from the loan portfolio of the Company as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Company continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreements, the Company pays to assignees, on a monthly basis, the pro-rata collection amounts.

7.7 During the financial year 2024-25, The Company also undertaken co-lending arrangement with Bank, whereby loans are co-originated by both the entities in 20:80 ratio (Company:Bank). Bank share in Co-lending arrangement for the year amoutnig to ₹ 22,917.48 Lacs (31 March, 2024: 14,552.05 Lakh). These loans have been de-recognised from the loan portfolio of the Company. The Company's share in co-lending arrangement amounting to ₹ 8,635.58 Lacs (31 March, 2024- ₹ 3,584.57 Lacs) has been recorded in the loan portfolio shown above.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

7.8 EXPECTED CREDIT LOSS

Expected credit loss is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

(i) Definition of default

The Company considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes more than 90 days past due on its contractual payments or classified as NPA as per RBI directions. The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.

ii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

iii) Loss given default

The Company segments its retail lending products into homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types, loan to value (LTV) ratio, expected realisation rate, etc.) as well as borrower characteristics.

iv) Significant increase in credit risk

The Company continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECL on a collective basis for a group of similar assets, the Company applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

v) Delinquency buckets have been considered as the basis for the staging of all loans with:

- Stage 3 are those accounts which are classified as NPA

- Stage 2 are those accounts wherein there is significant increase in credit risk

- Stage 1 are those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

vi) Macro economic factors

Macro-economic variables relevant to the underlying loan portfolio such as Gross Domestic Product, Inflation, Housing Price Index and 10 year bond yield were analysed for their correlation. Based on the analysis of trend, the Company has considered the 10 year bond yield as relevant macro-economic factor as it shows relatively better correlation with the portfolio performance.

vii) Credit quality of asset

The Company has classified all individual loans as amortised cost and has assessed it at the collective pool level. The individual loan book has been divided into the housing and non-housing (Loan against property) sub portfolios.

The vintage analysis methodology has been used to create the PD term structure which incorporates both 12 month (Stage 1 Loans) and lifetime PD (Stage 2 Loans). The vintage analysis captures a vintage default experience across a particular portfolio by tracking the yearly slippages from advances originating in a particular year. The vintage slippage experience/ default rate is then used to build the PD term structure.

The workout methodology has been used to determine LGD wherein the recoveries of loans defaulted in past are tracked and discounted to the date of default. The worked out LGD for loans has been bucketed into various levels of collateral cover. LGD based on collateral cover has been applied to each loan in the portfolio based on specific collateral cover adjusted for the expected fall in valuation. The Company has used the forward looking LGD basis the management expectation on property prices basis the market environment.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

viii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is, as follows:

(i) Reconciliation of gross carrying amount balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	**3,58,248.46**	**7,924.57**	**4,189.66**	**3,70,362.69**
Transfer to Stage 1	3,181.44	(2,257.86)	(923.58)	-
Transfer to Stage 2	(7,612.71)	7,937.67	(324.96)	-
Transfer to Stage 3	(3,089.08)	(800.42)	3,889.50	-
New financial assets originated	2,37,852.77	605.32	292.91	2,38,751.00
Financial assets that have been de-recognised/ repaid	(86,315.41)	(2,013.92)	(2,110.66)	(90,439.99)
Balance as at 31 March, 2024	**5,02,265.47**	**11,395.36**	**5,012.87**	**5,18,673.70**
Balance as at 01 April, 2024	**5,02,265.47**	**11,395.36**	**5,012.87**	**5,18,673.70**
Transfer to Stage 1	4,383.96	(3,422.60)	(961.36)	-
Transfer to Stage 2	(14,584.57)	14,804.14	(219.57)	-
Transfer to Stage 3	(4,228.66)	(1,192.54)	5,421.20	-
New financial assets originated	2,96,274.53	516.76	196.69	2,96,987.98
Financial assets that have been de-recognised/ repaid	(1,06,583.58)	(3,209.25)	(2,509.52)	(1,12,302.35)
Balance as at 31 March, 2025	**6,77,527.15**	**18,891.87**	**6,940.31**	**7,03,359.33**

Reconciliation of ECL balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	**1,860.49**	**599.13**	**1,088.84**	**3,548.46**
Transfer to Stage 1	242.99	(57.24)	(185.75)	**-**
Transfer to Stage 2	(49.25)	141.15	(91.90)	**-**
Transfer to Stage 3	(17.68)	(42.21)	59.89	**-**
Impact of change in EAD and stages during the year	154.95	(129.14)	884.88	**910.69**
New financial assets originated	751.43	17.77	77.72	**846.92**
Financial assets that have been de-recognised/ repaid	(234.73)	(74.70)	(587.24)	**(896.67)**
Balance as at 31 March, 2024	**2,708.20**	**454.76**	**1,246.44**	**4,409.40**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2024	**2,708.20**	**454.76**	**1,246.44**	**4,409.40**
Transfer to Stage 1	331.87	(92.33)	(239.54)	**-**
Transfer to Stage 2	(86.55)	142.30	(55.75)	**-**
Transfer to Stage 3	(23.32)	(33.65)	56.97	**-**
Impact of change in EAD and stages during the year	371.38	299.95	1,161.40	**1,832.73**
New financial assets originated	1,011.98	16.28	48.68	**1,076.94**
Financial assets that have been de-recognised/ repaid	(299.44)	(82.55)	(508.24)	**(890.23)**
Balance as at 31 March, 2025	**4,014.12**	**704.76**	**1,709.96**	**6,428.84**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

(ii) Reconciliation of gross carrying amount of loan commitments balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	**26,724.14**	**45.53**	**19.77**	**26,789.44**
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(1.05)	1.05	-	-
Transfer to Stage 3	(12.01)	-	12.01	-
New commitments originated/disbursed or cancelled (net)	16,082.39	(29.87)	(7.85)	16,044.67
Balance as at 31 March, 2024	**42,793.47**	**16.71**	**23.93**	**42,834.11**
Balance as at 01 April, 2024	**42,793.47**	**16.71**	**23.93**	**42,834.11**
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(17.52)	17.52	-	-
Transfer to Stage 3	(10.95)	-	10.95	-
New commitments originated/disbursed or cancelled (net)	5,711.60	(16.42)	(10.42)	5,684.76
Balance as at 31 March, 2025	**48,476.60**	**17.81**	**24.46**	**48,518.87**

Reconciliation of ECL on loan commitments balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	55.38	0.09	0.04	**55.51**
Transfer to Stage 1	-	-	-	**-**
Transfer to Stage 2	(0.00)	0.00	-	**-**
Transfer to Stage 3	(0.03)		0.03	**-**
Impact of change in EAD and stages during the year	9.90	0.01	0.02	**9.93**
New commitments originated/disbursed or cancelled (net)	37.18	(0.06)	(0.02)	**37.10**
Balance as at 31 March, 2024	**102.43**	**0.04**	**0.07**	**102.54**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2024	**102.43**	**0.04**	**0.07**	**102.54**
Transfer to Stage 1	-	-	-	**-**
Transfer to Stage 2	(0.04)	0.04	-	**-**
Transfer to Stage 3	(0.03)	-	0.03	**-**
Impact of change in EAD and stages during the year	63.23	0.03	0.05	**63.31**
New commitments originated/disbursed or cancelled (net)	63.96	(0.03)	(0.02)	**63.91**
Balance as at 31 March, 2025	**229.55**	**0.08**	**0.13**	**229.76**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

ix) A comparison between provisions required under Income recognition, asset classification and provision norms (IRACP) and impairment allowances made under IND AS 109

As at 31 March, 2025

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as per Ind AS	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	6,77,527.15	4,014.12	6,73,513.03	2,042.14	1,971.98
	Stage 2	18,891.87	704.76	18,187.11	199.62	505.14
Sub-total for performing assets		**6,96,419.02**	**4,718.88**	**6,91,700.14**	**2,241.76**	**2,477.12**
Non- performing assets (NPA)						
Substandard	Stage 3	**5,061.91**	**1,251.94**	**3,809.97**	**759.34**	**492.60**
Doubtful - up to 1 year	Stage 3	1,864.48	454.69	1,409.79	466.12	(11.43)
Doubtful - 1 to 3 years	Stage 3	13.92	3.33	10.59	5.57	(2.24)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		**1,878.40**	**458.02**	**1,420.38**	**471.69**	**(13.67)**
Loss	Stage 3	-	-	-	-	-
Sub-total for NPA		**6,940.31**	**1,709.96**	**5,230.35**	**1,231.03**	**478.93**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	52,078.74	389.12	51,689.62	-	389.12
	Stage 2	**-**	**-**	**-**	**-**	**-**
	Stage 3	**-**	**-**	**-**	**-**	**-**
Subtotal		**52,078.74**	**389.12**	**51,689.62**	**-**	**389.12**
	Stage 1	7,29,605.89	4,403.24	7,25,202.65	2,042.14	2,361.10
	Stage 2	18,891.87	704.76	18,187.11	199.62	505.14
	Stage 3	6,940.31	1,709.96	5,230.35	1,231.03	478.93
	Total	**7,55,438.07**	**6,817.96**	**7,48,620.11**	**3,472.79**	**3,345.17**

As at 31 March, 2024

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss allowance as per Ind AS	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing assets						
Standard assets	Stage 1	5,02,265.47	2,708.20	4,99,557.27	1,520.72	1,187.48
	Stage 2	11,395.36	454.76	10,940.60	249.84	204.92
Sub-total for performing assets		**5,13,660.82**	**3,162.96**	**5,10,497.87**	**1,770.56**	**1,392.40**
Non- performing assets (NPA)						
Substandard	Stage 3	**4,178.94**	**1,052.09**	**3,126.85**	**822.29**	**229.80**
Doubtful - up to 1 year	Stage 3	832.40	194.03	638.37	279.57	(85.54)
Doubtful - 1 to 3 years	Stage 3	1.53	0.32	1.21	0.77	(0.45)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
Sub-total for doubtful		**833.93**	**194.35**	**639.58**	**280.34**	**(85.99)**
Loss	Stage 3	-	-	-	-	-
Sub-total for NPA		**5,012.87**	**1,246.44**	**3,766.43**	**1,102.63**	**143.81**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	53,925.21	195.70	53,729.51	-	195.70
	Stage 2	**-**		**-**	**-**	**-**
	Stage 3	**-**		**-**	**-**	**-**
Subtotal		**53,925.21**	**195.70**	**53,729.51**	**-**	**195.70**
	Stage 1	5,56,190.68	2,903.90	5,53,286.78	1,520.72	1,383.18
	Stage 2	11,395.36	454.76	10,940.60	249.84	204.92
	Stage 3	5,012.87	1,246.44	3,766.43	1,102.63	143.81
	Total	**5,72,598.91**	**4,605.10**	**5,67,993.81**	**2,873.19**	**1,731.91**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

8. INVESTMENTS

	As at 31 March, 2025	As at 31 March, 2024
At fair value through profit and loss		
- Mutual funds	-	-
At amortised cost		
-Investment in debt Instrument	8,755.17	3,131.98
- Investment in Treasury Bill	-	4,768.47
- Investment in Certificate of deposits	14,504.16	-
- Investment in Government Securities	8,267.92	7,879.25
Investments in equity instruments (Subsidiary)		
- Investment in India Shelter Capital Finance Limited	1,200.00	1,200.00
(1,20,00,000 equity shares of ₹ 10 each fully paid-up)		
Gross (A)	**32,727.25**	**16,979.70**
(i) Investments outside India	-	-
(ii) Investments in India	32,727.25	16,979.70
Total (B)	**32,727.25**	**16,979.70**
Less: Impairment loss allowance (C)	-	-
Total- Net (B-C)	**32,727.25**	**16,979.70**

Investment detail script-wise

As at 31 March, 2025

Particulars	Quantity	Carrying Value
Measured at amortised cost		
Investments in Debt Securities		
Indian Oil Corporation Limited Sr XIX 5.50 Loa 20 Oct 25 FV ₹10 Lacs	250	2,535.06
NTPC Limited Sr 72 5.45 Bd 15 Oct 25 FV ₹ 10 Lacs	50	506.87
ONGC Petro Additions Limited Sr V Opt B 8 Ncd 11 Apr 25 FV ₹ 10 Lacs	250	2,527.11
Power Grid Corporation Of India Limited 8.93 Bd 20 Oct 26 FV ₹ 10 Lacs	300	3,186.13
Total		**8,755.17**
Investment in Certificate of deposits		
Bank Of India -CD (28-Nov-25)	500	2,380.29
HDFC Bank Ltd CD (31-Oct-25)	1,000	4,789.73
Canara Bank CD 03SEP25	500	2,422.60
HDFC Bank Limited CD 19SEP25	500	2,412.16
Punjab National Bank CD (02April25)	500	2,499.38
Total		**14,504.16**
Investment in Government Securities		
Bond0.00% CG Strip 12/12/2026/15Y/12/12/2026/0%	59,13,500	5,231.67
Bond0.00% CG Strip 19/12/2026/0D/19/12/2026/0%	5,11,000	453.46
Bond07.10 GS 2029/7Y/18/04/2029/7.1%	25,31,556	2,582.79
Total		**8,267.92**
Investment in equity instruments		
Unquoted equity instrument- India Shelter Capital Finance Limited	1,20,00,000	1,200.00
Total		**32,727.25**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

As at 31 March, 2024

Particulars	Quantity	Carrying Value
Measured at amortised cost		
Investments in Debt Securities		
Cholamandalam Invt.Co.Ltd (Sr And Fin2 Ncd 04 Mar 25 FV ₹ 1000)	48,625	518.98
Power Grid Corporation Of India Limited 8.85 Bd 19 Oct 24 FV ₹ 12.5Lakh	200	2,613.00
Total		**3,131.98**
Investment in Government Securities		
Bond07.10 GS 2029/7Y/18/04/2029/7.1%	59,13,500	2,582.89
Bond0.00% CG Strip 12/12/2026/15Y/12/12/2026/0%	5,11,000	4,875.85
Bond0.00% CG Strip 19/12/2026/0D/19/12/2026/0%	25,31,556	420.51
Total		**7,879.25**
Investment in T-Bills		**4,768.47**
Investment in equity instruments		
Unquoted equity instrument- India Shelter Capital Finance Limited	1,20,00,000	1,200.00
Total		**16,979.70**

9. OTHER FINANCIAL ASSETS

	As at 31 March, 2025	As at 31 March, 2024
Security deposits	369.44	321.04
Receivables on securitised loans (refer note a)	166.07	37.06
EIS receivable on direct assignment (refer note b)	15,606.66	11,798.28
Receivables on assignment transactions (refer note a)	457.26	322.62
Other receivables	398.67	253.69
Total gross	**16,998.10**	**12,732.69**
Less: Impairment loss allowance (on EIS Receivable assets)	(159.36)	(93.17)
Total	**16,838.74**	**12,639.52**

Note:

a) Receivables on assignment and securitised loans is company's share of receivable towards collections made and recoverable by the Company as at the end of the year.

b) Under Ind AS, with respect to Assignment deals, Company has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Proft and loss account. The same has been computed by discounting EIS to present value with necessary estimates and assumptions.

10. CURRENT TAX ASSETS (NET)

	As at 31 March, 2025	As at 31 March, 2024
Income tax advance (net)	357.96	1,484.07
Total	**357.96**	**1,484.07**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

11. DEFERRED TAX ASSETS (NET)

	As at 31 March, 2025	As at 31 March, 2024
Deferred tax assets		
Provision for employee benefits	52.56	44.83
Difference in written down value as per Companies Act and Income Tax Act	87.02	78.68
Impairment loss allowance on loans	1,359.55	1,027.77
Unamortised processing fees	2,763.93	2,019.66
Lease liabilities	377.64	483.46
Provision for impairment on assets held for sale	82.28	72.85
Cash Flow Hedge Reserve	191.98	233.12
Deferred tax liabilities		
Unamortised borrowing cost	(317.65)	(427.53)
Right-of-use assets	(323.51)	(436.44)
EIS receivable on direct assignment	(3,649.87)	(2,791.41)
Net deferred tax assets	**623.93**	**304.98**

Movement in deferred tax assets (net)

	As at 1 April, 2024	(Charged)/ credited to statement of profit and loss	Credited/ (charged) to other comprehensive income	As at 31 March, 2025
Deferred tax assets				
Provision for employee benefits	44.83	5.42	2.31	52.56
Difference in written down value as per Companies Act and Income Tax Act	78.68	8.34	-	87.02
Impairment loss allowance on loans	1,027.77	331.78	-	1,359.55
Unamortised processing fees	2,019.66	744.27	-	2,763.93
Cash flow hedge reserve	233.12	-	(41.14)	191.98
Lease liability	483.46	(105.82)	-	377.64
Provision for impairment on assets held for sale	72.85	9.43	-	82.28
Deferred tax liabilities				
Unamortised borrowing cost	(427.53)	109.88	-	(317.65)
Right-of-use assets	(436.44)	112.93	-	(323.51)
EIS receivable on direct assignment	(2,791.41)	(858.44)	-	(3,649.87)
Net deferred tax assets	**304.98**	**357.78**	**(38.83)**	**623.93**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Movement in deferred tax assets (net)

	As at 1 April, 2023	(Charged)/ credited to statement of profit and loss	Credited/ (charged) to other comprehensive income	As at 31 March 2024
Deferred tax assets				
Provision for employee benefits	104.07	(55.14)	(4.10)	44.83
Difference in written down value as per Companies Act and Income Tax Act	64.80	13.88	-	78.68
Impairment loss allowance on loans	920.89	106.88	-	1,027.77
Unamortised processing fees	1,503.42	516.24	-	2,019.66
Cash flow hedge reserve	59.20	-	173.92	233.12
Lease liability	388.61	94.85	-	483.46
Provision for impairment on assets held for sale	87.11	(14.26)	-	72.85
Deferred tax liabilities				
Unamortised borrowing cost	(424.45)	(3.08)	-	(427.53)
Right-of-use assets	(353.09)	(83.35)	-	(436.44)
EIS receivable on direct assignment	(2,049.25)	(742.16)	-	(2,791.41)
Net deferred tax assets	**301.31**	**(166.16)**	**169.82**	**304.98**

12. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Plant and equipment - computer and other related equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of-use assets	Total
Gross block								
Balance as at 01 April, 2023	**9.17**	**802.40**	**258.51**	**151.52**	**523.40**	**400.25**	**2,217.80**	**4,363.05**
Additions during the year	-	223.87	65.30	4.91	313.34	16.67	1,009.52	1,633.61
Disposals/adjustments	-	(68.23)	-	-	(48.59)	(2.33)	(464.94)	(584.09)
Balance as at 31 March, 2024	**9.17**	**958.04**	**323.81**	**156.43**	**788.15**	**414.59**	**2,762.38**	**5,412.57**
Additions during the year	-	308.57	89.66	20.36	387.35	0.28	301.30	1,107.52
Disposals/adjustments	-	(81.83)	(5.39)	(0.34)	(86.01)	(12.02)	(54.19)	(239.78)
Balance as at 31 March, 2025	**9.17**	**1,184.78**	**408.08**	**176.45**	**1,089.49**	**402.85**	**3,009.49**	**6,280.31**
Accumulated depreciation								
Balance as at 01 April, 2023	**-**	**534.31**	**147.69**	**95.01**	**64.98**	**322.77**	**814.82**	**1,979.58**
Depreciation charge for the year	-	179.13	41.89	12.91	79.51	31.72	625.87	971.03
Disposals/adjustments	-	(67.85)	-	-	(10.82)	(0.13)	(412.45)	(491.24)
Balance as at 31 March, 2024	**-**	**645.61**	**189.58**	**107.92**	**133.67**	**354.36**	**1,028.24**	**2,459.37**
Depreciation charge for the year	-	210.15	55.24	14.49	119.72	27.62	713.02	1,140.24
Disposals/adjustments	-	(81.83)	(5.39)	(0.31)	(30.25)	(12.02)	(17.20)	(147.00)
Balance as at 31 March, 2025	**-**	**773.93**	**239.43**	**122.10**	**223.14**	**369.96**	**1,724.06**	**3,452.61**
Net block								
Balance as at 31 March, 2024	**9.17**	**312.43**	**134.23**	**48.51**	**654.48**	**60.23**	**1,734.14**	**2,953.20**
Balance as at 31 March, 2025	**9.17**	**410.85**	**168.65**	**54.35**	**866.35**	**32.89**	**1,285.43**	**2,827.70**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

13. INTANGIBLE ASSETS

Particulars	Computer software
Gross block	
Balance as at 01 April, 2023	**321.42**
Additions during the year	-
Balance as at 31 March, 2024	**321.42**
Additions during the year	99.94
Balance as at 31 March, 2025	**421.36**
Accumulated amortisation	
Balance as at 01 April, 2023	**272.97**
Amortisation charge during the year	20.36
As at 31 March, 2024	**293.33**
Amortisation charge during the year	19.46
Balance as at 31 March, 2025	**312.79**
Net block	
Balance as at 31 March, 2024	**28.09**
Balance as at 31 March, 2025	**108.57**

14. OTHER NON-FINANCIAL ASSETS

	As at 31 March, 2025	As at 31 March, 2024
Prepaid expenses	468.85	465.46
Other advances	22.06	41.25
Advance to employees	141.80	144.64
Advance to suppliers	94.83	95.89
Balance with government authorities	290.75	833.55
Total	**1,018.29**	**1,580.79**

15. TRADE PAYABLES

	As at 31 March, 2025	As at 31 March, 2024
(i) total outstanding dues of micro enterprises and small enterprises (refer note 36)	5.65	18.55
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	896.28	480.61
Total	**901.93**	**499.16**

Trade Payables ageing schedule as at 31 March, 2025

Particulars	Outstanding for following periods from date of transaction					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	5.65	-	-	-	5.65
Others	622.14	274.14	-	-	-	896.28
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
Total	**622.14**	**279.79**	**-**	**-**	**-**	**901.93**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Trade Payables ageing schedule as at 31 March, 2024

Particulars	Outstanding for following periods from date of transaction					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	18.55	-	-	-	18.55
Others	369.43	111.18				480.61
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
Total	**369.43**	**129.73**	**-**	**-**	**-**	**499.16**

16. DEBT SECURITIES

	As at 31 March, 2025	As at 31 March, 2024
At amortised cost		
Secured		
Non-convertible debentures (including interest accrued)	4,991.14	3,000.90
Total	**4,991.14**	**3,000.90**
Debt securities in India	4,991.14	3,000.90
Debt securities outside India	-	-
Total	**4,991.14**	**3,000.90**

i) 5000 (31 March, 2024: Nil), @ 8.65% Secured listed non-convertible debentures (NCD) of face value ₹ 1,00,000 each aggregating to ₹ 5,000 Lacs payable in quarterly installments. The date of allotment is 26 March, 2025. The amount outstanding as on 31 March, 2025 5,000 Lacs (31 March, 2024: Nil).

(These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such th at the value of security shall be equal of 1.10 times). The NCD is having ISIN No- INE922K07104

ii) Nil (31 March, 2024: 300), @ 11% Secured listed non-convertible debentures of face (NCD) value ₹ 10,00,000 each aggregating to ₹ 3,000 Lacs repayable on 31 August, 2026. The date of allotment of NCD was 31 August, 2021. The said NCD was prepaid during the year. (These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD). The NCD was having ISIN No.- INE922K07070.

iii) **Amounts repayable from the date of balance sheet**

	As at 31 March, 2025	As at 31 March, 2024
less than 1 year	1,249.90	0.90
one to three years	2,492.35	3,000.00
three to five years	1,248.89	-
more than five years	-	-
Total	**4,991.14**	**3,000.90**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

17. BORROWINGS (OTHER THAN DEBT SECURITIES)

		As at 31 March, 2025	As at 31 March, 2024
At amortised cost			
(a)	Term loans - Secured (including interest accrued)		
	(i) from banks	3,09,377.34	2,18,881.67
	(ii) from other parties		
	- National housing bank	89,992.97	63,898.10
	- Financial institutions	22,186.35	21,802.22
	- External Commercial Borrowing (ECB)	25,645.53	24,928.01
	(b) Lease liabilities (Refer note 43)	1,500.48	1,920.92
(c)	Liability against securitised assets	38,790.42	7,078.05
(d)	Cash credit/Working capital demand loan	4,421.48	-
Total		**4,91,914.57**	**3,38,508.97**
Borrowings in India		4,66,269.04	3,13,580.96
Borrowings outside India		25,645.53	24,928.01
Total		**4,91,914.57**	**3,38,508.97**

i) Secured term loans from National Housing Bank carry rate of interest in the range of 2.80% to 8.50% p.a (31 March, 2024: 2.80% to 8.40%). The loans are having tenure of 7 to 10 years (31 March, 2024: 5 to 15 years) from the date of disbursement and are repayable in quarterly or yearly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Company.

ii) Secured term loans from banks, financial institutions and ECB include loans carrying rate of interest (including hedge cost in case of external commercial borrowing) in the range of 6.95% to 10.25% p.a (31 March, 2024: 8.40% to 10.75%). The loans are having tenure of 3 to 15 years (31 March, 2024: 2 to 9 years) from the date of disbursement and are repayable in monthly or quarterly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Company.

iii) During the year the Company has borrowed Nil (31 March, 2024: ₹ 16,370.00 Lacs equivalent to 200 Lacs USD) under the External Commercial Borrowing (ECB). The ECB loan is secured by hypothecation (exclusive charge) of certain loans given by the Company. The same is hedged by derivative instrumnent through cross currency swaps. The derivative instrument is for hedging the underlying ECB transaction as per applicable RBI guidelines and not for any speculative purpose.

(iv) Cash credit/Working capital demand loan from bank are repayable on demand and carry interest rates ranging from 8.05% to 9.95%.

v) The Company is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March, 2025 and 31 March, 2024.

vi) The Company has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the Company with the banks and financial institutions are in accordance with the books of accounts of the Company for the respective quarters.

vii) The Company has not defaulted in the repayment of debt securities, borrowings and interest thereon for the year ended 31 March, 2025 and 31 March, 2024.

Terms of repayment of Term loans from Bank

Particulars	31 March, 2025		31 March, 2024	
	Number of installments	Amount	Number of installments	Amount
less than one year	775	81,036.44	732	58,675.12
one to three years	1,237	1,39,726.38	1,267	94,620.73
three to five years	533	68,981.91	717	54,664.64
more than five years	154	19,632.61	166	10,921.18
Total		**3,09,377.34**		**2,18,881.67**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Terms of repayment of Term loans from National Housing Bank

Particulars	31 March, 2025		31 March, 2024	
	Number of installments	Amount	Number of installments	Amount
less than one year	108	11,172.49	96	11,121.90
one to three years	278	28,695.34	232	21,247.27
three to five years	222	23,218.91	204	17,421.92
more than five years	187	26,906.23	165	14,107.01
Total		**89,992.97**		**63,898.10**

Terms of repayment of Term loans from Financial institutions

Particulars	31 March, 2025		31 March, 2024	
	Number of installments	Amount	Number of installments	Amount
less than one year	71	5,749.62	89	5,548.63
one to three years	123	10,369.81	145	9,537.62
three to five years	67	5,888.38	79	5,830.74
more than five years	3	178.54	15	885.23
Total		**22,186.35**		**21,802.22**

Terms of repayment of Term loans from External Commercial Borrowings

Particulars	31 March, 2025		31 March, 2024	
	Number of installments	Amount	Number of installments	Amount
less than one year	6	1,294.87	1	75.80
one to three years	16	3,657.47	14	2,862.77
three to five years	16	4,353.80	16	4,042.93
more than five years	59	16,339.39	67	17,946.52
Total		**25,645.53**		**24,928.01**

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt securities)	Total
01 April, 2023	**17,653.41**	**2,81,233.49**	**2,98,886.90**
Cash flows:			
-Repayments	(13,500.00)	(1,01,979.29)	(1,15,479.29)
-Proceeds	-	1,58,870.00	1,58,870.00
-Payment of lease liability	-	(725.17)	(725.17)
Non-cash:			
-Amortisation of upfront fees and others(net)	77.28	(89.56)	(12.28)
-Accrued interest(net)	(1,229.79)	97.49	(1,132.30)
-Recognition of lease liabilities and interest thereon	-	1,102.01	1,102.01
31 March, 2024	**3,000.90**	**3,38,508.97**	**3,41,509.87**
Cash flows:			
-Repayments	(3,000.00)	(1,32,652.64)	(1,35,652.64)
-Proceeds	5,000.00	2,86,345.36	2,91,345.36
-Payment of lease liability	-	(826.81)	(826.81)
Non-cash:			
-Amortisation of upfront fees and others(net)	(15.26)	451.82	436.56
-Accrued interest(net)	5.50	(318.51)	(313.01)
-Recognition of lease liabilities and interest thereon	-	406.38	406.38
31 March, 2025	**4,991.14**	**4,91,914.57**	**4,96,905.71**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

18. OTHER FINANCIAL LIABILITIES

	As at 31 March, 2025	As at 31 March, 2024
Employee related payable	3,078.40	2,566.21
Payable towards securitisation transactions	127.44	147.63
Payable towards assignment transactions	1,279.02	2,802.96
Insurance payables	16.35	164.90
Total	**4,501.21**	**5,681.70**

19. PROVISIONS

	As at 31 March, 2025	As at 31 March, 2024
Provisions for employee benefits		
- Provision for compensated absences	154.18	118.60
- Provision for gratuity (Refer note 38)	54.61	59.50
Impairement loss allowance on Undrawn commitments	229.76	102.54
Total	**438.55**	**280.64**

20. OTHER NON-FINANCIAL LIABILITIES

	As at 31 March, 2025	As at 31 March, 2024
Advance received from customers	1,074.66	1,164.35
Statutory dues payables	53.28	159.23
Total	**1,127.94**	**1,323.58**

21. EQUITY SHARE CAPITAL

	As at 31 March, 2025	As at 31 March, 2024
(a) Authorised capital		
16,20,00,000 equity shares of ₹ 5 each (31 March, 2024: 16,20,00,000) equity shares of ₹ 5 each	8,100.00	8,100.00
(b) Issued capital and Subscribed		
10,78,95,287 equity shares of ₹ 5 each (31 March, 2024: 10,70,51,136) equity shares of ₹ 5 each	5,394.76	5,352.56
(c) Paid up capital		
10,78,95,287 equity shares of ₹ 5 each. (31 March, 2024: 10,70,51,136) equity shares of ₹ 5 each fully paid up	5,394.76	5,352.56

(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at 31 March, 2025	As at 31 March, 2024
Equity shares outstanding at the beginning of the year	10,70,51,136	4,38,72,652
Additional shares pursuant to share split issued during the year	-	4,38,72,652
Issued during the year (Refer note (e),(f) & (g) below)	8,44,151	1,93,05,832
Equity shares outstanding at the end of the year	**10,78,95,287**	**10,70,51,136**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share (Also refer Note 59).'

(e) Issue of shares

During the year ended 31 March, 2025, 8,44,151 equity shares (31 March, 2024: 63,610 at face value of ₹10 and 22,41,432 face value of ₹ 5) have been allotted to employees who have exercised their options under the approved employee stock option plan.

During the year ended 31 March, 2024, the Company has allotted 3,55,000 equity shares of face value of ₹ 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of ₹ 73.20 per share. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July, 2023. The Board of Directors of the Company in its meeting held on 12 July, 2023 has made the first and final call of ₹ 349.60 per share on the 1,35,000 equity shares allotted to Mr. Anil Mehta.

(f) The Company has made an Initial Public Offer (IPO), during the year ended 31 March, 2024 for 2,43,40,768 equity shares of ₹ 5 each, comprising a fresh issue of 1,62,27,180 equity shares of the Company and 81,13,588 equity shares offered for sale by selling shareholders. The equity shares were issued at a price of ₹ 493 per equity share (including a Share Premium of ₹ 488 per equity share). Pursuant to the aforesaid allotment of equity shares, the issued, subscribed and paid-up capital of the Company stands increased to ₹ 5,352.56 Lacs (10,70,51,136 Equity shares of ₹ 5 each). The Company's equity shares were listed on National Stock Exchange of India Limited (NSE) and on Bombay Stock Exchange (BSE) on 20th December, 2023.

The details of utilisation of the net IPO proceeds of ₹ 75,427.07 Lacs (net of share issue expenses of ₹ 4,572.93 Lacs), is as follows:

Objects of the issue	IPO Proceeds (net)	Amount transferred interse	Utilisation up to 31 March, 2025	Unutilised amount as at 31 March, 2025*
To meet future capital requirements towards onward lending	64,000.00	335.45**	64,856.45*	-
General corporate purposes	11,091.62	-	11,091.62	-
IPO expenses	4,908.38	(335.45)**	4,572.93	-
Total	**80,000.00**	**-**	**80,521.00**	**-**

*The Company initially invested the IPO proceeds in fixed deposits and earned the interest income on the same. Utilisation upto 31 March, 2025 shown above of ₹ 64,856.45 Lacs includes the IPO proceeds amounted to ₹ 64,335.45 Lacs and the interest earned net of TDS amounted to ₹ 521 Lacs.

**The Company had incurred lesser issue expenses than earmarked. This differential amount of ₹ 335.45 Lacs is utilised towards one of the main objects, i.e. onward lending.

(g) Terms and conditions of the main features of each class of shares

The Company has only one class of equity shares having a face value of ₹ 5 per share. Each shareholder is entitled to one vote per share. The Company will pay dividend as and when declared. The dividend as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to shareholding.

(h) Detail of shareholders holding 5 percent or more

Name of shareholders	As at 31 March, 2025		As at 31 March, 2024	
	No. of shares Face Value ₹ 5 per share	% of holding	No. of shares Face Value ₹ 5 per share	% of holding
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	2,84,22,818	26.34%	2,84,22,818	26.55%
WestBridge Crossover Fund, LLC	2,17,08,302	20.12%	2,17,08,302	20.28%
Nexus Ventures III Limited	1,20,80,028	11.20%	1,70,33,130	15.91%
Nexus Opportunity Fund II, Ltd.	43,73,176	4.05%	58,20,074	5.44%

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

(i) Shares held by promoter

Name of Promoter	As at 31 March, 2025		As at 31 March, 2024		% change during the year
	No of shares with Face vale ₹ 5 per share	% of total shares	No of shares with Face vale ₹ 5 per share	% of total shares	
Anil Mehta	15,70,734	1.46%	15,70,734	1.47%	(0.01)%
WestBridge Crossover Fund, LLC	2,17,08,302	20.12%	2,17,08,302	20.28%	(0.16)%
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	2,84,22,818	26.34%	2,84,22,818	26.55%	(0.21)%

(j) The Company has not allotted any shares for consideration other than cash, bonus shares and niether bought back any shares, except as disclosed above

(k) The Board of Directors at their meeting held on 09 May, 2025 recommended dividend of ₹ 5 per equity share at 100% of the face value of ₹ 5 for the year ended 31 March, 2025, subject to shareholders approval at the ensuing Annual General Meeting.

22. OTHER EQUITY

	As at 31 March, 2025	As at 31 March, 2024
Share application money pending allotment	47.86	-
Securities premium	1,51,471.46	1,49,314.39
Statutory reserve	22,570.45	15,029.51
Employee share based payment reserve	2,499.67	1,642.64
Re-measurements of defined benefit plans	59.40	66.25
Effective portion of cash flow hedge reserve	(570.80)	(693.12)
Retained earnings	89,209.17	59,045.43
Total	**2,65,287.21**	**2,24,405.10**

Nature and purpose of other reserve

Securities premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserve

As per Section 29C(1) of National Housing Bank Act 1987, the Company is required to transfer at least 20% of its Net profit every year to a reserve before any dividend is declared.

Employee share based payment reserve

This reserve is used to recognise the fair value of the options issued to employees of the Company under Company's employee stock option plan.

Retained earnings

Retained earnings represents the amount of accumulated earnings of the Company.

Re-measurements of defined benefit plans

Represents the cumulative actuarial gains/(losses) arising on defined benefit plans classified under Other Comprehensive income.

Effective portion of cash flow hedge reserve

Represents the cumulative gains/(losses) arising on revaluation of the derivative instruments and underlying financial instrument designated as cash flow hedges through OCI.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

23. INTEREST INCOME (ON FINANCIAL ASSETS MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest on loans	88,474.51	64,416.58
Interest on investments	2,219.16	1,591.34
Interest on deposits with banks	1,282.42	2,509.20
Other interest income	2,252.48	1,640.93
Total	**94,228.57**	**70,158.05**

24. FEES AND COMMISSION INCOME

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Insurance Commission	5,032.20	-
Fee based income	6,422.01	3,778.94
Total	**11,454.21**	**3,778.94**

25. NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments in Mutual Funds	961.60	1,009.70
Total net gain on fair value changes	**961.60**	**1,009.70**
Fair value changes		
- Realised (net of stamp duty charges)	961.60	1,009.70
- Unrealised	-	-
Total net gain on fair value changes	**961.60**	**1,009.70**

26. OTHER INCOME

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Marketing support income	1,000.25	3,163.35
Gain on termination of leases	0.65	8.50
Liabilities no longer required, written back	27.84	3.16
Miscellaneous Income	1.20	1.20
Total	**1,029.94**	**3,176.21**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

27. FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a) Interest expenses on		
- Borrowings	33,062.09	26,846.29
- Debt securities	329.20	1,075.37
- Securitised loans	1,682.76	697.42
(b) Other borrowing costs		
- Securitisation expense	27.17	17.13
- Interest expense on lease liabilities	142.73	153.51
- Other interest expense	243.60	61.99
Total	**35,487.55**	**28,851.71**

28. IMPAIRMENT ON FINANCIAL INSTRUMENTS (MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Impairment loss on loans^	2,146.66	907.96
Loans written off(net)*	392.71	1,028.27
Impairment loss on EIS receivable on direct assignment	66.19	38.02
Impairement loss on stock of acquired properties	37.46	(56.66)
Total	**2,643.02**	**1,917.59**

^includes provision on undrawn commitments of ₹ 127.22 Lacs (31 March, 2024: ₹ 47.02 Lacs)

*Net of bad debt recovery of ₹ 742.34 Lacs (31 March, 2024: ₹ 410.58 Lacs)

29. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Salaries, wages and bonus (Refer note 38)	20,113.27	15,569.11
Contribution to provident and other funds (Refer note 38)	1,077.14	890.24
Share based payments to employees (Refer note 47)	1,351.45	1,230.11
Staff welfare expenses	366.59	253.42
Total	**22,908.45**	**17,942.88**

30. DEPRECIATION AND AMORTISATION

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Depreciation of property, plant and equipment (Refer note 12)	1,140.24	971.00
Amortisation of intangible assets (Refer note 13)	19.46	20.36
Total	**1,159.70**	**991.36**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

31. OTHER EXPENSES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Legal and professional charges	410.93	552.66
Collection and recovery charges	508.80	278.20
Loan processing charges	847.33	497.82
Advertisement and marketing expenses	426.47	276.78
Rent and hire charges	330.47	195.37
Travelling and conveyance	873.31	530.05
Information technology expense	1,311.45	937.36
Communication expenses	215.87	141.68
Rates and taxes expenses	8.35	9.02
Repairs and maintenance - others	194.52	150.81
Office expenses	226.83	101.55
Electricity and water expenses	230.57	176.17
Printing, stationery and office supplies	51.12	73.56
Insurance expenses	46.91	54.96
Directors' sitting fees	67.76	47.91
Auditor's remuneration (Refer note 31.1 below)	119.49	56.39
Bank charges	77.12	66.23
Loss on derecognition of property, plant and equipment	14.15	11.86
Corporate social responsibility expenses (Refer note 31.2 below)	453.55	316.38
Miscellaneous expenses	57.50	38.33
Total	**6,472.50**	**4,513.09**

31.1 Auditor's remuneration

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
a) As auditors (excluding GST)		
- Statutory audit including limited review	95.00	41.00
- Certification and other charges*	10.00	6.54
b) for re-imbursement of expenses	4.62	4.20

*Previous year excludes remuneration of ₹ 50 lacs paid for Report on offer documents including report on restated financial information, various certificates and comfort letter which is adjusted against security premium.

31.2 Expenditure incurred on Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the Company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
a) Gross amount required to be spent by the Company during the year	453.55	316.38
b) Amount spent during the year on:		
i) Construction/acquisition of any asset	-	14.50
ii) On purpose other than (i) above		
Contribution towards Trust/NGOs	457.83*	301.88
c) Amount unpaid	-	-

*Excess amount spend amounting to ₹ 4.28 Lacs is carried forward for next year.

The nature of CSR activities undertaken by the Company: To improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of Education, Health and Skill Development.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

32. TAX EXPENSE

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
In respect of the current year	11,461.76	7,103.67
In respect of the prior period	-	(136.11)
	11,461.76	**6,967.56**
Deferred tax charge/(credit)	(357.80)	166.16
	(357.80)	**166.16**
Total income tax expense recognised (excluding tax recognised in other comprehensive income)	**11,103.96**	**7,133.72**

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Profit before tax	48,808.64	31,821.03
Applicable tax rate	25.17%	25.17%
Expected tax expense	**12,284.16**	**8,008.72**
Effect of expenses that are not deductible in determining taxable profit	340.19	79.63
Deductions under section 80JJAA of the Income-tax Act, 1961	(114.60)	(132.80)
Deductions under Section 36(1)(viii) of the Income-tax Act, 1961	(1,366.96)	(991.65)
Tax on other comprehensive income	(38.83)	169.82
Total	**11,103.96**	**7,133.72**

The Company has elected to exercise the option permitted under section 115BAA of the income-tax act, 1961, as introduced by the taxation laws (amendment) ordinance, 2019.

Income tax expense recognised in other comprehensive income

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Income tax relating to re-measurement (losses)/gains on defined benefit plans	(2.31)	4.10
Income tax relating to re-measurement gains/ (losses) on hedge instruments	41.14	(173.92)
Total	**38.83**	**(169.82)**

33. EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Software license expense	9.89	16.57
Interest Expense on ECB	879.80	788.62
Legal and professional charges (in respect of IPO)	-	471.04
Total	**889.69**	**1,276.23**

The Company's unhedged foreign currency exposure as on 31 March, 2025 is Nil (31 March, 2024: Nil).

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

For the year ended 31 March, 2025

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	25,674.42	25,674.42	-
Other FCY loans	-	-	-	-	-	-	-
₹ to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**25,674.42**	**25,674.42**	**-**

For the year ended 31 March, 2024

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	25,012.17	25,012.17	-
Other FCY loans	-	-	-	-	-	-	-
₹ to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**25,012.17**	**25,012.17**	**-**

34. SEGMENT REPORTING

The Managing Director (MD) and Cheif Executive Officer (CEO) of the Company has been identified as the chief operating decision maker (CODM) as defined in the IND AS 108. "Operating Segments." Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decision.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

35. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
a)	Contingent liabilities		
	- Income tax matters	660.03	660.03
	- Goods and Service tax	49.06	12.50
b)	Commitments		
	- Loan financing	48,518.87	42,834.11
c)	Bank guarantees	25.00	925.00

Note:

(i) The Company received income tax notice under section 143(3) of the Income Tax Act ,1961 (the Act) dated 25 December, 2019 for tax demand amounting to ₹ 445.23 Lacs on account of unexplained credit under Section 68 of the Act for assessment year 2017-18. In response to such notice, the Company has filed an appeal before Commissioner of Income Tax (Appeals). The Company has deposited ₹ 89.05 Lacs under protest and balance amount of ₹ 356.18 Lacs was adjusted against refund of A.Y 2023-24 and A.Y 2024-25. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on the financial position of the Company.

(ii) The Company received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on 4 March, 2020, for the assessment year 2019-20, for tax demand of ₹ 214.80 Lacs, on account of disallowance of Interest payable on NCD issued to mutual fund under section 43B of the Income Tax Act, 1961. The said amount has been adjusted against the refund due for the assessment year 2019-20 The Company has filed an appeal before the National Faceless Appeal Centre, New Delhi.

(iii) The Company has received a demand order of ₹ 12.50 Lacs for contravention of Section 34(2) of CGST Act 2017 for FY 2019-20 dated 27 September, 2023. The Company has filled the appeal with the relevant authorities. The same is closed in favour of the Company.

(iv) The Company has received a demand order of ₹ 49.06 Lacs under Section 74 of CGST Act 2017 (read with MPGST Act and IGST Act) for determination of short/non payment of tax and ITC wrongly availed. The Company has fiiled an appeal against the same with the relevant authorities.

(iv) Bank guarantee amounting to ₹ 25 Lacs has been given to UIDAI. Previous year ₹ 925 Lacs which includes bank guarantees amounting to ₹ 900 lacs given to National Stock Exchange as security deposit for Initial Public Offer and the same has been released during current year. (Refer note no 4)

Above amount does not include the contingencies, the likelihood of which is remote.

36. DISCLOSURES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The Company had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year-end together with interest paid/payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under MSMED Act, 2006.

Particulars		As at 31 March, 2025	As at 31 March, 2024
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
	- Principal due	5.65	18.55
	- Interest due	-	-
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-

Notes forming part of standalone financial statements
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(All amounts in ₹ Lacs, unless otherwise stated)

Particulars		As at 31 March, 2025	As at 31 March, 2024
(iii)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

37. ASSETS HELD FOR SALE

The Company has obtained possession of certain properties mortgaged by customers, under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (The SARFAESI Act, 2002), which shall be sold to realise the loan and other amounts receivable by the Company. The Company is in the process of selling these properties and such loans are classified as assets held for sale.

Particulars	As at 31 March, 2025	As at 31 March, 2024
Gross Carrying Amount	917.36	926.05
Less:- Impairment loss on stock of acquired properties	(326.95)	(289.48)
Net Carrying amount	**590.41**	**636.57**

38. EMPLOYEE BENEFIT PLANS

A) Defined contribution plans

Provident and other funds

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Company has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Contribution to provident fund	995.46	793.50
Contribution to ESIC	75.07	89.98
Contribution to labour welfare fund	4.70	3.46
Total	**1,075.23**	**886.94**

B) Defined benefit plans

Gratuity

The Company provides gratuity to its employees which are defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk."

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of plan will have a bearing on the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit plan were carried out as at 31 March, 2025 by Mr. Ashok Kumar Garg (FIAI M.No. 00057), Fellow of the Institute of Actuaries of India. The present value of the defined benefit plan, and the related current service cost, were measured using the projected unit credit method.

Principal assumptions	31 March, 2025	31 March, 2024
Discount rate(s)	7.00%	7.25%
Expected rate(s) of salary increase	11.00%	11.00%
Retirement age	58	58
Withdrawal rate	20.00%	20.00%
In service mortality	IALM (2012-14)	IALM (2012-14)

The expected rate of return on plan asset is determined considering several applicable factors, mainly the composition of plan asset held, assessed risks, historical result of return on plan assets and the Company's policy for plan assets management

Amounts recognised in the statement of profit and loss and other comprehensive income in respect of these defined benefit plans are as follows:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Service cost:		
Current service cost	227.64	159.19
Interest cost	33.47	24.40
Components of costs recognised in profit or loss related to defined benefit plan	**261.11**	**183.59**
Remeasurement (gains)/ loss recognised in other comprehensive income:		
Actuarial losses arising from changes in financial assumptions	27.90	36.95
Actuarial gains arising from experience adjustments for plan liabilities	(2.43)	(51.09)
Actuarial gains arising from experience adjustments for plan Assets	(16.31)	(2.15)
Components of cost recognised in other comprehensive income related to defined benefit plan	**9.16**	**(16.29)**

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Present value of funded defined benefit plan	726.22	461.65
Fair value of plan assets	671.61	402.15
Net liability arising from defined benefit plan	**54.61**	**59.50**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Movements in the present value of the defined benefit plan are as follows:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Opening defined benefit Plan	461.66	325.35
Current service cost	227.64	159.19
Interest cost	33.47	24.40
Remeasurement (gains)/losses:		
Actuarial losses/(gains) arising from changes in financial assumptions	27.90	36.95
Actuarial (gains)/losses arising from experience adjustments	(2.43)	(51.09)
Past service cost, including losses/(gains) on curtailments	-	-
Benefits paid	(22.01)	(33.14)
Closing defined benefit plan	**726.23**	**461.66**

Movements in the fair value of planned assets are as follows:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Fair value of plan assets at the beginning of the period	402.15	-
Expected return on plan assets	28.15	-
Contributions	225.00	400.00
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	16.31	2.15
Fair Value of Plan Asset at the end of the Period	**671.61**	**402.15**

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined plan are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	31 March, 2025	31 March, 2024
Discount rate (increase by 5%)	(33.84)	(22.42)
Discount rate (decrease by 5%)	36.60	24.76
Salary growth rate (increase by 5%)	34.91	23.20
Salary growth rate (decrease by 5%)	(32.93)	(21.38)

Sensitivities due to change in mortality rate and withdrawl rate are not expected to be material and hence impact of such change is not calculated.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit plan as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit plan has been calculated using the projected unit credit method at the end of reporting period.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Other disclosures

Maturity profile of defined benefit plan

Particulars	As at 31 March, 2025	As at 31 March, 2024
31 March, 2026	56.39	35.76
31 March, 2027	12.54	6.57
31 March, 2028	16.61	7.65
31 March, 2029	18.01	9.04
31 March, 2030	17.31	9.47
31 March, 2031 and onwards	605.36	393.16

- The expected contributions to the plan for the next year is ₹ 416.32 Lacs.

39. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

Assets	31 March, 2025			31 March, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	18,185.41	-	18,185.41	11,185.41	-	11,185.41
Bank balance other than cash and cash equivalents	12,955.66	1,766.36	14,722.02	21,984.09	3,292.15	25,276.24
Derivative financial instruments	-	570.17	570.17	-	-	-
Receivables	38.32	-	38.32	-	-	-
Loans	84,089.94	6,01,858.60	6,85,948.54	63,630.94	4,42,608.64	5,06,239.58
Investments	20,072.33	12,654.92	32,727.25	15,779.70	1,200.00	16,979.70
Other financial assets	6,017.14	10,821.60	16,838.74	4,737.77	7,901.75	12,639.52
Non-financial assets						
Current tax assets (Net)	357.96	-	357.96	1,484.07	-	1,484.07
Deferred tax assets (Net)	-	623.93	623.93	-	304.98	304.98
Property, plant and equipment	-	2,827.70	2,827.70	-	2,953.20	2,953.20
Other intangible assets	-	108.57	108.57	-	28.09	28.09
Other non-financial assets	864.13	154.16	1,018.29	1,437.42	143.37	1,580.79
Assets held for sale	590.41	-	590.41	636.57	-	636.57
Total assets	**1,43,171.30**	**6,31,386.01**	**7,74,557.31**	**1,20,875.97**	**4,58,432.18**	**5,79,308.15**
Liabilities						
Financial liabilities						
Derivative financial instruments	-	-	-	255.54	-	255.54
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	5.65	-	5.65	18.55	-	18.55
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	896.28	-	896.28	480.61	-	480.61
Debt securities	1,249.90	3,741.24	4,991.14	0.90	3,000.00	3,000.90
Borrowings (Other than debt securities)	1,07,292.36	3,84,622.21	4,91,914.57	76,564.03	2,61,944.94	3,38,508.97
Other financial liabilities	4,501.21	-	4,501.21	5,681.70	-	5,681.70

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Assets	31 March, 2025			31 March, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Non-financial liabilities						-
Provisions	311.54	127.01	438.55	158.36	122.28	280.64
Other non-financial liabilities	1,127.94	-	1,127.94	1,323.58	-	1,323.58
Total liabilities	**1,15,384.88**	**3,88,490.46**	**5,03,875.34**	**84,483.27**	**2,65,067.22**	**3,49,550.49**
Net	**27,786.42**	**2,42,895.55**	**2,70,681.97**	**36,392.70**	**1,93,364.96**	**2,29,757.66**

Note: The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend. Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Company for compiling the return submitted to the RBI/NHB.

40. FINANCIAL INSTRUMENTS

40.1 Capital management

Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the National Housing Bank (NHB) and Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB and RBI.

Capital management

The capital management objectives of the Company are:

- to ensure that the Company complies with externally imposed capital requirements, if any and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

Gearing ratio

The gearing ratio at the end of reporting period was as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Debt		
Borrowings(other than debt securities)	4,91,914.57	3,38,508.97
Debt securities	4,991.14	3,000.90
Gross debt	**4,96,905.71**	**3,41,509.87**
Cash and cash equivalents	(18,185.41)	(11,185.41)
Net debt	**4,78,720.30**	**3,30,324.46**
Total equity	**2,70,681.97**	**2,29,757.66**
Gross debt to equity ratio	**1.84**	**1.49**
Net debt to equity ratio	**1.77**	**1.44**

Management assesses the capital requirements of the Company in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends, return on capital to shareholders, issue new shares, or sell assets to reduce debt.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

40.2 Categories of financial instruments

The carrying value of financial assets and financial liabilities are as follows:

As at 31 March, 2025

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	18,185.41	**18,185.41**
Bank balance other than cash and cash equivalents	-	-	14,722.02	**14,722.02**
Derivative financial instuments	-	570.17	-	**570.17**
Receivables	-	-	38.32	**38.32**
Loans	-	-	6,85,948.54	**6,85,948.54**
Investments	-	-	32,727.25	**32,727.25**
Other financial assets	-	-	16,838.74	**16,838.74**
Total financial assets	**-**	**570.17**	**7,68,460.28**	**7,69,030.45**
Financial liabilities				
Trade payables	-	-	901.93	**901.93**
Debt securities	-	-	4,991.14	**4,991.14**
Borrowings (Other than debt securities)	-	-	4,91,914.57	**4,91,914.57**
Other financial liabilities	-	-	4,501.21	**4,501.21**
Total financial liabilities	**-**	**-**	**5,02,308.85**	**5,02,308.85**

As at 31 March, 2024

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	11,185.41	**11,185.41**
Bank balance other than cash and cash equivalents	-	-	25,276.24	**25,276.24**
Loans	-	-	5,06,239.58	**5,06,239.58**
Investments	-	-	16,979.70	**16,979.70**
Other financial assets	-	-	12,639.52	**12,639.52**
Total financial assets	**-**	**-**	**5,72,320.45**	**5,72,320.45**
Financial liabilities				
Derivative financial instuments	-	255.54	-	**255.54**
Trade payables	-	-	499.16	**499.16**
Debt securities	-	-	3,000.90	**3,000.90**
Borrowings (Other than debt securities)	-	-	3,38,508.97	**3,38,508.97**
Other financial liabilities	-	-	5,681.70	**5,681.70**
Total financial liabilities	**-**	**255.54**	**3,47,690.73**	**3,47,946.27**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

40.3 Fair value measurement of assets and liabilities

Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly/ indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair Value of financial instruments which are not measured at Fair Value

The carrying amounts and fair value of the group's financial instruments are reasonable approximations of fair values at financial statement level.

Valuation methodologies of financial instruments not measured at fair value

Loans

The fair value of loans is estimated by discounting the expected future contractual cash flows using current market interest rates for similar loans with comparable credit risk and maturity profiles. Given that the current market rates do not significantly differ from the contractual rates, the carrying amounts of these loans approximate their fair values.

Borrowings

The Company's most of the borrowings are at floating rate which approximates the fair value.

Fair value of fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans and carrying value approximates the fair value for fixed rate borrowing at financial statement level."

Short Term and Other Financial Assets and Liabilities

The management assessed that cash and cash equivalents, receivables, investments, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Assets held for sale

Real estate properties are valued based on a valuations given by internal technical valuers.

40.4. Financial risk management

Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, cash and bank balances, receivables, investments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, high rated bank deposits, credit limits and collateral.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Funding strategies to ensure diversified resource-raising options to minimise cost and maximise stability of funds. and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.
Market risk - currency risk	External Commercial Borrowings	Sensitivity analysis	Hedging strategies to ensure 100 % hedge by way of booking derivatives in the form of forward cover or cross currency swap. Effectiveness of the hedge is reviewed by Risk management Committee periodically.
Liquidity risk	Business commitments and other liabilities	Rolling cash flow forecasts	Maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.
Operational Risk	Inadequate or failed internal processes, people and system or from external events.	Expected loss analysis	Maintaining adequate controls and continuously and responding to potential risk.

The Board has the overall responsibility of risk management - there are two committees of the Board which takes care of managing overall risk in the organisation. In accordance with the RBI and NHB guidelines to enable Housing Finance Companies to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, and an Asset Liability Management Committee (ALCO) to review the liquidity and interest rate risk.

a) Credit risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to the Company. In its lending operations, the Company is principally exposed to credit risk.

The credit risk is governed by various product policies. The product policies outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The Company measures, monitors and manages credit risk at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for both Housing Loans and Non-housing Loans. The Company has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal. Also, refer note 7"

Credit risk arises from loan financing, cash and cash equivalents, investments and deposits with banks and financial institutions, as shown below:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Loans	6,85,948.54	5,06,239.58
Cash and cash equivalents	18,185.41	11,185.41
Bank balance other than cash and cash equivalents	14,722.02	25,276.24
Receivables	38.32	-
Investments	32,727.25	16,979.70
Other financial assets	16,838.74	12,639.52

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system and external ratings.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

The customers are primarily low and middle -income, salaried and self-employed individuals. The credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income and obligations, the loan-to-value ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels.

The various process controls such as PAN Number Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. Individual loans are secured by the mortgage of the borrowers property.

The Company considers a financial instrument as defaulted and considers it as Stage 3 (credit-impaired) for expected credit loss (ECL) calculations, when the assets become more than 90 days past due on its contractual payments and these assets continue to be classifed as Stage 3 till the entire overdues are received,in accordance with the RBI guidelines and Board approved ECL Policy.

The following table sets out information about credit quality of loans measured at amortised cost based on days past due information. The amount represents gross carrying amount. (Refer note 7 - Loans for detailed disclosure on gross carrying value and ECL amount on loans).

Particulars	As at 31 March, 2025				As at 31 March, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Loans	6,77,527.15	18,891.87	6,940.31	7,03,359.33	5,02,265.47	11,395.36	5,012.87	5,18,673.70
Impairement loss allowance	4,014.12	704.76	1,709.96	6,428.84	2,708.20	454.76	1,246.44	4,409.40

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Receivables

Receivables are related to commission income and are managed by monitoring the recoverability of amounts continuously.

Investments

Investments are generally made in mutual funds and high rated debt securities. Credit risk related to these investments is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, EIS receivables on derecognised portfolio and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) Market risk

(i) Interest rate risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk and currency risk.

Interest rate risk exposure

The Company is subject to interest rate risk, since the rates of loans and borrowings might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions inflation and other factors. In order to manage interest rate risk, the Company seeks to optimise borrowing profile between short-term and long-term loans. The liabilities are categorised into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

Sensitivity analysis

Below is the sensitivity of profit or loss and equity changes in interest rates:

Particulars	Impact on profit before tax	
	Year ended 31 March, 2025	Year ended 31 March, 2024
Loans		
Interest rate - Increase by 100 basis points*	1,364.81	593.06
Interest rate - Decrease by 100 basis points*	(1,364.81)	(593.06)
Borrowings		
Interest rate - Increase by 100 basis points*	(3,400.43)	(2,508.21)
Interest rate - Decrease by 100 basis points*	3,400.43	2,508.21

*Holding all other variables constant

(ii) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to External Commercial Borrowings (ECB).

The Company has hedged its foreign currency exposure through Cross Currency Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Company's profit before tax (PBT).

Foreign Currency Exposure

Particulars	As at 31 March, 2025	As at 31 March, 2024
External Commercial Borrowing (USD in Lacs)	300.00	300.00

Sensitivity

Below is the sensitivity of profit or loss and equity changes in currency rates:

Particulars	Impact on profit before tax		Impact on OCI before tax	
	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024
USD rate - Increase by 5%*	-	-	(1,283.72)	(1,250.69)
USD rate - Decrease by 5%*	-	-	1,283.72	1,250.69

*Holding all other variables constant

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management of the Company monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps."

The tables below analyse the financial assets and financial liabilities of the Company into relevant maturity groupings based on their contractual maturities for all non-derivative financial assets.

Maturities of financial assets

31 March, 2025	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	18,185.41	-	-	-	**18,185.41**
Bank balance other than cash and cash equivalents	12,955.66	965.45	800.91	-	**14,722.02**
Receivables	38.32	-	-	-	**38.32**
Loans*	86,213.83	1,54,260.32	1,36,087.74	3,26,797.44	**7,03,359.33**
Investments	20,072.33	8,872.13	2,582.79	1,200.00	**32,727.25**
Other financial assets	6,017.14	6,277.83	3,200.33	1,343.44	**16,838.74**
Total	**1,43,482.69**	**1,70,375.73**	**1,42,671.77**	**3,29,340.88**	**7,85,871.07**

31 March, 2024	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	11,185.41	-	-	-	**11,185.41**
Bank balance other than cash and cash equivalents	21,984.09	3,267.15	25.00	-	**25,276.24**
Loans*	65,030.02	1,15,485.42	1,01,237.41	2,36,920.85	**5,18,673.70**
Investments#	15,779.70	-	-	1,200.00	**16,979.70**
Other financial assets	4,737.77	4,449.67	2,329.33	1,122.75	**12,639.52**
Total	**1,18,716.99**	**1,23,202.24**	**1,03,591.74**	**2,39,243.60**	**5,84,754.57**

#High Quality Liquid Assets(HQLA) are considered for maturity under the bucket of "Less than 1 year" considering the nature of investments

*The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend.

Maturities of financial liabilities

31 March, 2025	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	1,07,138.11	1,90,134.04	1,10,932.85	83,709.57	**4,91,914.57**
Debt securities	1,249.90	2,492.35	1,248.89	-	**4,991.14**
Trade payables	901.93	-	-	-	**901.93**
Other financial liabilities	4,501.21	-	-	-	**4,501.21**
Total	**1,13,791.15**	**1,92,626.39**	**1,12,181.74**	**83,709.57**	**5,02,308.85**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

31 March, 2024	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	76,564.03	1,30,405.54	83,613.30	47,926.10	**3,38,508.97**
Debt securities	0.90	3,000.00	-	-	**3,000.90**
Trade payables	499.16	-	-	-	**499.16**
Other financial liabilities	5,681.70	-	-	-	**5,681.70**
Total	**82,745.79**	**1,33,405.54**	**83,613.30**	**47,926.10**	**3,47,690.73**

Public disclosure on Liquidity Risk of India Shelter Finance Corporation Limited in accordance with RBI circular No. RBI/2019-20/88 DOR.NBFC(PD) CC. No.102/03.10.001/2019-20 dated 04 November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies (NBFCs) including Core Investment Companies.

Funding concentration based on significant counterparty* (both deposits and borrowings)

	As at 31 March, 2025		
Number of significant counterparties*	**Amount**	**% of total deposits**	**% of total liabilities**
21	4,69,912.66	N.A	93.26%

	As at 31 March, 2024		
Number of significant counterparties*	**Amount**	**% of total deposits**	**% of total liabilities**
22	3,23,432.81	N.A	92.53%

*A significant counterparty is a single counterparty that has an amount outstanding for more than 1% of the total liabilities as on the reporting date.

Funding concentration based on significant instrument/product*

Name of the instrument	As at 31 March, 2025		As at 31 March, 2024	
	Amount	**% of total liabilities**	**Amount**	**% of total liabilities**
Term loans from banks and financial institutions	3,57,209.22	70.89%	2,65,611.90	75.99%
Term loans from National Housing Bank	89,992.97	17.86%	63,898.10	18.28%
Non-convertible debentures	4,991.14	0.99%	3,000.90	0.86%
Working capital demand loan	4,421.48	0.88%	-	0.00%
Securitisation	38,790.42	7.70%	7,078.05	2.02%
Total	**4,95,405.23**		**3,39,588.95**	

*A significant instrument/product is defined as a single instrument/product of group of similar instruments/products which in aggregate amount to more than 1% of the total liabilities.

Top 10 borrowings

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Amount	**% of total borrowings**	**Amount**	**% of total borrowings**
Term Loan/NCD/Securitisation	3,47,474.05	69.93%	2,49,728.09	73.12%

Stock Ratios:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Commercial papers issued to publlic funds	Nil	Nil
Commercial papers issued to total liabilities	Nil	Nil
Commercial papers issued to total assets	Nil	Nil
NCD (original maturity < one year) to public funds	Nil	Nil
NCD (original maturity < one year) to total liabilities	Nil	Nil
NCD (original maturity < one year) to total assets	Nil	Nil
Other short-term liabilities to public funds	23.29%	24.88%
Other short-term liabilities to total liabilities	22.90%	24.17%
Other short-term liabilities to total assets	14.90%	14.58%

Disclosure on Liquidity Coverage Ratio (LCR) as on 31 March, 2025 in accordance with RBI circular No. RBI/2020-21/73 DOR.FIN. HFC.CC.No.102 /03.10.136/2020-21 dated 17 February, 2021 and RBI circular No. RBI/DNBR/2016-17/45 Master Direction DNBR.PD.008/03.10.119/ 2016-17 dated 01 September, 2016

The RBI vide Circular No. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February, 2021 issued guidelines on maintenance of Liquidity Coverage Ratio (LCR) for HFCs. The guidelines required all non-deposit taking HFC with an asset size of ₹ 5,000 Crs and above, but less than ₹ 10,000 Crs, to maintain LCR of 30% as at 31 December, 2021, to be gradually increased to 100% by December, 2025.

The objective of the LCR is to promote resilience in the liquidity risk profile of HFCs. This is done by ensuring that the Company has an adequate stock of unencumbered high-quality liquid assets (HQLA) that can be converted easily and immediately into cash to meet its liquidity needs for a 30 calendar day liquidity stress scenario.

The total assets of the Company has crossed ₹ 5,000 Crs as at 31 December, 2023, the Company has presented the LCR related disclosures for position as on 31 December, 2023 and for the quarter ended 31 March, 2024 only i.e. the period for which the guideline became applicable to the Company.

The Company regularly reviews the maturity position of assets and liabilities and liquidity buffers, and ensures maintenance of sufficient quantum of High Quality Liquid Assets, most of which is in the form of government securities as at 31 March, 2025.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Quantitative information on LCR for the year ended 31 March, 2025 is as follows:

Particulars	Quarter ended 30 June, 2024		Quarter ended 30 September, 2024		Quarter ended 31 December, 2024		Quarter ended 31 March, 2025	
	Total Unweighted Value(average)	Total weighted Value(average)	Total Unweighted Value(average)	Total weighted Value(average)	Total Unweighted Value(average)	Total weighted Value(average)	Total Unweighted Value(average)	Total weighted Value(average)
High Quality Liquid Assets								
1. Total high Quality Liquid Assets (HQLA)	16,539.01	16,144.96	16,128.27	15,725.42	14,115.78	13,889.71	18,026.92	16,711.51
Cash Outflows								
2. Deposits (for deposit taking companies)	-	-	-	-	-	-	-	-
3. Unsecured wholesale funding	-	-	-	-	-	-	-	-
4. Secured wholesale funding	11,109.83	12,776.30	11,485.22	13,208.00	12,019.73	13,822.69	14,400.07	16,560.08
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	3,754.81	4,318.03	3,458.03	3,976.73	4,036.80	4,642.32	4,244.23	4,880.87
7. Other contingent funding obligations	17,147.60	19,719.74	11,849.31	13,628.70	12,310.32	14,156.87	15,422.51	17,735.89
8. TOTAL CASH OUTFLOWS	**32,012.24**	**36,814.07**	**26,792.56**	**30,813.43**	**28,366.85**	**32,621.88**	**34,066.81**	**39,176.84**
Cash Inflows								
9. Secured lending	-	-	-	-	-	-	-	-
10. Inflows from fully performing exposures	9,984.03	7,488.02	10,714.19	8,035.64	11,620.88	8,715.66	12,919.81	9,689.86
11. Other cash inflows	91,335.76	68,501.82	80,083.24	60,062.43	98,696.86	74,022.65	115,364.60	86,523.45
12. TOTAL CASH INFLOWS	**1,01,319.79**	**75,989.84**	**90,797.43**	**68,098.07**	**1,10,317.74**	**82,738.30**	**1,28,284.42**	**96,213.31**
Total HQLA		16,144.96		15,725.42		13,889.71		16,711.51
Total Net Cash Inflows		9,203.52		7,703.36		8,155.47		9,794.21
Liquidity Coverage Ratio (%)		175.42%		204.15%		170.31%		170.63%
Minimum Liquidity Coverage Ratio (%) required		60%		60%		85%		85%

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Quantitative information on LCR for the year ended 31 March, 2024 is as follows:

Particulars	As at 31 December, 2023		Quarter ended 31 March, 2024	
	Total Unweighted Value(average)	Total weighted Value(average)	Total Unweighted Value(average)	Total weighted Value(average)
High Quality Liquid Assets				
1. Total high Quality Liquid Assets (HQLA)"	10,413.95	10,413.95	15,576.90	15,000.72
Cash Outflows				
2. Deposits (for deposit taking companies)	-	-	-	-
3. Unsecured wholesale funding	-	-	-	-
4. Secured wholesale funding	36,128.77	41,548.09	9,635.98	11,081.37
5. Additional requirements, of which	-	-	-	-
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-
6. Other contractual funding obligations	642.69	739.10	2,708.00	3,114.20
7. Other contingent funding obligations	6,162.94	7,087.38	24,864.84	28,594.57
8. TOTAL CASH OUTFLOWS	**42,934.41**	**49,374.57**	**37,208.82**	**42,790.14**
Cash Inflows				
9. Secured lending	-	-	-	-
10. Inflows from fully performing exposures	8,798.27	6,598.70	9,384.49	7,038.37
11. Other cash inflows	1,01,629.31	76,221.98	97,028.42	72,771.31
12. TOTAL CASH INFLOWS	**1,10,427.58**	**82,820.68**	**1,06,412.91**	**79,809.68**
Total HQLA		10,413.95		15,000.72
Total Net Cash Inflows		5,010.75		10,697.54
Liquidity Coverage Ratio (%)		207.83%		140.23%
Minimum Liquidity Coverage Ratio (%) required		60%		60%

Note: LCR computation is based on Management estimation of future inflows and outflows and is relied upon by the auditors.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

d) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The Company recognises that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

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.

41. RELATED PARTY TRANSACTIONS

List of related parties:		
i. Wholly owned subsidiary of the Company	India Shelter Capital Finance Limited	
ii. Post Employment Benefit Plan	India Shelter Employees Gratuity Fund Trust	
iii. Key management personnel	a.	Sudhin Bhagwandas Choksey- Chairman and Non-Executive Nominee Director
	b.	Anil Mehta - Chairman and Non-Executive Director till 31 July, 2023
	c.	Rupinder Singh- Managing Director and Chief Executive Officer
	d.	Ashish Gupta - Chief Financial Officer
	e.	Mukti Chaplot - Company Secretary
	f.	Anup Gupta - Nominee Director till 07 March, 2024
	g.	Sumir Chadha - Non-Executive Non-Independent Director
	h.	Shailesh J Mehta- Non-Executive Non-Independent Director
	i.	Rachna Dikshit - Independent Director
	j.	Thomson Kadantot Thomas- Independent Director
	k.	Parveen Kumar Gupta- independent Director
	l.	Savita Mahajan- Independent Director
	m.	Ajay Narayan Jha- Independent Director till 08 February, 2024
v. Entities having significance influence	a.	WestBridge Crossover Fund, LLC (Holder of Equity Shares)
	b.	Nexus Ventures III Ltd, Mauritius (Holder of Equity Shares) till 20 December, 2023
	c.	Aravali Investment Holdings (Holder of Equity Shares)
vi. Relative of key management personnel (KMP) - (where there are transactions)	Ankit Aggarwal - Spouse of Mukti Chaplot	

Transactions with related parties

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Rent Received from subsidiary	1.20	1.20
Gratuity Contribution in India Shelter Employees Gratuity Fund Trust	225.00	400.00

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Transaction with key management personnel

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Remuneration		
Rupinder Singh	807.20	672.48
Ashish Gupta	250.84	234.81
Mukti Chaplot	42.99	50.27
Contribution to pension funds and gratuity payment		
Rupinder Singh	22.85	19.04
Ashish Gupta	11.97	10.71
Mukti Chaplot	1.40	1.24
Fees paid to non-executive director/promoter		
Anil Mehta	93.33	280.00
Commission and Sitting fees to independent directors		
Rachna Dikshit	16.10	25.00
Thomson Kadantot Thomas	18.40	23.40
Parveen Kumar Gupta	16.25	19.85
Savita Mahajan	13.50	15.25
Ajay Narayan Jha	-	13.10
Proceeds from issue of equity shares		
Rupinder Singh	-	38.75
Ashish Gupta (Refer note 2 below)	4.50	19.00
Mukti Chaplot	-	4.00
Anil Mehta	-	46.30
Proceeds for security premium		
Rupinder Singh	-	948.56
Ashish Gupta (Refer note 2 below)	134.82	444.19
Mukti Chaplot	-	109.70
Anil Mehta	-	721.02

Note 1: The KMPs are covered under the Company's gratuity policy, compensated absences policy and ESOP scheme along with other eligible employees of the Company. Proportionate amount of gratuity expenses, provision for compensated absences and ESOP expenses are not included in the aforementioned disclosures as it cannot be separately ascertained.

Note 2: The Board of Directors of the Company alloted 90,000 equity shares (face value ₹ 5 per share) to Mr. Ashish Gupta at ₹ 154.80 per share.

Balances outstanding as at the year end

Particulars	As at 31 March, 2025	As at 31 March, 2024
Commision and sitting fees payable to independent directors		
Rachna Dikshit	6.40	-
Thomson Kadantot Thomas	6.40	-
Parveen Kumar Gupta	6.00	-
Savita Mahajan	6.40	-

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Remuneration payable		
Rupinder Singh	403.73	368.18
Ashish Gupta	125.57	138.35
Mukti Chaplot	12.00	21.63
Share capital		
-Entities having significant influence		
WestBridge Crossover Fund, LLC	1,085.42	1,085.42
Aravali Investment Holdings	1,421.14	1,421.14
- Key Managerial Personnel		
Rupinder Singh	32.36	38.75
Ashish Gupta	21.55	19.75
Mukti Chaplot	4.19	5.35
- Relatives of Key Managerial Personnel		
Ankit Aggarwal	0.75	0.75

42. EARNINGS PER SHARE

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Profits for the year (A)	37,704.68	24,687.31
Weighted average number of equity shares for calculating basic earnings per share (B)	10,74,08,851	9,40,88,926
Effect of potential ordinary shares on Employee Stock Options and right to subscribe outstanding (C)	39,61,253	42,55,659
Total weighted average number of equity shares for calculating diluted earnings per share (B+C)	11,13,70,104	9,83,44,585
Earnings per share on profit for the year (Face value of ₹ 5 per share) (Refer note 59)		
a) Basic earnings per share (₹) (A/B)	35.10	26.24
b) Diluted earnings per share (₹) {A/(B+C)}	33.86	25.10

43. LEASE RELATED DISCLOSURES

The Company has leases for office building, branches and related facilities and cars. These agreements are for tenures between 1 year and 6 years and majority of the agreements are renewable by mutual consent on mutually agreeable terms.

Leases for which the lease term is less than 12 months have been accounted as short term leases

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March, 2025	31 March, 2024
Short-term leases	330.47	195.37
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for finance leases for the year ended 31 March, 2025 was ₹ 826.81 Lacs (31 March, 2024: ₹ 725.17 Lacs).

C The Company has total commitment for short-term leases as at 31 March, 2025 ₹ Nil (31 March, 2024: ₹ Nil).

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

D Movement in lease liabilities

Particulars	Premises	Vehicles	Total
Balance as at 31 March, 2023	**1,472.11**	**71.96**	**1,544.07**
Additions during the year	889.93	119.59	1,009.52
Deductions/Adjustments	(14.19)	(46.82)	(61.01)
Finance Cost accrued during the year	145.22	8.29	153.51
Payment of lease liabilities	(687.54)	(37.63)	(725.17)
Balance as at 31 March, 2024	**1,805.53**	**115.39**	**1,920.92**
Additions during the year	266.44	34.86	301.30
Deductions/Adjustments	(37.66)	-	(37.66)
Finance Cost accrued during the year	132.08	10.65	142.73
Payment of lease liabilities	(782.66)	(44.15)	(826.81)
Balance as at 31 March, 2025	**1,383.73**	**116.75**	**1,500.48**

E Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March, 2025	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	777.95	442.43	259.67	91.66	58.27	57.13	1,687.11
Interest expense	88.97	51.96	24.92	11.51	6.80	2.47	186.63
Net present values	**688.98**	**390.47**	**234.75**	**80.15**	**51.47**	**54.66**	**1,500.48**

31 March, 2024	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	736.34	654.38	395.65	236.92	90.25	114.26	2,227.80
Interest expense	132.34	84.05	46.82	23.47	11.17	9.03	306.88
Net present values	**604.00**	**570.33**	**348.83**	**213.45**	**79.08**	**105.23**	**1,920.92**

F There are no variable lease agreements.

G Information about extension and termination options

As at 31 March, 2025

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	187	1 to 6 years	1.58 years	187	-	187
Car lease	10	1 to 4 years	3.15 years	-	10	10

As at 31 March, 2024

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	177	1 to 7 years	2.40 years	177	-	177
Car lease	8	2 to 5 years	4 years	-	8	8

H The total future cash outflows as at 31 March, 2025 for leases that had not yet commenced is of ₹ Nil (31 March, 2024: Nil).

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

44. DISCLOSURES REQUIRED BY RESERVE BANK OF INDIA('RBI')

Additional disclosures required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 RBI/2020-21/73/DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February, 2021 and Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 issued by RBI.

44.01 Capital to risk assets ratio (CRAR)

Particulars	As at 31 March, 2025	As at 31 March, 2024
CRAR %	60.59%	70.88%
CRAR-Tier I capital %	59.79%	70.05%
CRAR-Tier II capital %	0.80%	0.83%
Amount of subordinated debt raised as Tier- II Capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

44.02 Reserve fund u/s 29C of National Housing Bank Act, 1987 ("NHB Act, 1987")

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of net profits every year to Reserve Fund. The Company has transferred an amount of ₹ 7,540.94 Lakh (March 31, 2024 ₹ 4,937.46 Lakh)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Balance at the beginning of the year		
a. Statutory reserve u/s 29 C of the National Housing Bank Act, 1987	4,319.77	2,682.31
b. Amount of special reserve u/s 36(1)(viii) of Income Tax Act 1961 taken into account for the purposes of Statutory reserve under Section 29C of the NHB Act, 1987	10,709.74	7,409.74
Total	**15,029.51**	**10,092.05**
Addition/Appropriation/Withdrawal during the year		
a. Add:- Amount transferred u/s 29 C of the NHB Act, 1987	1,940.94	1,637.46
b. Add:- Amount of special reserve u/s 36(1)(viii) of Income Tax Act 1961 taken into account for the purposes of Statutory reserve under Section 29C of the NHB Act, 1987	5,600.00	3,300.00
c. Less:- Amount appropriated from the Statutory reserve u/s 29 C of the NHB Act, 1987	-	-
d. Less:- Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act 1961 which has been taken into account for the purposes of provision under Section 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a. Statutory Reserve u/s 29 C of the National Housing Bank Act, 1987	6,260.71	4,319.77
b. Amount of special reserve u/s 36(1)(viii) of Income Tax Act 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	16,309.74	10,709.74
Balance at the end of the year	**22,570.45**	**15,029.51**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

44.03 A) Investments

Particulars	As at 31 March, 2025	As at 31 March, 2024
Value of investments		
(I) Gross value of investments		
(a) In India	32,727.25	16,979.70
(b) Outside India	-	-
(ii) Provisions for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	32,727.25	16,979.70
(b) Outside India	-	-

B) Movement of provisions held towards depreciation on investments

Particulars	As at 31 March, 2025	As at 31 March, 2024
(I) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/written back of excess provision during the year	-	-
(iv) Closing balance	-	-

44.04 Derivatives

1 The Company does not have any Forward Rate Agreement/Interest rate Swaps as at 31 March, 2025 and 31 March, 2024

2 Exchange traded Interest Rate (IR) Derivative

The Company has not entered into any Exchange traded interest rate (IR) derivative during the current as well as previous financial year, hence the disclosure under this clause is not applicable.

Disclosures on Risk Exposure in Derivatives

i) Qualitative Disclosure

Structure and organisation for management of risk in derivatives trading:

The Board of Directors, the Asset Liability Management Committee (ALCO) and the Risk Management Committee (RMC) are entrusted with the management of market risks and derivatives booked to hedge the same, if any. The philosophy and framework for the hedging through derivative is laid out in theRisk Management policy approved by Board. The Risk Management Committee reviews all risks periodically. The monitoring and measurement of risk is carried out by the Risk Department headed by Chief Risk Officer which is independent of the Treasury Front office and back office.

Scope and nature of risk measurement, risk reporting and risk monitoring systems:

As per the risk framework, derivatives are being used only for hedging purpose and not speculating purposes. Company has undertaken Cross Currency swap to hedge the foreign exchange exposure on its ECB liability. Hedge effectiveness of this transaction is assessed on periodic basis."

Policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants:

The Risk management Policy and Accounting Policy details the hedging strategies, hedging processes, accounting treatment, documentation requirements and effectiveness testing for hedges. Hedges are monitored for effectiveness periodically, in accordance with the Policy."

Notes forming part of standalone financial statements
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(All amounts in ₹ Lacs, unless otherwise stated)

Accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation:

The Company holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures.Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

Cash flow hedges: When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss. The Company designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

The Company periodically review the counterparty exposure and limits. Additional margins paid, if any, are shown under Other financial assets."

ii) Quantitative Disclosure

Particulars	Cross Currency Swaps		Interest Rate Derivatives	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
(i) Derivatives (Notional Principal Amount)	24,351.00	24,351.00	-	-
(ii) Marked to Market Positions				
(a) Assets (+)	570.17	-	-	-
(b) Liability (-)	-	255.54	-	-
(iii) Credit Exposure	570.17	-	-	-
(iv) Unhedged Exposures	-	-	-	-

The Company has opted for hedge accounting under IND AS 109- Financial Instruments as stated under the material accounting policies.

44.05 Asset Liability Management (Maturity pattern of certain items of asset and liabilities)

As at 31 March, 2025

Particulars	Liabilities			Assets	
	Foreign currency liability	Borrowings	Debt securities	Loans*	Investments*
1 to 7 days	-	859.47	-	1,634.10	2,495.56
8 to 14 days	-	290.91	-	326.82	2,527.11
15 days to 30/31 days	-	5,084.42	-	5,382.29	-
Over 1 Month upto 2 Months	-	7,113.51	-	7,299.83	-
Over 2 Months upto 3 Months	69.43	8,481.18	317.09	7,256.83	-
Over 3 Months upto 6 Months	404.68	31,169.84	310.81	21,882.35	4,837.37
Over 6 Months upto 1 Year	820.75	52,843.92	622.00	42,431.62	10,212.29
Over 1 Year upto 3 Years	3,657.48	1,86,476.56	2,492.35	1,54,260.31	8,872.13
Over 3 Years upto 5 Years	4,353.80	1,06,579.06	1,248.89	1,36,087.74	2,582.79
Over 5 years	16,339.39	67,370.41	-	3,26,797.44	1,200.00
Total	**25,645.53**	**4,66,269.04**	**4,991.14**	**7,03,359.33**	**32,727.25**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

As at 31 March, 2024

Particulars	Liabilities			Assets	
	Foreign currency liability	Borrowings	Debt securities	Loans*	Investments*
1 to 7 days	-	666.96	-	956.36	56.36
8 to 14 days	-	301.10	-	159.39	366.35
15 days to 30/31 days	-	7,036.28	0.90	4,464.55	15,356.99
Over 1 Month upto 2 Months	-	5,530.93	-	5,544.00	-
Over 2 Months upto 3 Months	75.80	5,354.23	-	5,508.00	-
Over 3 Months upto 6 Months	-	18,978.09	-	16,425.20	-
Over 6 Months upto 1 Year	-	38,620.64	-	31,972.52	-
Over 1 Year upto 3 Years	2,862.77	1,27,542.77	3,000.00	1,15,485.42	-
Over 3 Years upto 5 Years	4,042.93	79,570.38	-	1,01,237.41	-
Over 5 years	17,946.52	29,979.58	-	2,36,920.85	1,200.00
Total	**24,928.01**	**3,13,580.96**	**3,000.90**	**5,18,673.70**	**16,979.70**

*Considering behaviourlised prepayment adjustment

44.06 Exposure:

1 Exposure to Real Estate Sector

Particulars	As at 31 March, 2025	As at 31 March, 2024
(i) Direct Exposure		
A. Residential Mortgage:		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	6,98,480.31	5,15,270.68
B. Commercial Real Estate:		
Lending fully secured by mortgages on commercial real estates. (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based (NFB) limits	4,879.02	3,403.02
C. Investments in Mortgage Backed Securities and other securitised exposures:		
a. Resident	-	-
b. Commercial Real estate	-	-
(ii) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	**7,03,359.33**	**5,18,673.70**

*The disclosures made are based on the contractual obligations.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

2 As on 31 March, 2025, the Company did not have any exposure to Capital Market (31 March, 2024: Nil).

3 Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPA	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i Housing (Including Priority Sector Housing)	5,09,199.64	4,538.42	0.89%	3,92,219.87	3,014.72	0.77%
ii Non-Housing	2,42,678.56	2,401.90	0.99%	1,69,287.94	1,998.15	1.18%
Others	-	-		-	-	-
Total of Personal Loans (i+ii+Others)	**7,51,878.20**	**6,940.32**	**0.92%**	**5,61,507.81**	**5,012.87**	**0.89%**
5. Others, if any (please specify)	-	-	0.00%	-	-	0.00%
Total (1+2+3+4+5)	**7,51,878.20**	**6,940.32**	**0.92%**	**5,61,507.81**	**5,012.87**	**0.89%**

Above information includes sanctioned but undisbursed amount and does not include banks/other NBFC's share on loans assigned/ co-lent

Particulars	As at 31 March, 2025	As at 31 March, 2024
(i) Total amount of intra-group exposure	-	-
(ii) Total amount of top 20 intra-group exposures	-	-
(iii) Percentage of intra-group exposures to total exposures to total exposures of the Company on borrowers/customers	-	-

4 There were no unhedged foreign currency transaction during current year. Refer Note no 40.04 for policies to manage currency induced risk.

5 As on 31 March, 2025, the Company has not financed any product of the parent Company (31 March, 2024: Nil).

6 The Company does not have any outstanding unsecured loans and advances as on 31 March, 2025 and 31 March, 2024. Further, the Company does not have any loans and advances against intangible securities such as charge over the rights, licenses, authority, etc. as on 31 March, 2025 and 31 March, 2024.

7 As on 31 March 2025, the Company has not exceeded the prudential exposure limit prescribed by the RBI for single borrower or group of borrowers (31 March, 2024: Nil).

8 As on 31 March, 2025, no group Company is engaged in the business of real estate.(31 March, 2024: Nil)

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

44.07 Regulator registrations

1	National Housing Bank	09.0087.10
2	Ministry of Corporate Affairs (CIN)	L65922HR1998PLC042782
3	IRDAI License	CA0933

In addition to above, the Company's Equity share and non-convertible debentures (NCDs) are listed on stock exchange in India, thereby, regulations of Securities and Exchange Board of India are also applicable.

44.08 Disclosure of penalties imposed by National Housing Bank (NHB) and other regulators

During the year, ₹ 0.68 Lacs with applicable taxes each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for Non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended March, 2024

Previous Year- ₹ 0.24 Lacs with applicable taxes each from both the Stock exchanges, National Stock Exchange of India Limited and BSE Limited for Non-compliance with the provisions of composition of Nomination and Remuneration Committee under Regulation 19(1)/ 19(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended December, 2023.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

44.09 Related party transactions

31 March, 2025

Nature of transaction	Parent (as per ownership or control)	Subsidiaries	Associates/ Joint ventures	Key Management Personnel	Directors	Relatives of Key Management Personnel	Others*	Total	Maximum outstanding during the year
Borrowings		-	-	-	-	-	-	-	-
Deposits		-	-	-	-	-	-	-	-
Placement of deposits		-	-	-	-	-	-	-	-
Advances		-	-	-	-	-	-	-	-
Investments#		1,200.00	-	-	-	-	-	1,200.00	1,200.00
Purchase of fixed/other assets		-	-	-	-	-	-	-	-
Sale of fixed/other assets		-	-	-	-	-	-	-	-
Interest paid		-	-	-	-	-	-	-	-
Interest received		-	-	-	-	-	-	-	-
Short- term benefits (including contribution to pension funds)		-	-	1,137.26	-	-	-	1,137.26	-
Contribution to pension funds and gratuity payment		-	-	-	-	-	225.00	225.00	-
Fees		-	-	-	93.33	-	-	93.33	-
Sitting fees		-	-	-	64.25	-	-	64.25	-
Issue of Shares including Securities Premium				139.32	-			139.32	
Others		-	1.20	-	-	-	-	1.20	-

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

31 March, 2024

Nature of transaction	Parent (as per ownership or control)	Subsidiaries	Associates/ Joint ventures	Key Management Personnel	Directors	Relatives of Key Management Personnel	Others*	Total	Maximum outstanding during the year
Borrowings		-	-	-	-	-	-	-	-
Deposits		-	-	-	-	-	-	-	-
Placement of deposits		-	-	-	-	-	-	-	-
Advances		-	-	-	-	-	-	-	-
Investments#		1,200.00	-	-	-	-	-	1,200.00	1,200.00
Purchase of fixed/other assets		-	-	-	-	-	-	-	-
Sale of fixed/other assets		-	-	-	-	-	-	-	-
Interest paid		-	-	-	-	-	-	-	-
Interest received		-	-	-	-	-	-	-	-
Short- term benefits (including contribution to pension funds)		-	-	988.54	-	-	-	988.54	-
Contribution to pension funds and gratuity payment		-	-	-	-	-	400.00	400.00	-
Fees		-	-	-	280.00	-	-	280.00	-
Sitting fees		-	-	-	96.60	-	-	96.60	-
Issue of Shares including Securities Premium				2,331.53	-	-	-	2,331.53	-
Others		1.20	-	-	-	-	-	1.20	-

#The outstanding at the year end and the maximum during the year are to be disclosed

*The Company has contributed the amount to the Gratuity trust

44.10 Ratings assigned by Credit Rating Agencies and migration during the year

Nature of instrument	Rating agency	31-Mar-25	31-Mar-24
Bank term loans	India Ratings and Research	AA- stable(Outlook)	AA- stable(Outlook)
Bank term loans	ICRA	AA- stable(Outlook)	A+ Positive(outlook)
Bank term loans	CARE	AA- stable(Outlook)	A+ Positive(outlook)
Non-convertible debentures	ICRA	AA- stable(Outlook)	A+ Positive(outlook)

During the year, CARE and ICRA has upgraded the outlook of credit rating from A+ Positive(Outlook) to AA- stable (outlook).

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

44.11 Remuneration of Directors

Remuneration of Directors has been disclosed in Note no. 41.

44.12 Breach of covenant:-

There was no instance of breach of covenant by the Company of loan availed or debt securities issued by it.

44.13 Divergence in Asset Classification and Provisioning

There is no Divergence in Asset Classification and Provisioning during current and previous financial year.

44.14 Loans to Directors, Senior Officers, and relatives of Directors

Particulars	As at 31 March, 2025	As at 31 March, 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

44.15 Management discussion and Analysis report shall form part of Board of Directors' report.

44.16 The Company has a wholly owned Subsidiary and the Consolidated financial statements is prepared in accordance with Ind AS 110, Consolidated Financial Statements

44.17 The diagrammatical group structure of the Company is as follows:

India Shelter Finance Corporation Limited (Holding Company) → **India Shelter Capital Finance Limited** (100% Subsidiary Company)

44.18 Provisions and contingencies

A) Break-up of Provisions and Contingencies shown under the head expenditure in Profit and Loss account

S. No	Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
1	Provisions for depreciation on investment	-	-
2	Provision made towards Income tax	11,461.76	6,967.56
3	Provision towards NPA	463.52	157.62
4	Provision for Standard assets - Residential Mortgage	1,541.27	693.75
	- CRE- others	14.65	9.59
5	Other provision and contingencies (Provision for Gratuity, compensated absences, undrawn commitments, EIS receivables and Asset held for sale)	527.57	228.31

B) Break up of Loan & Advances and provisions thereon

S. No	Particulars	Housing		Non-housing	
		For the year ended 31 March, 2025	For the year ended 31 March, 2024	For the year ended 31 March, 2025	For the year ended 31 March, 2024
1	**Standard assets**				
	a) Total outstanding amount	4,64,046.76	3,53,893.05	2,32,372.26	1,59,767.77
	b) Provisions made	3,353.11	2,282.95	1,365.77	880.00
2	**Sub-standard assets**				
	a) Total outstanding amount	3,362.80	2,586.39	1,699.11	1,592.55
	b) Provisions made	834.32	668.22	417.62	383.88
3	**Doubtful assets – Category-I**				
	a) Total outstanding amount	1,175.62	428.33	688.86	404.07

S. No	Particulars	Housing		Non-housing	
		For the year ended 31 March, 2025	For the year ended 31 March, 2024	For the year ended 31 March, 2025	For the year ended 31 March, 2024
	b) Provisions made	287.91	102.78	166.78	91.25
4	**Doubtful assets – Category-II**				
	a) Total outstanding amount	-	-	13.92	1.53
	b) Provisions made	-	-	3.33	0.32
5	**Doubtful assets – Category-III**				
	a) Total outstanding amount	-	-	-	-
	b) Provisions made	-	-	-	-
6	**Loss assets**				
	a) Total outstanding amount	-	-	-	-
	b) Provisions made	-	-	-	-
	TOTAL				
	a) Total outstanding amount	4,68,585.18	3,56,907.77	2,34,774.15	1,61,765.93
	b) Provisions made	4,475.34	3,053.95	1,953.50	1,355.45

44.19 There has been no draw down from reserves during the year ended 31 March, 2025 (31 March, 2024: Nil).

44.20 Concentration of public deposits (for public deposit taking/holding HFCs)

During the year ended 31 March, 2025 and 31 March, 2024, in accordance with the conditions of its Certificate of Registration and the resolution passed by its Board of Directors in the meeting held on 08 May, 2024 and 09 May, 2023, the Company has neither accepted any public deposits nor has any public deposits outstanding.

44.21 Concentration of Loans and Advances

Particulars	As at 31 March, 2025	As at 31 March, 2024
1 Total loans and advances to twenty largest borrowers	1,521.27	1,584.70
2 Percentage of loans and advances of twenty largest borrowers to total advances of the Company	0.22%	0.31%

44.22 Concentration of all exposure (including off-balance sheet exposure)

Particulars	As at 31 March, 2025	As at 31 March, 2024
1 Total exposure to twenty largest borrowers/customers	1,521.27	1,584.70
2 Percentage of exposures to twenty largest borrowers/customers to total exposure of the Company on borrowers/customers	0.18%	0.26%

44.23 Concentration of NPAs

Particulars	As at 31 March, 2025	As at 31 March, 2024
1 Total exposure to top ten NPA accounts	309.76	360.31

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

44.24 Sector-wise NPAs

S. No	Sector	Percentage of NPAs to total advances in that sector	
		As at 31 March, 2025	As at 31 March, 2024
1	**Housing Loans:**		
	a. Individuals	0.97%	0.84%
	b. Builders/Project Loans	-	-
	c. Corporates	-	-
	d. Others (specify)	-	-
2	**Non-Housing Loans:**		
	a. Individuals	1.02%	1.24%
	b. Builders/Project Loans	-	-
	c. Corporates	-	-
	d. Others (specify)	-	-

44.25 Movement of NPAs

Particulars		As at 31 March, 2025	As at 31 March, 2024
1	**Net NPAs to Net Advances (%)**	0.75%	0.73%
2	**Movement of NPAs (Gross)**		
	a) Opening balance	5,012.87	4,189.66
	b) Additions during the year	5,233.53	4,161.18
	c) Reductions during the year	3,306.09	3,337.97
	d) Closing balance	6,940.31	5,012.87
3	**Movement of Net NPAs**		
	a) Opening balance	3,766.43	3,100.83
	b) Additions during the year	3,941.74	3,091.61
	c) Reductions during the year	2,477.80	2,426.01
	d) Closing balance	5,230.37	3,766.43
4	**Movement of provisions for NPAs (excluding provisions on standard assets)**		
	a) Opening balance	1,246.44	1,088.83
	b) Provisions made during the year	1,291.79	1,069.57
	c) Write-off/write-back of excess provisions	828.29	911.96
	d) Closing balance	1,709.94	1,246.44

44.26 Customer complaints

1) Summary information on complaints received by the HFCs from customers and from the Offices of Ombudsman

S. No	Particulars	As at 31 March, 2025	As at 31 March, 2024
	Complaints received by the HFC from its customers		
1	Number of complaints pending at the beginning of the year	4	1
2	Number of complaints received during the year	239	178
3	Number of complaints disposed during the year	241	175
	3.1 Of which, number of complaints rejected by the Company	0	0
4	Number of complaints pending at the end of the year	2	4

S. No	Particulars	As at 31 March, 2025	As at 31 March, 2024
	Maintainable complaints received by the HFC from Office of Ombudsman		
5	Number of maintainable complaints received by the HFC from Office of Ombudsman	Not Applicable*	Not Applicable*
	5.1 Of 5, number of complaints resolved in favour of the HFC by Office of Ombudsman		
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman		
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the HFC		
6	Number of Awards unimplemented within the stipulated time (other than those appealed)		

2) Top five grounds of complaints received by the HFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ (decrease) in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
		Current Year			
Loan Recovery - SARFAESI	0	22	144.44%	0	0
EMI Update Related	0	20	100.00%	0	0
Loan Process & Payment related	0	18	100.00%	0	0
Pre-closure Charges	0	14	100.00%	0	0
Foreclosure Letter	0	12	20.00%	0	0
Other's	4	153	13.33%	2	0
Total		**239**	**34.27%**	**2**	**0**
		Previous Year			
Foreclosure Letter	0	10	(44.44)%	0	0
Online Payment related	0	9	100.00%	0	0
Loan Recovery - SARFAESI	0	9	(10)%	0	0
Payment Confirmation Related	0	9	100.00%	0	0
Recovery related- delinquent customer	0	6	100.00%	0	0
Other's	1	135	117.74%	4	0
Total		**178**	**49.58%**	**4**	**0**

*The Reserve Bank - Integrated Ombudsman Scheme, 2021 was not applicable to the Company for year ended 31 March, 2025 and 31 March, 2024.

44.27 During the year, no material expenses were accounted which was related to prior period (31 March, 2024: ₹ Nil).

44.28 During the year, no item of revenue recognition has been postponed except as disclosed in accounting policy for revenue recognition.

44.29 The Company does not have any Overseas assets.

44.30 The Company does not have any Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms).

44.31 Frauds

During the financial year 2024-2025, the Company has reported one case of fraud ₹16.74 Lacs (31 March, 2024: 18.37 Lacs) to National Housing Bank (NHB). The same has been provided for in the book of accounts.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

44.32 Schedule to Balance Sheet

Particulars	As at 31 March, 2025		As at 31 March, 2024	
Liabilities Side	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
1 Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
(a) Debentures: Secured	4,991.14	-	3,000.90	-
: Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans*	4,51,623.67	-	3,29,510.00	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Securitisation- Pass Through Certificates	38,790.42		7,078.05	
*Includes loan repayable on demand and excludes lease liablity				-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Asset Side	Amount outstanding as at 31 March, 2025	Amount outstanding as at 31 March, 2024
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured	6,85,948.54	5,06,239.58
(b) Unsecured	-	-
4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial Lease	-	-
(b) Operating Lease	-	-
(ii) Stock on hire including hire charges under sundry debtors		
(a) Asset on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

5	**Breakup of investments**		
	Current investments		
	1 Quoted		
	(i) Shares		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	20,072.35	3,131.98
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	12,647.72
	(v) Others (please specify)	-	-
	2 Unquoted		
	(i) Shares		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and Bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government Securities	-	-
	(v) Others (please specify)	-	-

Asset Side	Amount outstanding as at 31 March, 2025	Amount outstanding as at 31 March, 2024
Long term investments		
1 Quoted		
(i) Shares		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	3,186.98	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	8,267.92	-
(v) Others (please specify)	-	-
2 Unquoted		
(i) Shares		
(a) Equity	1,200.00	1,200.00
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above:	Amount net of provisions as at 31 March, 2025		Amount net of provisions as at 31 March, 2024	
Category	**Secured**	**Unsecured**	**Secured**	**Unsecured**
1 Related Parties				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2 Other than related parties	6,85,948.54	-	5,06,239.58	-
Total	**6,85,948.54**	**-**	**5,06,239.58**	**-**

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):	As at 31 March, 2025		As at 31 March, 2024	
	Category	**Market Value/ Break up or fair value or NAV**	**Book Value (Net of Provisions)**	**Market Value/ Break up or fair value or NAV**	**Book Value (Net of Provisions)**
	Related Parties				
	(a) Subsidiaries	1,200.00	1,200.00	1,200.00	1,200.00
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	Other than related parties	31,527.25	31,527.25	15,779.70	15,779.70
	Total	**32,727.25**	**32,727.25**	**16,979.70**	**16,979.70**

8	Other information	As at 31 March, 2025	As at 31 March, 2024
(i)	Gross Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	6,940.31	5,012.87
(ii)	Net Non-Performing Assets		
	(a) Related parties	-	-
	(b) Other than related parties	5,230.35	3,766.43
(iii)	Assets acquired in satisfaction of debt	-	-

44.33 Disclosure on Principal business criteria

RBI vide its circular Number RBI/2020-21/60/DOR/NBFC (HFC) CC No 118/03.10.136/2020-21 dated October 22, 2020 has defined Principal Business Criteria for HFCs.

Details of principal business criteria is as follows

Particulars		As at 31 March, 2025	As at 31 March, 2024
1	% of total asset towards housing finance	61.19%	62.35%
2	% of total asset towards housing finance for individuals	61.19%	62.35%

Note: Housing finance assets and individiual housing finance assets amounting to ₹ 4,64,109.83 Lacs considered for computation of principal business criteria is net off ECL provisions.

45. DISCLOSURE PURSUANT TO THE RESERVE BANK OF INDIA (SECURITISATION OF STANDARD ASSETS) DIRECTIONS, 2021" ("RBI SECURITISATION DIRECTIONS").

A) Disclosure as per the RBI Securitisation Directions for securitisation transactions as an originator:

Particulars		As at 31 March, 2025	As at 31 March, 2024
1	No. of special purpose vehicle's (SPV's) sponsored by HFC for securitisation transaction	4	2
2	Total amount of securitised assets as per books of SPVs sponsored by the HFC	38,821.33	7,885.60
3	Total amount of exposures retained by the HFC to comply with MRR		
	i) Off-balance sheet exposures		
	a) First loss	-	-
	b) Others	-	-

Particulars		As at 31 March, 2025	As at 31 March, 2024
	ii) On-balance sheet exposures		
	a) First Loss- Cash collateral*	1,796.75	654.23
	b) Others- Over collateral	845.03	498.56
4	Amount of exposures to securitisation transactions other than MRR		
	i) Off-balance sheet exposures	-	-
	a) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	b) Exposure to third party securitisation		
	First loss	-	-
	Others	-	-
	ii) On-balance sheet exposures towards credit enhancement		
	a) Exposure to own securitisations		
	First loss	-	-
	Others	2,144.64	206.07
	b) Exposure to third party securitisation transaction		
	First loss	-	-
	Others		
5	Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	35,799.04	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.		
		-	-
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		
	Credit Enhancement- Cash collateral		
	(a) Amount paid	1,142.52	-
	(b) Repayment received	-	149.71
	(c) Outstanding amount"	1,796.75	654.23
8	Average default rate of portfolios observed in the past- Mortgage backed securities	0.10%	0.45%
9	Amount and number of additional/top up loan given on same underlying asset.	-	-
10	Investor complaints		
	(a) Directly/Indirectly received and;	-	-
	(b) Complaints outstanding	-	-

*The fixed deposit balance pledged towards the first loss guarantee has increased to ₹ 1,890.39 Lacs on account of accumulation of interest on such term deposits.

B) Details of financial assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

During the year, the Company has not sold any financial assets to Securitisation/Reconstruction Company for Asset Reconstruction (31 March, 2024: Nil)

46.1 TRANSFER OF ASSETS

Assignment deal

The Company has sold some loans measured at amortised cost as per assignment deals during the year. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Company's business model remains to hold the assets for collecting contractual cash flows.The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition, per type of asset.

Loans measured at amortised cost	**As at 31 March, 2025**	**As at 31 March, 2024**
Carrying amount of derecognised financial assets as at year ended	1,22,640.32	94,850.37
Carrying amount of derecognised financial assets during the year	56,993.56	45,066.42
Gain from derecognition	9,805.54	7,914.76

46.2 Disclosure pursuant to the Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" ("RBI TLE Directions").

Particulars	**For the year ended 31 March, 2025**	**For the year ended 31 March, 2024**
Count of loan accounts assigned	7,963	5,231
Amount of loan account assigned	56,993.56 Lacs	45,066.42 Lacs
Retention of beneficial economic interest (MRR)	10%	10%
Weighted average maturity (Residual Maturity)	9.67 years	9.81 Years
Weighted average holding period	1.16 years	0.93 Years
Coverage of tangible security coverage (LTV)	45.42%	42.17%
Rating wise distribution of rated loans	Unrated	Unrated

(b) Details of loans not in default transferred through Co-Lending

Particulars	**For the year ended 31 March, 2025**	**For the year ended 31 March, 2024**
Count of loan accounts assigned	2,072	1,344
Amount of loan account assigned	22,917.48 Lacs	14,552.05 Lacs
Retention of beneficial economic interest (MRR)	20%	20%
Weighted average maturity (Residual Maturity)	10.79 Years	10.91 Years
Weighted average holding period	0.19 Years	0.28 Years
Coverage of tangible security coverage (LTV)	47.62%	45.94%
Rating wise distribution of rated loans	Unrated	Unrated

(c) The Company has not acquired any loan assets during the year ended 31 March, 2025 and 31 March, 2024 in terms with the RBI TLE Directions.

(d) The Company has not transferred/acquired any stressed loan during the year ended 31 March, 2025 and 31 March, 2024.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

47. EMPLOYEE STOCK OPTION SCHEME

The Company provides Employee Stock option schemes to its employees. For the year ended 31st March, 2025 following Employee Stock Option Plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below:

Particulars	**ESOP 2017**										**ESOP 2021**					
Date of grant	**31 January, 2018**	**15 February, 2019**	**17 September, 2020**	**13 August, 2019**	**04 November, 2019**	**01 July, 2020**	**17 May, 2019**	**17 May, 2021**	**01 July, 2021**	**17 September, 2021**	**31 March, 2022**	**12 May, 2022**	**31 May, 2022**	**01 February, 2022**	**01 July, 2022**	**02 November, 2021**
Exercise price per option*	₹ 59.24	₹ 79.51	₹ 98.90	₹ 92.28	₹ 94.78	₹ 98.90	₹ 89.96	₹ 89.96	₹ 98.90	₹ 98.90	₹ 170.36	₹ 170.36	₹ 170.36	₹ 157.79	₹ 170.36	₹ 157.79
Fair Value of share on the date of grant	₹ 59.24	₹ 79.51	₹ 98.90	₹ 92.28	₹ 94.78	₹ 98.90	₹ 89.96	₹ 89.96	₹ 98.90	₹ 98.90	₹ 170.36	₹ 170.36	₹ 170.36	₹ 157.79	₹ 170.36	₹ 157.79
Fair value of grant	₹ 30.43	₹ 55.24	₹ 63.59	₹ 53.33	₹ 56.24	₹ 63.59	₹ 54.64	₹ 53.23	₹ 63.59	₹ 63.59	₹ 58.04	₹ 60.01	₹ 60.60	₹ 52.37	₹ 60.87	₹ 50.51
Vesting dates:																
Tranche I (10% of the options granted)	31 January, 2019	15 February, 2020	17 September, 2021	13 August, 2020	04 November, 2020	01 July, 2021	17 May, 2020	17 May, 2022	01 July, 2022	17 September, 2022	31 March, 2023	12 May, 2023	31 May, 2023	01 February, 2023	01 July, 2023	02 November, 2022
Tranche II (20% of the options granted)	31 January, 2020	15 February, 2021	17 September, 2022	13 August, 2021	04 November, 2021	01 July, 2022	17 May, 2021	17 May, 2023	01 July, 2023	17 September, 2023	31 March, 2024	12 May, 2024	31 May, 2024	01 February, 2024	01 July, 2024	02 November, 2023
Tranche III (30% of the options granted)	31 January, 2021	15 February, 2022	17 September, 2023	13 August, 2022	04 November, 2022	01 July, 2023	17 May, 2022	17 May, 2024	01 July, 2024	17 September, 2024	31 March, 2025	12 May, 2025	31 May, 2025	01 February, 2025	01 July, 2025	02 November, 2024
Tranche IV (40% of the options granted)	31 January, 2022	15 February, 2023	17 September, 2024	13 August, 2023	04 November, 2023	01 July, 2024	17 May, 2023	17 May, 2025	01 July, 2025	17 September, 2025	31 March, 2026	12 May, 2026	31 May, 2026	01 February, 2026	01 July, 2026	02 November, 2025
Tranche V (20% of the options granted)											31 March, 2027	12 May, 2027	31 May, 2027	01 February, 2027	01 July, 2027	02 November, 2026

Notes forming part of standalone financial statements as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	ESOP 2021										ESOP 2023					
Date of grant	30 July, 2022	01 August, 2022	03 November, 2022	10 February, 2023	09 May, 2023	29 September, 2023	13 November, 2023	11 November, 2024			27 July, 2023	19 August, 2024	06 February, 2025			
Exercise price per option*	₹170.36	₹ 170.36	₹ 197.00	₹ 197.00	₹ 197.00	₹ 207.7 0	₹ 207.7 0	₹ 701.35			₹ 204.00	₹ 753.75	₹ 670.25			
Fair Value of share on the date of grant	₹ 170.36	₹ 170.36	₹ 197.00	₹ 197.00	₹ 197.00	₹ 207.7 0	₹ 207.7 0	₹ 701.35			₹204.00	₹ 753.75	₹ 670.25			
Fair value of grant	₹ 60.40	₹ 60.40	₹ 70.75	₹ 68.49	₹ 61.48	₹ 60.68	₹ 62.21	₹ 283.80			₹ 61.78	₹ 281.06	₹ 289.83			
Vesting dates:																
Tranche I (20% of the options granted)	30 July, 2023	01 August, 2023	03 November, 2023	10 February, 2024	09 May, 2023	29 Septemer, 2024	13 November, 2024	11 November, 2025			27 July, 2024	19 August, 2025	06 February, 2026			
Tranche II (20% of the options granted)	30 July, 2024	01 August, 2024	03 November, 2024	10 February, 2025	09 May, 2024	29 Septemer, 2025	13 November, 2025	11 November, 2026			27 July, 2025	19 August, 2026	06 February, 2027			
Tranche III (20% of the options granted)	30 July, 2025	01 August, 2025	03 November, 2025	10 February, 2026	09 May, 2025	29 Septemer, 2026	13 November, 2026	11 November, 2027			27 July, 2026	19 August, 2027	06 February, 2028			
Tranche IV (20% of the options granted)	30 July, 2026	01 August, 2026	03 November, 2026	10 February, 2027	09 May, 2026	29 Septemer, 2027	13 November, 2027	11 November, 2028			27 July, 2027	19 August, 2028	06 February, 2029			
Tranche V (20% of the options granted)	30 July, 2027	01 August, 2027	03 November, 2027	10 February, 2028	09 May, 2027	29 Septemer, 2028	13 November, 2028	11 November, 2029			27 July, 2028	19 August, 2029	06 February, 2030			

The Nomination and Remuneration Committee vide Circular resolution dated July, 20, 2023 has approved acceleration of vesting(s) ("Right of Acceleration") falling due between July 19, 2023 to September 30, 2024 during the period July, 20, 2023 to July 25, 2023 ("Acceleration Window"), under ESOP Scheme 2017 and ESOP Scheme 2021, in accordance with the respective ESOP Schemes and subject to the applicable terms and conditions

Notes forming part of standalone financial statements as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Reconciliation of options under each plan

Particulars	ESOP 2017		ESOP 2021		ESOP 2023	
	Number of options	Amount*	Number of options	Amount*	Number of options	Amount*
Outstanding as at 31 March, 2024	1,37,000	98.51	35,71,498	6,191.99	23,11,500	4,715.46
Granted during the year	-	-	2,08,500	1,462.31	6,27,000	4,576.55
Forfeited during the year	-	-	75,600	223.53	2,03,600	717.71
Exercised during the year	1,37,000	98.51	4,11,616	740.95	2,95,535	602.89
Expired during the year	-	-	-	-	-	-
Outstanding as at 31 March, 2025	**-**	**-**	**32,92,782**	**6,689.83**	**24,39,365**	**7,971.41**
Exercisable at the end of the year	-	-	7,15,107	1,163.84	1,45,365	296.54

*represents amount received/receivable by the Company at the time of exercise of options

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during the financial year:

Particulars	
Risk free interest rate	6.66% to 6.86%
Expected life of option	3.6 yrs to 5.6 yrs
Expected Volatility	28.70% to 34.49%
Dividend yield	0%

The risk free interest rates are determined based on the Government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of relevant index using standard deviation of daily change in index price. The historical period is taken into account to match the expected life of the option. Dividend yield has been considered taking into account the historical and expected rate of dividend on equity share price as on grant date.

*The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share (Also refer Note 59). Exercise price for the options granted before split is adjusted accordingly

48. KEY ANALYTICAL RATIOS

Particulars	As at 31 March, 2025	As at 31 March, 2024
Debt -Equity Ratio	1.84 times	1.49 times
Total Debts to Total Assets (Debt securities+ Borrowings {Other than Debt Securities}/Total Assets)	0.64	0.59
Net Profit Margin (%) (PAT/Total Revenue)	32.09%	28.69%
Gross NPA ratio (Gross Stage 3 loans/Gross Loan Assets)	0.99%	0.97%
Net NPA ratio (Net Stage 3 loans/Net Loan Assets)	0.75%	0.73%
Provision Coverage ratio (Stage 3 Provision/Gross Stage 3 loans)	24.64%	24.86%

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

49. Disclosures pursuant to RBI Notification RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 date 06 August, 2020 and – RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 05 May, 2021(Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses)

Type of Borrower	Exposure ($) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e 30 September, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the halfYear	Exposure (#) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year 31 March, 2025
Personal Loan**	1,471.73	19.99	-	152.00	1,321.06
Corporate Persons*	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	**1,471.73**	**19.99**	**-**	**152.00**	**1,321.06**

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

($)Principal outstanding (including capitalised interest) is for live restructured accounts classified as standard as on September 30, 2024.

(#)Principal outstanding (including capitalised interest) is for live restructured accounts (including sub-standard accounts as on Sep 30, 2024) classified as standard as on March 31, 2025

**Personal loans includes housing loan & non housing loan.

50. BASED ON THE REVIEW OF COMMONLY PREVAILING PRACTICES, THE MANAGEMENT CONSIDERS BELOW CHANGES AS RELEVANT:

Below mention liabilities are regrouped. The management believe that these reclassifications does not have any material impact on the information presented in the balance sheet in the prior period.

Particulars	As at 31 March, 2024 (as previously reported)	Increase/(Decrease)	As at 31 March, 2024 (Restated)
Liabilities and equity			
Other Financial liabilities	6,846.04	(1,164.35)	5,681.70
Other non-financial liabilities	159.23	1,164.35	1,323.58

51. In Compliance with Section 128 of the Companies Act, 2013 read with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014,

(i) Proper books of account as required by law have been kept by the Company, except with respect to the accounting software, where due to limited details in System and Organisation controls ("SOC") report, it is not verifiable whether proper backup logs and related configurations along with configurations around retention of backups are being maintained.

(ii) The Company uses an accounting software (Microsoft D365) for maintaining its books of account which has a feature of recording audit trail (edit log) which has operated throughout the year for all relevant transactions recorded in the accounting software, except that with respect to the accounting software there is no independent evidence verifiable as to whether audit trail feature is enabled for direct changes to the data when using certain access rights that may be available with the service provider (Microsoft).

52. The Company does not hold any immovable property other than disclosed in Note no. 12 as on 31 March, 2025 and 31 March, 2024. All the lease agreements are duly executed in favour of the Company for properties where the Company is the lessee.

53. No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March, 2025 and 31 March, 2024.

54. The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March, 2025 and 31 March, 2024.

Notes forming part of standalone financial statements
as at and for the year ended 31 March 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

55. The Company has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 31 March, 2025 are held by the Company in the form of short term deposits/investments till the time the utilisation is made subsequently.

56. There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March, 2025 and 31 March, 2024, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March, 2025 and 31 March, 2024.

57. i) The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March, 2025 and 31 March, 2024.

ii) The Company has not entered into any scheme of arrangement n terms of section 230 to 237 of the Company Act, 2013.

iii) The Company has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with Companies(Restriction on number of layers) Rules, 2017 for the financial years ended 31 March, 2025 and 31 March, 2024.

58. The Company, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept from its customers, other entities and persons. These transactions are part of Company's normal business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate beneficiaries). The Company has also not received any fund from any parties (Funding party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

59. The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share. The number of shares used for the calculation of earnings per share, and the earnings per share in Note 42 (including that in the comparative periods), have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013. No other adjustments are made in the financial statements on account of the share split.

60. All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2025 and March 31, 2024. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

61. There was no subsequent events after the reporting date which requires disclosure or adjustment to the reported amounts.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner
Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and
Non-Executive Nominee Director
DIN: 00036085

Rachna Dikshit
Independent Director
DIN: 08759332

Mukti Chaplot
Company Secretary
Membership No. 38326

Rupinder Singh
Managing Director and
Chief Executive Officer
DIN: 09153382

Ashish Gupta
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of India Shelter Finance Corporation Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of India Shelter Finance Corporation Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the consolidated Balance sheet as at March 31 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter	How our audit addressed the key audit matter
(a) Impairment of Financial assets (as described in Note 28 of the Consolidated financial statements)	
Indian Accounting Standard (IND AS) 109 'Financial Instruments', requires the Company to provide for impairment on its financial assets using the Expected Credit Loss (ECL) approach involving an estimation of probability weighted loss on financial instruments over their lives, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions.	• Read and assessed the Company's accounting policy for impairment of financial instruments and its compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines. • Evaluated the reasonableness of management's estimates by gaining an understanding of the ECL estimation process and underlying assumptions and tested the controls related to impairment of financial assets specifically with respect to data extraction, validation, and computation.

Key audit matter	How our audit addressed the key audit matter
In the process, a significant degree of judgement and estimate have been applied by the management for: • Grouping of the borrowers based on homogeneity for estimating probability of default ("PD"), loss given default ("LGD"), and exposure at default ("EAD") on a collective basis. • Staging of loans, i.e., classification in 'significant increase in credit risk' ("SICR") and 'default' categories based on past due status or qualitative assessment and compliance with RBI Circular • Determining macro-economic and other factors impacting the credit quality of loans. • Management overlay based on risk assessment and qualitative adjustments. The Company has developed models that derive key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of these models is then applied to the provision calculation with other information including and the exposure at default (EAD). In view of the high degree of management's judgement involved in the staging and estimation of ECL including risk of completeness and accuracy of historical data used, and the overall significance of the impairment loss allowance to the consolidated financial statements, it is considered as a key audit matter.	• Assessed the staging criteria of loans based on past-due status to evaluate compliance with the requirements of Ind AS 109. Tested a sample of performing (Stage 1) loans to assess whether any SICR or loss indicators were present, requiring them to be classified under Stage 2 (i.e., default in repayment between 31 and 90 days) or Stage 3 (i.e., default in repayment exceeding 90 days). • Involved internal experts for testing of the ECL model and computation, including factors that affect the PD, LGD and EAD, considering various forward-looking and macro-economic factors. • Tested the inputs used on a sample basis and tested the arithmetical accuracy of the ECL computation. • Tested assumptions used by the management in determining the overlay for macro-economic and other factors. • Assessed the adequacy of disclosures included in the consolidated financial statements with the relevant requirements of Ind AS 107 and 109 and Schedule III to the Companies Act, 2013.

OTHER INFORMATION

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to comply with the relevant applicable requirements of the standard on auditing for auditor's responsibility in relation to other information in documents containing audited consolidated financial statements.

RESPONSIBILITIES OF MANAGEMENT FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material

misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of their respective companies.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

(a) We did not audit the financial statements and other financial information, in respect of one subsidiary whose financial statements include total assets of Rs. 1,395 lakhs as at March 31, 2025, and total revenues (including other income) of Rs. 114 lakhs and net cash inflows of Rs. 4 lakhs for the year ended on that date. Those financial statements and other financial information have been audited by other auditor i.e. B R Maheswari & Co LLP, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of such other auditor.

(b) The corresponding financial information of the group for the corresponding year ended March 31, 2024, included in these consolidated financial statements, were audited by the predecessor auditor i.e. T R Chadha & Co LLP who expressed an unmodified opinion on those statements on May 08, 2024.

(c) Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company incorporated in India as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) The other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law have been kept by the Group, so far as it appears from our examination of those books except (i) we are unable to comment as regards to backup logs and related configurations for the accounting software (Microsoft Dynamics 365 finance) since evidence related to such configurations is not available, and (ii) for the matter stated in the paragraph (i)(vi) below on reporting under Rule 11(g). Refer note 49 of the consolidated financial statements.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company none of the directors of the Group's companies incorporated in India, is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above.

(g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary company incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "Annexure 2" to this report;

(h) The provisions of section 197 read with Schedule V of the Act are not applicable to the Holding Company, its subsidiary incorporated in India for the year ended March 31, 2025;

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

INDEPENDENT AUDITOR'S REPORT (Contd.)

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements. Refer note 35 to the consolidated financial statements;

ii. The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts. Refer note 5 to the consolidated financial statements;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary

iv. a) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note 56 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, other than as disclosed in the note 56 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. As stated in note 21 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Based on our examination which included test checks, the Company has used accounting software (Microsoft D365 Finance) and certain other applications managed by a third party software service provider, for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in these applications, except that with respect to the accounting software (Microsoft Dynamics 365 finance) there is no independent evidence verifiable as to whether audit trail feature is enabled for direct changes to the data when using certain access rights that may be available with the service provider (Microsoft). Refer note 49 of the consolidated financial statements.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Amit Kabra**
Partner
Membership Number: 094533
UDIN: 25094533BMLXIK4864

Place of Signature: Indore
Date: May 09, 2025

Annexure 1

referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date on the consolidated financial statements of India Shelter Finance Corporation Limited

Re: India Shelter Finance Corporation Limited

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S. No	Name	CIN	Holding/Subsidiary company	Clause number of the CARO report which is qualified or adverse
1.	India Shelter Finance Corporation Limited	L65922HR1998PLC042782	Holding Company	(iii)(c)

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Amit Kabra**
Partner
Membership Number: 094533
UDIN: 25094533BMLXIK4864

Place of Signature: Indore
Date: May 09, 2025

Annexure 2

referred to in paragraph 2(g) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the consolidated financial statements of India Shelter Finance Corporation Limited

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the consolidated financial statements of India Shelter Finance Corporation Limited as of and for the year ended March 31, 2025, we have audited the internal financial controls over financial reporting of India Shelter Finance Corporation Limited (hereinafter referred to as the "Holding Company") and its subsidiary, which are companies incorporated in India, as of that date. The provisions for reporting on internal financial control under clause (i) of sub section 3 of Section 143 of the Companies Act, 2013 does not apply to India Shelter Capital Finance Limited ('the subsidiary Company') and accordingly it is excluded for the purpose of opinion on internal controls over financial reporting.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Holding Company, which is company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Holding company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that the transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding Company, which is Company incorporated in India, have maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Amit Kabra**
Partner
Membership Number: 094533
UDIN: 25094533BMLXIK4864

Place of Signature: Indore
Date: May 09, 2025

Consolidated Balance sheet

as at 31 March, 2025

(All amounts in ₹ Lacs, unless otherwise stated)

		Notes	As at 31 March, 2025	As at 31 March, 2024
ASSETS				
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3	18,195.94	11,191.71
(b)	Bank balance other than cash and cash equivalents	4	16,104.37	26,578.76
(c)	Derivative financial instruments	5	570.17	-
(d)	Receivables	6	38.32	-
(e)	Loans	7	6,85,948.54	5,06,239.57
(f)	Investments	8	31,527.25	15,779.70
(g)	Other financial assets	9	16,838.74	12,639.52
(2)	**Non-financial assets**			
(a)	Current tax assets (net)	10	355.23	1,482.92
(b)	Deferred tax assets (net)	11	624.98	306.53
(c)	Property, plant and equipment	12	2,827.70	2,953.20
(d)	Intangible assets	13	108.57	28.09
(e)	Other non-financial assets	14	1,019.80	1,581.68
(f)	Assets held for sale	37	590.41	636.57
Total assets			**7,74,750.02**	**5,79,418.25**
LIABILITIES AND EQUITY				
Liabilities				
(1)	**Financial liabilities**			
(a)	Derivative financial instruments	5	-	255.54
(b)	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	15	5.65	18.55
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	15	897.32	481.68
(c)	Debt securities	16	4,991.14	3,000.90
(d)	Borrowings (other than debt securities)	17	4,91,914.57	3,38,508.97
(e)	Other financial liabilities	18	4,501.21	5,681.70
(2)	**Non-financial liabilities**			
(a)	Provisions	19	438.55	280.64
(b)	Other non-financial liabilities	20	1,128.04	1,323.70
	Total liabilities		**5,03,876.48**	**3,49,551.68**
(3)	**Equity**			
(a)	Equity share capital	21	5,394.76	5,352.56
(b)	Other equity	22	2,65,478.78	2,24,514.01
	Total equity		**2,70,873.54**	**2,29,866.57**
	Total liabilities and equity		**7,74,750.02**	**5,79,418.25**

The accompanying material accounting policies information and notes form an integral part of consolidated financial statements.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner

Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and Non-Executive Nominee Director
DIN: 00036085

Rupinder Singh
Managing Director and Chief Executive Officer
DIN: 09153382

Rachna Dikshit
Independent Director
DIN: 08759332

Ashish Gupta
Chief Financial Officer

Mukti Chaplot
Company Secretary
Membership No. 38326

Consolidated statement of profit and loss

for the year ended 31 March, 2025

(All amounts in ₹ Lacs, unless otherwise stated)

		Notes	For the year ended 31 March, 2025	For the year ended 31 March, 2024
REVENUE FROM OPERATIONS				
(i)	Interest income	23	94,342.86	70,259.01
(ii)	Fees and commission income	24	11,454.21	3,778.94
(iii)	Net gain on fair value changes	25	961.60	1,009.70
(iv)	Net gain on derecognition of financial instruments under amortised cost category		9,805.54	7,914.76
(I)	**Total revenue from operations**		**1,16,564.21**	**82,962.41**
(II)	Other income	26	1,028.74	3,175.01
(III)	**Total income (I+II)**		**1,17,592.95**	**86,137.42**
EXPENSES				
(i)	Finance costs	27	35,487.55	28,851.71
(ii)	Impairment on financial instruments	28	2,643.02	1,917.59
(iii)	Employee benefits expenses	29	22,908.45	17,942.88
(iv)	Depreciation and amortisation	30	1,159.70	991.37
(v)	Other expenses	31	6,475.31	4,515.60
(IV)	**Total expenses**		**68,674.03**	**54,219.15**
(V)	**Profit before tax (III-IV)**		**48,918.92**	**31,918.27**
(VI)	**Tax expense:**	32		
	(1) Current tax		11,488.86	6,991.83
	(2) Deferred tax charge/(credit)		(357.28)	166.68
	Total tax expense		**11,131.58**	**7,158.51**
(VII)	**Profit for the year (V-VI)**		**37,787.34**	**24,759.76**
(VIII)	**Other comprehensive income**			
(i)	Items that will not be reclassified to profit or loss			
	-Re-measurment (losses)/gains on defined benefit plans	38	(9.16)	16.29
	-Income tax effect relating to re-measurement (losses)/gains on defined benefit plans	32	2.31	(4.10)
(ii)	Items that will be reclassified to profit or loss			
	-Re-measurement gains/ (losses) on hedge instruments	5	163.46	(691.02)
	-Income tax effect relating to re-measurement gains/ (losses) on hedge instruments	32	(41.14)	173.92
	Total other comprehensive income		**115.47**	**(504.91)**
(IX)	**Total comprehensive income for the year(VII+VIII)**		**37,902.81**	**24,254.85**
(X)	**Earnings per equity share (face value ₹ 5 per equity share)**	42		
	Basic (₹)		35.18	26.32
	Diluted (₹)		33.93	25.18

The accompanying material accounting policies information and notes form an integral part of consolidated financial statements.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner

Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and Non-Executive Nominee Director
DIN: 00036085

Rupinder Singh
Managing Director and Chief Executive Officer
DIN: 09153382

Rachna Dikshit
Independent Director
DIN: 08759332

Ashish Gupta
Chief Financial Officer

Mukti Chaplot
Company Secretary
Membership No. 38326

Consolidated statement of changes in equity

for the year ended 31 March, 2025

(All amounts in ₹ Lacs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Balance as at 01 April, 2023	Changes during the year	Balance as at 31 March, 2024	Changes during the year	Balance as at 31 March, 2025
Equity share capital	4,376.47	976.09	5,352.56	42.20	5,394.76

B. OTHER EQUITY

Particulars	Share application money pending allotment	Reserves and Surplus				Items of other comprehensive income		Total
		Statutory reserve	Securities premium	Employee share based payment reserve	Retained earnings	Re-measurements of defined benefit plans	Effective portion of cash flow hedge reserve	
Balance as at 31 March, 2023	**-**	**10,092.05**	**68,713.05**	**1,661.02**	**39,332.04**	**54.06**	**(176.02)**	**1,19,676.20**
Profit for the year	-	-	-	-	24,759.76	-	-	24,759.76
Other comprehensive income(net of taxes)	-	-	-	-	-	12.19	(517.10)	(504.91)
Transfer to statutory reserve	-	4,937.46	-	-	(4,937.46)	-	-	-
Issue of share capital		-	79,352.85	-	-	-	-	79,352.85
Share options exercised during the year		-	1,248.49	(1,248.49)	-	-	-	-
Share based payment to employees	-	-	-	1,230.11	-	-	-	1,230.11
Balance as at 31 March, 2024	**-**	**15,029.51**	**1,49,314.39**	**1,642.64**	**59,154.34**	**66.25**	**(693.12)**	**2,24,514.01**
Profit for the year	-	-	-	-	37,787.34	-	-	37,787.34
Other comprehensive income(net of taxes)	-	-	-	-	-	(6.85)	122.32	115.47
Transfer to statutory reserve	-	7,540.94	-	-	(7,540.94)	-	-	-
Issue of share capital	-	-	1,662.65	-	-	-	-	1,662.65
Share options exercised during the year	47.86	-	494.42	(494.42)	-	-	-	47.86
Share based payment to employees	-	-	-	1,351.45	-	-	-	1,351.45
Balance as at 31 March, 2025	**47.86**	**22,570.45**	**1,51,471.46**	**2,499.67**	**89,400.74**	**59.40**	**(570.80)**	**2,65,478.78**

The accompanying material accounting policies information and notes form an integral part of consolidated financial statements.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner

Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and Non-Executive Nominee Director
DIN: 00036085

Rupinder Singh
Managing Director and Chief Executive Officer
DIN: 09153382

Rachna Dikshit
Independent Director
DIN: 08759332

Ashish Gupta
Chief Financial Officer

Mukti Chaplot
Company Secretary
Membership No. 38326

Consolidated statement of cash flows

for the year ended 31 March, 2025

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	48,918.92	31,918.27
Adjustments for:		
Depreciation and amortisation expense	1,159.70	991.37
Effective interest rate adjustment on financial assets	2,957.22	2,051.15
Effective interest rate adjustment on debt securities and borrowings	436.56	(12.28)
Share based payments to employees	1,351.45	1,230.11
Impairment on financial instruments	2,643.02	1,917.59
Adjustment of derivative financial assets	(662.25)	(429.63)
Net loss on derecognition of property, plant and equipment	14.15	11.86
Net gain on derecognition of financial instruments under amortised cost category	(6,394.69)	(2,979.51)
Gain on termination of leases	(0.65)	(8.50)
Interest expense on lease liabilities	142.73	153.51
Operating profit before working capital changes	**50,566.16**	**34,843.94**
Movements in working capital		
Increase in loans	(1,85,271.75)	(1,49,265.52)
Increase in receivables	(38.32)	-
Decrease/(Increase) in other financial assets	2,195.47	(676.78)
Decrease/(Increase) in other non-financial assets	570.58	(700.14)
Increase/(Decrease) in trade payables	402.74	(114.64)
(Decrease)/Increase in other financial liabilities	(1,493.50)	370.23
(Decrease)/Increase in other non-financial liabilities	(195.67)	35.88
Increase/(Decrease) in provisions	148.75	(219.08)
Cash flows used in operating activities post working capital changes	**(1,33,115.54)**	**(1,15,726.11)**
Income tax paid (net)	(10,361.17)	(7,507.24)
Net cash flows used in operating activities (A)	**(1,43,476.71)**	**(1,23,233.35)**
(B) CASH FLOWS FROM INVESTING ACTIVITIES		
Payments made for purchase of property, plant and equipment and intangible assets	(906.16)	(624.09)
Proceeds from sale of property, plant and equipment	41.64	28.53
Purchase of investments (net)	(15,747.55)	(11,086.87)
Redemption/(Investment) of fixed deposits (net)	10,474.40	(11,945.36)
Net cash used in investing activities (B)	**(6,137.67)**	**(23,627.79)**
(C) CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital	1,752.70	79,292.89
Proceeds from debt securities	5,000.00	-
Proceeds from borrowings(other than debt securities)	2,86,345.36	1,58,870.00
Repayment of borrowings	(1,32,652.64)	(1,01,979.29)
Repayment of debt securities	(3,000.00)	(13,500.00)
Payment towards lease liabilities	(826.81)	(725.17)
Net cash flows from financing activities (C)	**1,56,618.61**	**1,21,958.43**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	**7,004.23**	**(24,902.71)**

Consolidated statement of cash flows for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Cash and cash equivalents at the beginning of the year	11,191.71	36,094.42
Cash and cash equivalents at the end of the year	18,195.94	11,191.71
Components of cash and cash equivalents:-		
Cash on hand	173.32	308.43
Balances with banks (of the nature of cash and cash equivalents)		
(a) Balance with banks in current accounts	16,521.79	10,883.28
(b) Deposits with original maturity of less than 3 months	1,500.83	-
Total cash and cash equivalents	**18,195.94**	**11,191.71**

Note:

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash flows' as specified under Section 133 of the Companies Act, 2013, ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended."
2. Refer note 17 for reconciliation of liabilities arising from financing activities.

The accompanying material accounting policies information and notes form an integral part of consolidated financial statements.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner

Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and Non-Executive Nominee Director
DIN: 00036085

Rupinder Singh
Managing Director and Chief Executive Officer
DIN: 09153382

Rachna Dikshit
Independent Director
DIN: 08759332

Ashish Gupta
Chief Financial Officer

Mukti Chaplot
Company Secretary
Membership No. 38326

Summary of material accounting policies and other explanatory information on consolidated financial statements

For the year ended 31 March, 2025

1. CORPORATE INFORMATION

India Shelter Finance Corporation Limited ("the Company") is a Housing Finance Company registered under section 29A of The National Housing Bank Act, 1987 vide Registration Certificate No. 09.0087.10 dated 14 September, 2010. The Group is engaged in providing secured retail home loans, home equity loans and loans against property to borrowers for a period up to twenty years. These loans are primarily to be used by the borrowers for home purchase, home improvements, home extension and for construction of dwelling units on plots owned by borrowers.

India Shelter Capital Finance Limited ("Subsidiary Company") was incorporated on 24 March, 2022 to carry on lending business as Non-Banking Finance Company subject to receipt of regulatory approvals. The Subsidiary Company has neither obtained Certificate of Registration from Reserve Bank of India nor has commenced any business activity during the year ending 31 March 2025.

The above two companies are collectively referred to as the ("Group").

1.1 Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These Consolidated financial statements ("the Financial Statements") of the Group have been prepared in conformity with the accounting principles generally accepted in India, Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('Act') , read with relevant rules issued thereunder, requirements prescribed under the Schedule-III-Division III of the Act, as amended, the circulars, the guidelines master directions issued by Reserve Bank of India (RBI) and National Housing Bank (NHB) to the extent applicable. The Group has uniformly applied the accounting policies for the periods presented in these financial statements.

The financial statements for the year ended 31 March, 2025 were reviewed by audit committee and approved for issue by the Company's Board of Directors on 09 May, 2025.

(ii) Historical cost convention

The financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period as explained in relevant accounting policies. The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

Valuation framework

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 'Impairment of Assets'.

Valuation Principles

Fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

(iii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries including controlled structured entities as at 31 March, 2025. The Company consolidates a subsidiary when it controls it. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

Summary of material accounting policies and other explanatory information on consolidated financial statements for the year ended 31 March, 2025 (Contd.)

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Company's voting rights and potential voting rights.
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Company member's financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

(iv) Principles of consolidation

The consolidated financial statements relate to India Shelter Finance Corporation Limited (the Company') and its subsidiary company.

The consolidated financial statements have been prepared on the following basis:

- The financial statements of all the entities used for the purpose of consolidation are drawn upto the same reporting date as that of the Company i.e., March 31, 2025.
- The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intragroup transactions.
- The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- India Shelter Capital Finance Limited, a wholly owned subsidiary has been considered in the preparation of the consolidated financial statements.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared using the material accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the consolidated financial statements, except where the Group has applied certain exemptions upon transition.

2.1. Revenue recognition

Interest and processing fee income on loans

Interest and processing fee income on financial assets is recognised on a time proportion basis considering the amount outstanding and the effective interest rate applicable.

Effective Interest Rate ("EIR")

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the contractual life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at Fair Value Through Profit and Loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Interest/Dividend income on investment

Interest income on investments and fixed deposits is recognised on time proportionate basis with reference to EIR method. Dividend income is accounted for when the right to receive it is established.

Income from assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the EIR of underlying pool of loans rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS is evaluated and adjusted for ECL and expected prepayment.

Fee and Commission Income

Fees and charges include fees other than those that are an integral part of EIR. The fees included in this part of the Group's Statement of Profit and Loss include, among other things, fees charged for servicing a loan. Income in the form of fees and charges includes cheque bouncing charges, prepayment charges, etc.are recognised on realisation.

2.2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

2.3. Cash flow statement

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

2.4. Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the estimated useful life was determined basis technical evaluation carried out by the Group, over the useful life so determined.

Depreciation on additions to property, plant and equipment is provided for full month in which acquisition of the assets is made. No depreciation is provided for the month of sale/ disposal of asset. Leasehold improvements are amortised over a period of lease. Asset costing less than ₹ 10,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

Estimated useful lives of the assets are as follows:

Asset category	Estimated useful life (in Years)	Life as per Schedule II
Plant & Equipment- Computer and other related equipment	3 years	3 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Handheld communication devices (included in office equipment)	2 years	5 years
Leasehold improvements	Over the period of the lease or the estimated useful life whichever is lesser.	Over the period of the lease or the estimated useful life whichever is lesser.

Summary of material accounting policies and other explanatory information on consolidated financial statements for the year ended 31 March, 2025 (Contd.)

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is derecognised.

2.5. Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Amortisation method, estimated useful lives and residual value

Intangible assets are amortised over a period of 4 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

2.6. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. For the purpose of assessing impairment, the smallest identifiable group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit.

Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

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

If at the reporting date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

2.7. Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognised in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

2.8. Employee benefits

Short-term employee benefits

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:

Defined contribution plans

The Group has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Group in respect of these plans are charged to the Statement of Profit and Loss.

Defined benefit plans

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries by using the projected unit credit method. Actuarial gains/ losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Other long-term employee benefits

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

Share based payment

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the option determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

In respect of re-pricing of existing stock option, the incremental fair value of the option on the date of re-pricing is accounted for as employee cost over the remaining vesting period.

2.9. Expected credit losses and write-off of financial assets

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Group measures ECL based on category of loans at a collective level. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

Summary of material accounting policies and other explanatory information on consolidated financial statements for the year ended 31 March, 2025 (Contd.)

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 3 are those accounts which are classified as NPA

Stage 2 are those accounts wherein there is significant increase in credit risk

Stage 1 are those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:Group

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Group expects to be owed at the time of default. For a revolving commitment, the Gropu includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

2.10.Provisions, contingent assets and contingent liabilities

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

2.11.Leases

Group as a Lessee:

At inception of a contract, Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in 'borrowings (other than debt securities)' in the balance sheet.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

2.12.Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through statement of profit and loss are recognised immediately in statement of profit and loss.

Financial assets

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers

Classification and Subsequent measurement of financial assets

Financial assets are classified in to three categories for subsequent measurement:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit and loss(FVTPL)

Financial asset at amortised cost

Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

Summary of material accounting policies and other explanatory information on consolidated financial statements for the year ended 31 March, 2025 (Contd.)

Financial assets (debt instruments) at FVOCI

Financial asset (debt instruments) is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI. Financial assets included within the above category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial Asset at FVTPL

Financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets classified under FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Financial liabilities

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Derivative Financial Instruments

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its external commercial borrowings arising from changes in exchange rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.13.Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.14.Foreign currency

Functional and presentation currency

Items included in the consolidated financial statement of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements have been prepared and presented in Indian Rupees (₹), which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

2.15.Insurance Claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.16.Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months.

2.17.Share/Securities issue expense

Share/security issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share/security issue expenses in excess of the balance in the Securities Premium Account are expensed off in the Statement of Profit and Loss.

2.18.Borrowing Costs

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs primarily include interest on amounts borrowed for the revenue operations of the Group. These are expensed to the statement of profit and loss using the EIR. All other Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

2.19.Assets held for sale

Assets acquired by the Group under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the Group is committed to sell these assets and they are measured at the lower of their carrying amount and the fair value less costs to sell.

Summary of material accounting policies and other explanatory information on consolidated financial statements for the year ended 31 March, 2025 (Contd.)

2.20.Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Group and make strategic decision.

2.21.Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Expected credit loss ('ECL') – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/ market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

The inputs and process followed by the Group in determining the ECL have been detailed in Note no. 7.

Business Model Assessment

Classification and measurement of financial instruments depends on the results of the solely payments of principal and interest on the principal amount outstanding ("SPPI") and the business model test. The Group determines the business model at a level that reflects how the Group's financial instruments are managed together to achieve a particular business objective.

The Group monitors financial assets measured at amortised cost that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those instruments.

Provision for employee benefits -

Provision for employee benefits, requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change the Group's retirement benefit obligations.

Assumptions used in determining the liability are stated in Note no. 38

2.22.Standard issued but not yet effective

No new standards as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.

Notes formig part of consolidated financial statements as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

3. CASH AND CASH EQUIVALENTS

		As at 31 March, 2025	As at 31 March, 2024
I.	Cash on hand	173.32	308.43
II.	Balances with banks (of the nature of cash and cash equivalents)		
	(a) Balance with banks in current accounts	16,521.79	10,883.28
	(b) Deposits with original maturity of less than 3 months	1,500.83	-
	Sub-total (a and b)	**18,022.62**	**10,883.28**
	Total (I and II)	**18,195.94**	**11,191.71**

4. BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

	As at 31 March, 2025	As at 31 March, 2024
Deposits with original maturity of more than 3 months	8,605.67	19,700.60
Deposits held as margin money*	7,498.70	6,878.16
Total	**16,104.37**	**26,578.76**

*Margin money with banks includes guarantee given to NHB for refinance of ₹ 4,783.31 Lacs(31 March, 2024:4,782.31 Lacs), cash collateral for securitisation transactions of ₹ 1,890.39 Lacs (31 March, 2024: ₹ 699.91 Lacs), lien marked towards term loan ₹ 295.78 Lacs(31 March, 2024: ₹ 470.93 Lacs) guarantee given for Unique Identification Authority of India(UIDAI) Rs 25 Lacs(31 March, 2024: ₹ 25 Lacs) and National Stock Exchange Nil (31 March, 2024: ₹ 900 Lacs).

5. DERIVATIVE FINANCIAL INSTRUMENTS

Paticulars	As at 31 March, 2025				As at 31 March, 2024			
	Notional Amounts	Fair value-assets	Fair value-liabilities	Net Assets/ Liabilities	Notional Amounts	Fair value-assets	Fair value-liabilities	Net Assets/ Liabilities
Part-I								
(i) Currency derivatives								
- Cross currency swaps	24,351.00	570.17	-	570.17	24,351.00	-	(255.54)	(255.54)
Subtotal (i)	24,351.00	570.17	-	570.17	24,351.00	-	(255.54)	(255.54)
(ii) Other derivatives								
- Forward contracts	-	-	-	-	-	-	-	-
Subtotal (ii)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Derivatives (i+ii)	**24,351.00**	**570.17**	**-**	**570.17**	**24,351.00**	**-**	**(255.54)**	**(255.54)**
Part-II								
Included in above (Part I) are derivatives held for hedging and risk management purposes as follows								
(i) Fair Value hedging								
- Currency derivatives	-	-	-	-	-	-	-	-
(ii) Cash Flow hedging								
- Currency derivatives	24,351.00	570.17	-	570.17	24,351.00	-	(255.54)	(255.54)
Total derivative financial instruments (i+ii)	**24,351.00**	**570.17**	**-**	**570.17**	**24,351.00**	**-**	**(255.54)**	**(255.54)**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

(a) Cross Currency Swaps (CCS)

Particulars		As at 31 March, 2025	As at 31 March, 2024
i)	Total notional principal amount of CCS agreement undertaken during the year	-	16,370.00
ii)	Total notional principal amount of CCS agreement outstanding as on end of the year*	24,351.00	24,351.00
iii)	Maturity date of CCS	15-Jun-27;15-Mar-28	15-Jun-27;15-Mar-28
iv)	Hedge ratio	1:1	1:1
v)	Currency pair	USD/₹	USD/₹

* Notional amount outstanding is the original amount. Restated amount as at the balance sheet date basis exchange rate is 31 March, 2025: ₹ 25,674.42 Lacs (USD: 300 Lacs) (31 March, 2024: ₹ 25,021.70 Lacs (USD: 300 Lacs)).

(b) Hedging item

Particulars	Change in fair value of hedging item used for measuring ineffectiveness for the year ended 31 March, 2025	Change in fair value of hedging item used for measuring ineffectiveness for the year ended 31 March, 2024
Cross currency swaps	825.71	(261.39)

(c) The fair value mark to market (MTM) gains or (losses) in respect of CCS Agreement outstanding as at the Balance Sheet date is stated below:

Hedging Instrument	As at 31 March, 2025	As at 31 March, 2024
Cross currency swaps (CCS)	570.17	(255.54)
Total	**570.17**	**(255.54)**

(d) Movement in Hedge Reserve (excluding deferred tax)

Cash Flow Hedge Reserve Account		As at 31 March, 2025		
		Realised	Unrealised	Total
i)	Balance at the beginning of the year	-	(926.24)	(926.24)
ii)	Add: Changes in the fair value during the Year			
	Included in derivative financial instrument	-	825.71	825.71
	Included in ECB term loan	-	(662.25)	(662.25)
iii)	Less: Amounts reclassified to statement of profit & loss	-	-	-
iv)	Balance at the end of the year	-	(762.78)	(762.78)

Cash Flow Hedge Reserve Account		As at 31 March, 2024		
		Realised	Unrealised	Total
i)	Balance at the beginning of the year	-	(235.22)	(235.22)
ii)	Add: Changes in the fair value during the Year	-		
	Included in derivative financial instrument	-	(261.39)	(261.39)
	Included in ECB term loan	-	(429.63)	(429.63)
iii)	Less: Amounts reclassified to statement of profit & loss	-	-	-
iv)	Balance at the end of the year	-	(926.24)	(926.24)

All hedges are 100% effective.

Note: ECB carries coupon of 3.5% p.a in USD which has been hedged/swapped via Cross currency swap @ 7.15% p.a in ₹

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

6. RECEIVABLES

	As at 31 March, 2025	As at 31 March, 2024
Trade Receivables	38.32	-
Less; Impairment loss allowance	-	-
Total	**38.32**	**-**

(i) No trade receivables are due from Directors or any other officers of the group either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any Director is a Partner, Director or a Member.

(ii) Trade Receivables are not interest bearing and are generally on terms of 30 days.

Trade receivable Ageing schedule

Particulars		Outstanding for following period from the date of transaction						
		Unbilled	Less than 6 months	6 months-1year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2025								
(i)	Undisputed Trade receivables – considered good	-	38.32	-	-	-	-	**38.32**
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired							
As at 31 March, 2024								
(i)	Undisputed Trade receivables – considered good	-	-	-	-	-	-	-
(ii)	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv)	Disputed Trade receivables – considered good	-	-	-	-	-	-	-
(v)	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)	Disputed Trade Receivables – credit impaired							

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

7. LOANS

	As at 31 March, 2025	As at 31 March, 2024
At amortised cost		
Term loans	6,91,664.51	5,09,783.81
Staff loans	712.87	865.16
Total gross	**6,92,377.38**	**5,10,648.97**
Less: Impairment loss allowance	6,428.84	4,409.40
Total net	**6,85,948.54**	**5,06,239.57**
Secured by tangible assets	6,92,377.38	5,10,648.97
Total	**6,92,377.38**	**5,10,648.97**
Less: Impairment loss allowance	6,428.84	4,409.40
Total net	**6,85,948.54**	**5,06,239.57**
Loans in India		
Public sectors	-	-
Others (individuals and other corporates)	6,92,377.38	5,10,648.97
Loans outside India	**-**	**-**
Total gross	**6,92,377.38**	**5,10,648.97**
Less: Impairment loss allowance	6,428.84	4,409.40
Total net	**6,85,948.54**	**5,06,239.57**

7.1 Loans granted by the group are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security by way of equitable mortgage of property.

7.2 LOAN DETAILS

Particulars	Gross Carrying amount*	Effective interest rate adjustment	Total
As at 31 March, 2025	**7,03,359.33**	**(10,981.95)**	**6,92,377.38**
As at 31 March, 2024	5,18,673.70	(8,024.73)	5,10,648.97

*Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in books as on the last day of the relevant period.

7.3 There were no loans given against the collateral of gold jewellery or security of shares and hence the percentage of such loans to the total outstanding asset is Nil (31 March, 2024: Nil).

7.4 Loans sanctioned but undisbursed amount to ₹ 48,518.87 Lacs as on 31 March, 2025 (31 March, 2024: ₹ 42,834.11 Lacs).

7.5 During the financial year 2024-25, the group has entered into two securitisation transaction amounting to ₹ 35,799.04 Lacs (31 March, 2024- Nil). These loan assets have not been de-recognised from the loan portfolio of the group as these does not meet the de-recognition criteria. The group is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors. In terms of the said securitisation agreements, the group pays to buyer/investor on monthly basis the prorated collection amount as per the respective agreement terms.

7.6 During the financial year 2024-25, the group has assigned pools of certain loans amounting to ₹ 56,993.56 lacs (31 March, 2024: 45,066.42 lacs) by way of a direct assignment transactions. These loans have been de-recognised from the loan portfolio of the group as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The group continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreements, the group pays to assignees, on a monthly basis, the pro-rata collection amounts.

7.7 During the financial year 2024-25, The group also undertaken co-lending arrangement with Bank, whereby loans are co-originated by both the entities in 20:80 ratio (group: Bank). Bank share in Co-lending arrangement for the year amounting to ₹ 22,917.48 Lacs (31 March, 2024: 14,552.05 Lacs). These loans have been de-recognised from the loan portfolio of the group. The group's share in co-lending arrangement amounting to ₹ 8,635.58 Lacs (31 March, 2024- ₹ 3,584.57 Lacs) has been recorded in the loan portfolio shown above.

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

7.8 Expected credit loss

Expected credit loss is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

(i) Definition of default

The group considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes more than 90 days past due on its contractual payments or classified as NPA as per RBI directions. The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.

ii) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too."

iii) Loss given default

The group segments its retail lending products into homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types, loan to value (LTV) ratio, expected realisation rate, etc.) as well as borrower characteristics.

iv) Significant increase in credit risk

The group continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL, the group assesses whether there has been a significant increase in credit risk since initial recognition. The group considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECL on a collective basis for a group of similar assets, the group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

v) Delinquency buckets have been considered as the basis for the staging of all loans with:

- Stage 3 are those accounts which are classified as NPA
- Stage 2 are those accounts wherein there is significant increase in credit risk
- Stage 1 are those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

vi) Macro economic factors

Macro-economic variables relevant to the underlying loan portfolio such as Gross Domestic Product, Inflation, Housing Price Index and 10 year bond yield were analysed for their correlation. Based on the analysis of trend, the group has considered the 10 year bond yield as relevant macro-economic factor as it shows relatively better correlation with the portfolio performance.

vii) Credit quality of asset

The group has classified all individual loans as amortised cost and has assessed it at the collective pool level. The individual loan book has been divided into the housing and non-housing (Loan against property) sub portfolios. The vintage analysis methodology has been used to create the PD term structure which incorporates both 12 month (Stage 1 Loans) and lifetime PD (Stage 2 Loans). The vintage analysis captures a vintage default experience across a particular portfolio by tracking the yearly slippages from advances originating in a particular year. The vintage slippage experience/ default rate is then used to build the PD term structure. The workout methodology has been used to determine LGD wherein the recoveries of loans defaulted in past are tracked and discounted to the date of default. The worked out LGD for loans has been bucketed into various levels of collateral cover. LGD based on collateral cover has been applied to each loan in the portfolio based on specific collateral cover adjusted for the expected fall in valuation. The group has used the forward looking LGD basis the management expectation on property prices basis the market environment.

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

viii) An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans is, as follows:

(i) Reconciliation of gross carrying amount balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	**3,58,248.46**	**7,924.57**	**4,189.66**	**3,70,362.69**
Transfer to Stage 1	3,181.44	(2,257.86)	(923.58)	-
Transfer to Stage 2	(7,612.71)	7,937.67	(324.96)	-
Transfer to Stage 3	(3,089.08)	(800.42)	3,889.50	-
New financial assets originated	2,37,852.77	605.32	292.91	238,751.00
Financial assets that have been de-recognised/ repaid	(86,315.41)	(2,013.92)	(2,110.66)	(90,439.99)
Balance as at 31 March, 2024	**5,02,265.47**	**11,395.36**	**5,012.87**	**5,18,673.70**
Balance as at 01 April, 2024	**5,02,265.47**	**11,395.36**	**5,012.87**	**5,18,673.70**
Transfer to Stage 1	4,383.96	(3,422.60)	(961.36)	-
Transfer to Stage 2	(14,584.57)	14,804.14	(219.57)	-
Transfer to Stage 3	(4,228.66)	(1,192.54)	5,421.20	-
New financial assets originated	2,96,274.53	516.76	196.69	2,96,987.98
Financial assets that have been de-recognised/ repaid	(1,06,583.58)	(3,209.25)	(2,509.52)	(1,12,302.35)
Balance as at 31 March, 2025	**6,77,527.15**	**18,891.87**	**6,940.31**	**7,03,359.33**

Reconciliation of ECL balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	**1,860.49**	**599.13**	**1,088.84**	**3,548.46**
Transfer to Stage 1	242.99	(57.24)	(185.75)	**-**
Transfer to Stage 2	(49.25)	141.15	(91.90)	**-**
Transfer to Stage 3	(17.68)	(42.21)	59.89	**-**
Impact of change in EAD and stages during the year	154.95	(129.14)	884.88	**910.69**
New financial assets originated	751.43	17.77	77.72	**846.92**
Financial assets that have been de-recognised/ repaid	(234.73)	(74.70)	(587.24)	**(896.67)**
Balance as at 31 March, 2024	**2,708.20**	**454.76**	**1,246.44**	**4,409.40**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2024	**2,708.20**	**454.76**	**1,246.44**	**4,409.40**
Transfer to Stage 1	331.87	(92.33)	(239.54)	**-**
Transfer to Stage 2	(86.55)	142.30	(55.75)	**-**
Transfer to Stage 3	(23.32)	(33.65)	56.97	**-**
Impact of change in EAD and stages during the year	371.38	299.95	1,161.40	**1,832.73**
New financial assets originated	1,011.98	16.28	48.68	**1,076.94**
Financial assets that have been de-recognised/ repaid	(299.44)	(82.55)	(508.24)	**(890.23)**
Balance as at 31 March, 2025	**4,014.12**	**704.76**	**1,709.96**	**6,428.84**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

(ii) Reconciliation of gross carrying amount of loan commitments balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	**26,724.14**	**45.53**	**19.77**	**26,789.44**
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(1.05)	1.05	-	-
Transfer to Stage 3	(12.01)	-	12.01	-
New commitments originated/disbursed or cancelled (net)	16,082.39	(29.87)	(7.85)	16,044.67
Balance as at 31 March, 2024	**42,793.47**	**16.71**	**23.93**	**42,834.11**
Balance as at 01 April, 2024	**42,793.47**	**16.71**	**23.93**	**42,834.11**
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	(17.52)	17.52	-	-
Transfer to Stage 3	(10.95)	-	10.95	-
New commitments originated/disbursed or cancelled (net)	5,711.60	(16.42)	(10.42)	5,684.76
Balance as at 31 March, 2025	**48,476.60**	**17.81**	**24.46**	**48,518.87**

Reconciliation of ECL balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2023	55.38	0.09	0.04	**55.51**
Transfer to Stage 1	-	-	-	**-**
Transfer to Stage 2	(0.00)	0.00	-	**-**
Transfer to Stage 3	(0.03)	-	0.03	**-**
Impact of change in EAD and stages during the year	9.90	0.01	0.02	**9.93**
New commitments originated/disbursed or cancelled (net)	37.18	(0.06)	(0.02)	**37.10**
Balance as at 31 March, 2024	**102.43**	**0.04**	**0.07**	**102.54**

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April, 2024	**102.43**	**0.04**	**0.07**	**102.54**
Transfer to Stage 1	-	-	-	**-**
Transfer to Stage 2	(0.04)	0.04	-	**-**
Transfer to Stage 3	(0.03)	-	0.03	**-**
Impact of change in EAD and stages during the year	63.23	0.03	0.05	**63.31**
New commitments originated/disbursed or cancelled (net)	63.96	(0.03)	(0.02)	**63.91**
Balance as at 31 March, 2025	**229.55**	**0.08**	**0.13**	**229.76**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

8. INVESTMENTS

	As at 31 March, 2025	As at 31 March, 2024
At fair value through profit and loss		
- Mutual funds	-	-
At amortised cost		
- Investment in debt Instrument	8,755.17	3,131.98
- Investment in Treasury Bill	-	4,768.47
- Investment in Certificate of deposits	14,504.16	-
-Investment in Government Securities	8,267.92	7,879.25
Gross (A)	**31,527.25**	**15,779.70**
(i) Investments outside India	-	-
(ii) Investments in India	31,527.25	15,779.70
Total (B)	**31,527.25**	**15,779.70**
Less: Impairment loss allowance (C)	-	-
Total- Net (B-C)	**31,527.25**	**15,779.70**

Investment detail script-wise

As at 31 March, 2025

Particulars	Quantity	Carrying Value
Measured at amortised cost		
Investments in Debt Securities		
Indian Oil Corporation Limited Sr XIX 5.50 Loa 20 Oct 25 FV ₹10 Lacs	250	2,535.06
NTPC Limited Sr 72 5.45 Bd 15 Oct 25 FV ₹ 10 Lacs	50	506.87
ONGC Petro Additions Limited Sr V Opt B 8 Ncd 11 Apr 25 FV ₹ 10 Lacs	250	2,527.11
Power Grid Corporation Of India Limited 8.93 Bd 20 Oct 26 FV ₹ 10 Lacs	300	3,186.13
Total		**8,755.17**
Investment in Certificate of deposits		
Bank Of India -CD (28-Nov-25)	500	2,380.29
HDFC Bank Ltd CD (31-Oct-25)	1,000	4,789.73
Canara Bank CD 03SEP25	500	2,422.60
HDFC Bank Limited CD 19SEP25	500	2,412.16
Punjab National Bank CD (02April25)	500	2,499.38
Total		**14,504.16**
Investment in Government Securities		
Bond0.00% CG Strip 12/12/2026/15Y/12/12/2026/0%	59,13,500	5,231.67
Bond0.00% CG Strip 19/12/2026/0D/19/12/2026/0%	5,11,000	453.46
Bond07.10 GS 2029/7Y/18/04/2029/7.1%	25,31,556	2,582.79
Total		**8,267.92**
Total		**31,527.25**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

As at 31 March, 2024

Particulars	Quantity	Carrying Value
Measured at amortised cost		
Investments in Debt Securities		
Cholamandalam Invt.Co.Ltd (Sr And Fin2 Ncd 04 Mar 25 FV ₹ 1000)	48,625	518.98
Power Grid Corporation Of India Limited 8.85 Bd 19 Oct 24 FV ₹12.5Lacs	200	2,613.00
Total		**3,131.98**
Investment in Government Securities		
Bond07.10 GS 2029/7Y/18/04/2029/7.1%	59,13,500	2,582.89
Bond0.00% CG Strip 12/12/2026/15Y/12/12/2026/0%	5,11,000	4,875.85
Bond0.00% CG Strip 19/12/2026/0D/19/12/2026/0%	25,31,556	420.51
Total		**7,879.25**
Investment in T-Bills		**4,768.47**
Total		**15,779.70**

9. OTHER FINANCIAL ASSETS

	As at 31 March, 2025	As at 31 March, 2024
Security deposits	369.44	321.04
Receivables on securitised loans (refer note a)	166.07	37.06
EIS receivable on direct assignment (refer note b)	15,606.66	11,798.28
Receivables on assignment transactions (refer note a)	457.26	322.62
Other receivables	398.67	253.69
Total gross	**16,998.10**	**12,732.69**
Less: Impairment loss allowance (on EIS Receivable assets)	(159.36)	(93.17)
Total	**16,838.74**	**12,639.52**

Note:

a) Receivables on assignment and securitised loans is group's share of receivable towards collections made and recoverable by the group as at the end of the year.

b) Under Ind AS, with respect to Assignment deals, group has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Proft and loss account. The same has been computed by discounting EIS to present value with necessary estimates and assumptions.

10. CURRENT TAX ASSETS (NET)

	As at 31 March, 2025	As at 31 March, 2024
Income tax advance (net)	355.23	1,482.92
Total	**355.23**	**1,482.92**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

11. DEFERRED TAX ASSETS (NET)

	As at 31 March, 2025	As at 31 March, 2024
Deferred tax assets		
Provision for employee benefits	52.56	44.83
Difference in written down value as per Companies Act and Income Tax Act	87.01	78.67
Impairment loss allowance on loans	1,359.55	1,027.77
Unamortised processing fees	2,763.93	2,019.66
Lease liabilities	377.64	483.46
Provision for impairment on assets held for sale	82.28	72.85
Cash Flow Hedge Reserve	191.98	233.12
Preliminary expenses (Incorporation charges)	1.04	1.56
Deferred tax liabilities		
Unamortised borrowing cost	(317.66)	(427.54)
Right-of-use assets	(323.49)	(436.44)
EIS receivable on direct assignment	(3,649.85)	(2,791.41)
Net deferred tax assets	**624.98**	**306.53**

Movement in deferred tax assets (net)

	As at 1 April, 2024	(Charged)/ credited to statement of profit and loss	Credited/ (charged) to other comprehensive income	As at 31 March, 2025
Deferred tax assets				
Provision for employee benefits	44.83	5.42	2.31	52.56
Difference in written down value as per Companies Act and Income Tax Act	78.67	8.34	-	87.01
Impairment loss allowance on loans	1,027.77	331.78	-	1,359.55
Unamortised processing fees	2,019.66	744.27	-	2,763.93
Cash flow hedge reserve	233.12	-	(41.14)	191.98
Lease liability	483.46	(105.82)	-	377.64
Provision for impairment on assets held for sale	72.85	9.43	-	82.28
Preliminary expenses (Incorporation charges)	1.56	(0.52)	-	1.04
Deferred tax liabilities				
Unamortised borrowing cost	(427.54)	109.88	-	(317.66)
Right-of-use assets	(436.44)	112.95	-	(323.49)
EIS receivable on direct assignment	(2,791.41)	(858.44)	-	(3,649.85)
Net deferred tax assets	**306.53**	**357.28**	**(38.83)**	**624.98**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Movement in deferred tax assets (net)

	As at 1 April, 2023	(Charged)/ credited to statement of profit and loss	Credited/ (charged) to other comprehensive income	As at 31 March 2024
Deferred tax assets				
Provision for employee benefits	104.07	(55.14)	(4.10)	44.83
Difference in written down value as per Companies Act and Income Tax Act	64.80	13.87	-	78.67
Impairment loss allowance on loans	920.89	106.88	-	1,027.77
Unamortised processing fees	1,503.42	516.24	-	2,019.66
Cash flow hedge reserve	59.20	-	173.92	233.12
Lease liability	388.61	94.85	-	483.46
Provision for impairment on assets held for sale	87.11	(14.26)	-	72.85
Preliminary expenses (Incorporation charges)	2.08	(0.52)	-	1.56
Deferred tax liabilities				
Unamortised borrowing cost	(424.45)	(3.09)	-	(427.54)
Right-of-use assets	(353.09)	(83.35)	-	(436.44)
EIS receivable on direct assignment	(2,049.25)	(742.16)	-	(2,791.41)
Net deferred tax assets	**303.39**	**(166.68)**	**169.82**	**306.53**

12. PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land	Plant and equipment - computer and other related equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of-use assets	Total
Gross block								
Balance as at 01 April, 2023	**9.17**	**802.40**	**258.51**	**151.52**	**523.40**	**400.25**	**2,217.80**	**4,363.05**
Additions during the year	-	223.87	65.30	4.91	313.34	16.67	1,009.52	1,633.61
Disposals/adjustments	-	(68.23)	-	-	(48.59)	(2.33)	(464.94)	(584.09)
Balance as at 31 March, 2024	**9.17**	**958.04**	**323.81**	**156.43**	**788.15**	**414.59**	**2,762.38**	**5,412.57**
Additions during the year	-	308.57	89.66	20.36	387.35	0.28	301.30	1,107.52
Disposals/adjustments	-	(81.83)	(5.39)	(0.34)	(86.01)	(12.02)	(54.19)	(239.78)
Balance as at 31 March, 2025	**9.17**	**1,184.78**	**408.08**	**176.45**	**1,089.49**	**402.85**	**3,009.49**	**6,280.31**
Accumulated depreciation								
Balance as at 01 April, 2023	**-**	**534.31**	**147.69**	**95.01**	**64.98**	**322.77**	**814.82**	**1,979.58**
Depreciation charge for the year	-	179.13	41.89	12.91	79.51	31.72	625.87	971.03
Disposals/adjustments	-	(67.85)	-	-	(10.82)	(0.13)	(412.45)	(491.24)
Balance as at 31 March, 2024	**-**	**645.61**	**189.58**	**107.92**	**133.67**	**354.36**	**1,028.24**	**2,459.37**
Depreciation charge for the year	-	210.15	55.24	14.49	119.72	27.62	713.02	1,140.24
Disposals/adjustments	-	(81.83)	(5.39)	(0.31)	(30.25)	(12.02)	(17.20)	(147.00)
Balance as at 31 March, 2025	**-**	**773.93**	**239.43**	**122.10**	**223.14**	**369.96**	**1,724.06**	**3,452.61**
Net block								
Balance as at 31 March, 2024	**9.17**	**312.43**	**134.23**	**48.51**	**654.48**	**60.23**	**1,734.14**	**2,953.20**
Balance as at 31 March, 2025	**9.17**	**410.85**	**168.65**	**54.35**	**866.35**	**32.89**	**1,285.43**	**2,827.70**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

13. INTANGIBLE ASSETS

Particulars	Computer software
Gross block	
Balance as at 01 April, 2023	**321.42**
Additions during the year	-
Balance as at 31 March, 2024	**321.42**
Additions during the year	99.94
Balance as at 31 March, 2025	**421.36**
Accumulated amortisation	
Balance as at 01 April, 2023	**272.97**
Amortisation charge during the year	20.36
As at 31 March, 2024	**293.33**
Amortisation charge during the year	19.46
Balance as at 31 March, 2025	**312.79**
Net block	
Balance as at 31 March, 2024	**28.09**
Balance as at 31 March, 2025	**108.57**

14. OTHER NON-FINANCIAL ASSETS

	As at 31 March, 2025	As at 31 March, 2024
Prepaid expenses	468.85	465.46
Other advances	22.06	41.25
Advance to employees	141.80	144.64
Advance to suppliers	94.85	95.89
Balance with government authorities	292.24	834.44
Total	**1,019.80**	**1,581.68**

15. TRADE PAYABLES

	As at 31 March, 2025	As at 31 March, 2024
(i) total outstanding dues of micro enterprises and small enterprises (refer note 36)	5.65	18.55
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	897.32	481.68
Total	**902.97**	**500.23**

Trade Payables ageing schedule as at 31 March, 2025

Particulars	Outstanding for following periods from date of transaction					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	5.65	-	-	-	5.65
Others	622.14	275.18	-	-	-	897.32
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
Total	**622.14**	**280.83**	**-**	**-**	**-**	**902.97**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Trade Payables ageing schedule as at 31 March, 2024

Particulars	Outstanding for following periods from date of transaction					
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	18.55	-	-	-	18.55
Others	369.43	112.25	-	-	-	481.68
Disputed Dues- MSME	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-
Total	**369.43**	**130.80**	**-**	**-**	**-**	**500.23**

16. DEBT SECURITIES

	As at 31 March, 2025	As at 31 March, 2024
At amortised cost		
Secured		
Non-convertible debentures (including interest accrued)	4,991.14	3,000.90
Total	**4,991.14**	**3,000.90**
Debt securities in India	4,991.14	3,000.90
Debt securities outside India	-	-
Total	**4,991.14**	**3,000.90**

i) 5000 (31 March, 2024: Nil), @ 8.65% Secured listed non-convertible debentures (NCD) of face value ₹ 1,00,000 each aggregating to ₹ 5,000 Lacs payable in quarterly installments. The date of allotment is 26 March, 2025. The amount outstanding as on 31 March, 2025 5,000 Lacs (31 March, 2024: Nil).

(These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.10 times).

ii) Nil (31 March, 2024: 300), @ 11% Secured listed non-convertible debentures of face (NCD) value ₹ 10,00,000 each aggregating to ₹ 3,000 Lacs repayable on 31 August, 2026. The date of allotment of NCD was 31 August, 2021. The said NCD was prepaid during the year. (These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

iii) Amounts repayable from the date of balance sheet

	As at 31 March, 2025	As at 31 March, 2024
less than 1 year	1,249.90	0.90
one to three years	2,492.35	3,000.00
three to five years	1,248.89	-
more than five years	-	-
Total	**4,991.14**	**3,000.90**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

17. BORROWINGS (OTHER THAN DEBT SECURITIES)

	As at 31 March, 2025	As at 31 March, 2024
At amortised cost		
(a) Term loans - Secured (including interest accrued)		
(i) from banks	3,09,377.34	2,18,881.67
(ii) from other parties		
- National housing bank	89,992.97	63,898.10
- Financial institutions	22,186.35	21,802.22
- External Commercial Borrowing (ECB)	25,645.53	24,928.01
(b) Lease liabilities (Refer note 43)	1,500.48	1,920.92
(c) Liability against securitised assets	38,790.42	7,078.05
(d) Cash credit/Working capital demand loan	4,421.48	-
Total	**4,91,914.57**	**3,38,508.97**
Borrowings in India	4,66,269.04	3,13,580.96
Borrowings outside India	25,645.53	24,928.01
Total	**4,91,914.57**	**3,38,508.97**

i) Secured term loans from National Housing Bank carry rate of interest in the range of 2.80% to 8.50% p.a (31 March, 2024: 2.80% to 8.40%). The loans are having tenure of 7 to 10 years (31 March, 2024: 5 to 15 years) from the date of disbursement and are repayable in quarterly or yearly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the group.

ii) Secured term loans from banks, financial institutions and ECB include loans carrying rate of interest (including hedge cost in case of external commercial borrowing) in the range of 6.95% to 10.25% p.a (31 March, 2024: 8.40% to 10.75%). The loans are having tenure of 3 to 15 years (31 March, 2024: 2 to 9 years) from the date of disbursement and are repayable in monthly or quarterly installments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the group.

iii) During the year the group has borrowed Nil (31 March, 2024: ₹ 16,370.00 Lacs equivalent to 200 lakh USD) under the External Commercial Borrowing (ECB). The ECB loan is secured by hypothecation (exclusive charge) of certain loans given by the group. The same is hedged by derivative instrumnent through cross currency swaps. The derivative instrument is for hedging the underlying ECB transaction as per applicable RBI guidelines and not for any speculative purpose.

(iv) Cash credit/Working capital demand loan from bank are repayable on demand and carry interest rates ranging from 8.05% to 9.95%.

v) The group is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March, 2025 and 31 March, 2024.

vi) The group has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the group with the banks and financial institutions are in accordance with the books of accounts of the group for the respective quarters.

vii) The group has not defaulted in the repayment of debt securities, borrowings and interest thereon for the year ended 31 March, 2025 and 31 March, 2024.

Terms of repayment of Term loans from Bank

Particulars	31 March, 2025		31 March, 2024	
	Number of installments	Amount	Number of installments	Amount
less than one year	775	81,036.44	732	58,675.12
one to three years	1237	1,39,726.38	1,267	94,620.73
three to five years	533	68,981.91	717	54,664.64
more than five years	154	19,632.61	166	10,921.18
Total		**3,09,377.34**		**2,18,881.67**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Terms of repayment of Term loans from National Housing Bank

Particulars	31 March, 2025		31 March, 2024	
	Number of installments	Amount	Number of installments	Amount
less than one year	108	11,172.49	96	11,121.90
one to three years	278	28,695.34	232	21,247.27
three to five years	222	23,218.91	204	17,421.92
more than five years	187	26,906.23	165	14,107.01
Total		**89,992.97**		**63,898.10**

Terms of repayment of Term loans from Financial institutions

Particulars	31 March, 2025		31 March, 2024	
	Number of installments	Amount	Number of installments	Amount
less than one year	71	5,749.62	89	5,548.63
one to three years	123	10,369.81	145	9,537.62
three to five years	67	5,888.38	79	5,830.74
more than five years	3	178.54	15	885.23
Total		**22,186.35**		**21,802.22**

Terms of repayment of Term loans from External commercial borrowings

Particulars	31 March, 2025		31 March, 2024	
	Number of installments	Amount	Number of installments	Amount
less than one year	6	1,294.87	1	75.80
one to three years	16	3,657.47	14	2,862.77
three to five years	16	4,353.80	16	4,042.93
more than five years	59	16,339.39	67	17,946.52
Total		**25,645.53**		**24,928.01**

Reconciliation of liabilities arising from financing activities

The changes in the group's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt securities)	Total
01 April, 2023	**17,653.41**	**2,81,233.49**	**2,98,886.90**
Cash flows:			
-Repayments	(13,500.00)	(1,01,979.29)	(1,15,479.29)
-Proceeds	-	1,58,870.00	1,58,870.00
-Payment of lease liability	-	(725.17)	(725.17)
Non-cash:			
-Amortisation of upfront fees and others(net)	77.28	(89.56)	(12.28)
-Accrued interest(net)	(1,229.79)	97.49	(1,132.30)
-Recognition of lease liabilities and interest thereon	-	1,102.01	1,102.01
31 March, 2024	**3,000.90**	**3,38,508.97**	**3,41,509.87**
Cash flows:			
-Repayments	(3,000.00)	(1,32,652.64)	(1,35,652.64)
-Proceeds	5,000.00	2,86,345.36	2,91,345.36
-Payment of lease liability	-	(826.81)	(826.81)
Non-cash:			
-Amortisation of upfront fees and others(net)	(15.26)	451.82	436.56
-Accrued interest(net)	5.50	(318.51)	(313.01)
-Recognition of lease liabilities and interest thereon	-	406.38	406.38
31 March, 2025	**4,991.14**	**4,91,914.57**	**4,96,905.71**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

18. OTHER FINANCIAL LIABILITIES

	As at 31 March, 2025	As at 31 March, 2024
Employee related payable	3,078.40	2,566.21
Payable towards securitisation transactions	127.44	147.63
Payable towards assignment transactions	1,279.02	2,802.96
Insurance payables	16.35	164.90
Total	**4,501.21**	**5,681.70**

19. PROVISIONS

	As at 31 March, 2025	As at 31 March, 2024
Provisions for employee benefits		
- Provision for compensated absences	154.18	118.60
- Provision for gratuity (Refer note 38)	54.61	59.50
Impairement loss allowance on Undrawn commitments	229.76	102.54
Total	**438.55**	**280.64**

20. OTHER NON-FINANCIAL LIABILITIES

	As at 31 March, 2025	As at 31 March, 2024
Advance received from customers	1,074.66	1,164.35
Statutory dues payables	53.38	159.35
Total	**1,128.04**	**1,323.70**

21. EQUITY SHARE CAPITAL

	As at 31 March, 2025	As at 31 March, 2024
(a) Authorised capital		
16,20,00,000 equity shares of ₹ 5 each (31 March, 2024: 16,20,00,000) equity shares of ₹ 5 each	8,100.00	8,100.00
(b) Issued capital and Subscribed		
10,78,95,287 equity shares of ₹ 5 each (31 March, 2024: 10,70,51,136) equity shares of ₹ 5 each	5,394.76	5,352.56
(c) Paid up capital		
10,78,95,287 equity shares of ₹ 5 each. (31 March, 2024: 10,70,51,136) equity shares of ₹ 5 each fully paid up	5,394.76	5,352.56

(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the period

Particulars	As at 31 March, 2025	As at 31 March, 2024
Equity shares outstanding at the beginning of the year	10,70,51,136	4,38,72,652
Additional shares pursuant to share split issued during the year	-	4,38,72,652
Issued during the year (Refer note (e),(f) & (g) below)	8,44,151	1,93,05,832
Equity shares outstanding at the end of the year	**10,78,95,287**	**10,70,51,136**

The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share (Also refer Note 57).

(e) Issue of shares

During the year ended 31 March, 2025, 8,44,151 equity shares (31 March, 2024: 63,610 at face value of ₹ 10 and 22,41,432 face value of ₹ 5) have been allotted to employees who have exercised their options under the approved employee stock option plan. During the year ended 31 March, 2024, the Company has allotted 3,55,000 equity shares of face value of ₹ 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of ₹ 73.20 per share. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July, 2023. The Board of Directors of the Company in its meeting held on 12 July, 2023 has made the first and final call of ₹ 349.60 per share on the 1,35,000 equity shares allotted to Mr. Anil Mehta."

(f) The Company has made an Initial Public Offer (IPO), during the year ended 31 March, 2024 for 2,43,40,768 equity shares of ₹ 5 each, comprising a fresh issue of 1,62,27,180 equity shares of the Company and 81,13,588 equity shares offered for sale by selling shareholders. The equity shares were issued at a price of ₹ 493 per equity share (including a Share Premium of ₹ 488 per equity share). Pursuant to the aforesaid allotment of equity shares, the issued, subscribed and paid-up capital of the Company stands increased to ₹ 5,352.56 Lacs (10,70,51,136 Equity shares of ₹ 5 each). The Company's equity shares were listed on National Stock Exchange of India Limited (NSE) and on Bombay Stock Exchange (BSE) on 20th December, 2023.

The details of utilisation of the net IPO proceeds of ₹ 75,427.07 Lacs (net of share issue expenses of ₹ 4,572.93 Lacs), is as follows:

Objects of the issue	IPO Proceeds (net)	Amount transferred interse	Utilisation up to 31 March, 2025	Unutilised amount as at 31 March, 2025*
To meet future capital requirements towards onward lending	64,000.00	335.45**	64,856.45*	-
General corporate purposes	11,091.62	-	11,091.62	-
IPO expenses	4,908.38	(335.45)**	4,572.93	-
Total	**80,000.00**	**-**	**80,521.00**	**-**

*The Company initially invested the IPO proceeds in fixed deposits and earned the interest income on the same. Utilisation upto 31 March, 2025 shown above of ₹ 64,856.45 Lacs includes the IPO proceeds amounted to ₹ 64,335.45 Lacs and the interest earned net of TDS amounted to ₹ 521 Lacs.

**The Company had incurred lesser issue expenses than earmarked. This differential amount of ₹ 335.45 Lacs is utilised towards one of the main objects, i.e. onward lending.

(g) Terms and conditions of the main features of each class of shares

The Company has only one class of equity shares having a face value of ₹ 5 per share. Each shareholder is entitled to one vote per share. The Company will pay dividend as and when declared. The dividend as and when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to shareholding.

(h) Detail of shareholders holding 5 percent or more

Name of shareholders	As at 31 March, 2025		As at 31 March, 2024	
	No. of shares Face Value ₹ 5 per share	% of holding	No. of shares Face Value ₹ 5 per share	% of holding
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	2,84,22,818	26.34%	2,84,22,818	26.55%
WestBridge Crossover Fund, LLC	2,17,08,302	20.12%	2,17,08,302	20.28%
Nexus Ventures III Limited	1,20,80,028	11.20%	1,70,33,130	15.91%
Nexus Opportunity Fund II, Ltd.	43,73,176	4.05%	58,20,074	5.44%

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

(i) Shares held by promoter

Name of shareholders	As at 31 March, 2025		As at 31 March, 2024		% change during the year
	No of shares with Face vale ₹ 5 per share	% of total shares	No of shares with Face vale ₹ 5 per share	% of total shares	
Anil Mehta	15,70,734	1.46%	15,70,734	1.47%	(0.01)%
WestBridge Crossover Fund, LLC	2,17,08,302	20.12%	2,17,08,302	20.28%	(0.16)%
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund,LLC)	2,84,22,818	26.34%	2,84,22,818	26.55%	(0.21)%

(j) The Company has not allotted any shares for consideration other than cash, bonus shares and niether bought back any shares, except as disclosed above.

(k) The Board of Directors at their meeting held on 09 May, 2025 recommended dividend of ₹ 5 per equity share at 100% of the face value of ₹ 5 for the year ended 31 March, 2025, subject to shareholders approval at the ensuing Annual General Meeting.

22. OTHER EQUITY

	As at 31 March, 2025	As at 31 March, 2024
Share application money pending allotment	47.86	-
Securities premium	1,51,471.46	1,49,314.39
Statutory reserve	22,570.45	15,029.51
Employee share based payment reserve	2,499.67	1,642.64
Re-measurements of defined benefit plans	59.40	66.25
Effective portion of cash flow hedge reserve	(570.80)	(693.12)
Retained earnings	89,400.74	59,154.34
Total	**2,65,478.78**	**2,24,514.01**

Nature and purpose of other reserve

Securities premium

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserve

As per Section 29C(1) of National Housing Bank Act 1987, the group is required to transfer at least 20% of its Net profit every year to a reserve before any dividend is declared.

Employee share based payment reserve

This reserve is used to recognise the fair value of the options issued to employees of the group under group's employee stock option plan.

Retained earnings

Retained earnings represents the amount of accumulated earnings of the group.

Re-measurements of defined benefit plans

Represents the cumulative actuarial gains/(losses) arising on defined benefit plans classified under Other Comprehensive income.

Effective portion of cash flow hedge reserve

Represents the cumulative gains/(losses) arising on revaluation of the derivative instruments and underlying financial instrument designated as cash flow hedges through OCI.

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

23. INTEREST INCOME (ON FINANCIAL ASSETS MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest on loans	88,474.51	64,416.58
Interest on investments	2,219.16	1,591.34
Interest on deposits with banks	1,396.71	2,610.16
Other interest income	2,252.48	1,640.93
Total	**94,342.86**	**70,259.01**

24. FEES AND COMMISSION INCOME

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Insurance Commission	5,032.20	-
Fee based income	6,422.01	3,778.94
Total	**11,454.21**	**3,778.94**

25. NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Net gain on financial instruments at fair value through profit or loss		
On trading portfolio		
- Investments in Mutual Funds	961.60	1,009.70
Total net gain on fair value changes	**961.60**	**1,009.70**
Fair value changes		
- Realised (net of stamp duty charges)	961.60	1,009.70
- Unrealised	-	-
Total net gain on fair value changes	**961.60**	**1,009.70**

26. OTHER INCOME

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Marketing support income	1,000.25	3,163.35
Gain on termination of leases	0.65	8.50
Liabilities no longer required, written back	27.84	3.16
Total	**1,028.74**	**3,175.01**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

27. FINANCE COSTS (ON FINANCIAL LIABILITIES MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
(a) Interest expenses on		
- Borrowings	33,062.09	26,846.29
- Debt securities	329.20	1,075.37
- Securitised loans	1,682.76	697.42
(b) Other borrowing costs		
- Securitisation expense	27.17	17.13
- Interest expense on lease liabilities	142.73	153.51
- Other interest expense	243.60	61.99
Total	**35,487.55**	**28,851.71**

28. IMPAIRMENT ON FINANCIAL INSTRUMENTS (MEASURED AT AMORTISED COST)

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Impairment loss on loans^	2,146.66	907.96
Loans written off(net)*	392.71	1,028.27
Impairment loss on EIS receivable on direct assignment	66.19	38.02
Impairement loss on stock of acquired properties	37.46	(56.66)
Total	**2,643.02**	**1,917.59**

^includes provision on undrawn commitments of ₹ 127.22 Lacs(31 March, 2024: ₹ 47.02 Lacs)

*Net of bad debt recovery of ₹ 742.34 Lacs(31 March, 2024: ₹ 410.58 Lacs)

29. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Salaries, wages and bonus (Refer note 38)	20,113.27	15,569.11
Contribution to provident and other funds (Refer note 38)	1,077.14	890.24
Share based payments to employees (Refer note 45)	1,351.45	1,230.11
Staff welfare expenses	366.59	253.42
Total	**22,908.45**	**17,942.88**

30. DEPRECIATION AND AMORTISATION

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Depreciation of property, plant and equipment (Refer note 12)	1,140.24	971.00
Amortisation of intangible assets (Refer note 13)	19.46	20.37
Total	**1,159.70**	**991.37**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

31. OTHER EXPENSES

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Legal and professional charges	411.60	553.47
Collection and recovery charges	508.80	278.20
Loan processing charges	847.33	497.82
Advertisement and marketing expenses	426.47	276.78
Rent and hire charges	330.47	195.37
Travelling and conveyance	873.31	530.05
Information technology expense	1,311.45	937.36
Communication expenses	215.87	141.68
Rates and taxes expenses	8.35	9.02
Repairs and maintenance - others	194.52	150.81
Office expenses	226.83	101.55
Electricity and water expenses	230.57	176.17
Printing, stationery and office supplies	51.12	73.56
Insurance expenses	46.91	54.96
Directors' sitting fees	67.76	47.91
Auditor's remuneration (Refer note 31.1 below)	120.91	57.81
Bank charges	77.41	66.51
Loss on derecognition of property, plant and equipment	14.15	11.86
Corporate social responsibility expenses (Refer note 31.2 below)	453.55	316.38
Miscellaneous expenses	57.93	38.33
Total	**6,475.31**	**4,515.60**

31.1 Auditor's remuneration

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
a) As auditors (excluding GST)		
- Statutory audit including limited review	96.30	42.30
- Certification and other charges*	10.00	6.54
b) for re-imbursement of expenses	4.62	4.20

*Previous year excludes remuneration of ₹ 50 lacs paid for Report on offer documents including report on restated financial information, various certificates and comfort letter which is adjusted against security premium.

31.2 Expenditure incurred on Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the group is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
a) Gross amount required to be spent by the group during the year	453.55	316.38
b) Amount spent during the year on:		
i) Construction/acquisition of any asset	-	14.50
ii) On purpose other than (i) above		
Contribution towards Trust/NGOs	457.83*	301.88
c) Amount unpaid	-	-

*Excess amount spend amounting to ₹ 4.28 Lacs is carried forward for next year.

The nature of CSR activities undertaken by the group: To improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of Education, Health and Skill Development.

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

32. TAX EXPENSE

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
In respect of the current year	11,488.86	7,127.94
In respect of the prior period	-	(136.11)
	11,488.86	**6,991.83**
Deferred tax charge/(credit)	(357.28)	166.68
	(357.28)	**166.68**
Total income tax expense recognised (excluding tax recognised in other comprehensive income)	**11,131.58**	**7,158.51**

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Profit before tax	48,918.92	31,918.27
Applicable tax rate	25.17%	25.17%
Expected tax expense	**12,311.91**	**8,033.19**
Effect of expenses that are not deductible in determining taxable profit	340.06	79.94
Deductions under section 80JJAA of the Income-tax Act, 1961	(114.60)	(132.80)
Deductions under Section 36(1)(viii) of the Income-tax Act, 1961	(1,366.96)	(991.64)
Tax on other comprehensive income	(38.83)	169.82
Total	**11,131.58**	**7,158.51**

The group has elected to exercise the option permitted under section 115BAA of the income-tax act, 1961, as introduced by the taxation laws (amendment) ordinance, 2019.

Income tax expense recognised in other comprehensive income

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Income tax relating to re-measurement (losses)/gains on defined benefit plans	(2.31)	4.10
Income tax relating to re-measurement gains/ (losses) on hedge instruments	41.14	(173.92)
Total	**38.83**	**(169.82)**

33. EXPENDITURE IN FOREIGN CURRENCY

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Software license expense	9.89	16.57
Interest Expense on ECB	879.80	788.62
Legal and professional charges (in respect of IPO)	-	471.04
Total	**889.69**	**1,276.23**

The group's unhedged foreign currency exposure as on 31 March, 2025 is Nil (31 March, 2024: Nil).

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

For the year ended 31 March, 2025

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	25,674.42	25,674.42	-
Other FCY loans	-	-	-	-	-	-	-
₹ to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**25,674.42**	**25,674.42**	**-**

For the year ended 31 March, 2024

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	</=1 year	> 1 year	Total	</=1year	> 1 year	Total	</=1 year
Foreign currency (FCY) receivables							
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables							
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	25,012.17	25,012.17	-
Other FCY loans	-	-	-	-	-	-	-
₹ to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**25,012.17**	**25,012.17**	**-**

34. SEGMENT REPORTING

The Managing Director (MD) and Cheif Executive Officer (CEO) of the group has been identified as the chief operating decision maker (CODM) as defined in the IND AS 108. "Operating Segments." Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the group and makes strategic decision.

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

35. CONTINGENT LIABILITIES AND COMMITMENTS

Particulars		For the year ended 31 March, 2025	For the year ended 31 March, 2024
a)	Contingent liabilities		
	- Income tax matters	660.03	660.03
	- Goods and Service tax	49.06	12.50
b)	Commitments		
	- Loan financing	48,518.87	42,834.11
c)	Bank guarantees	25.00	925.00

Note:

(i) The Company received income tax notice under section 143(3) of the Income Tax Act ,1961 (the Act) dated 25 December, 2019 for tax demand amounting to ₹ 445.23 lakh on account of unexplained credit under Section 68 of the Act for assessment year 2017-18. In response to such notice, the company has filed an appeal before Commissioner of Income Tax (Appeals). The Company has deposited ₹ 89.05 Lacs under protest and balance amount of ₹ 356.18 Lacs was adjusted against refund of A.Y 2023-24 and A.Y 2024-25. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on the financial position of the company.

(ii) The company received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on 4 March, 2020, for the assessment year 2019-20, for tax demand of ₹ 214.80 lakh, on account of disallowance of Interest payable on NCD issued to mutual fund under section 43B of the Income Tax Act, 1961. The said amount has been adjusted against the refund due for the assessment year 2019-20 The company has filed an appeal before the National Faceless Appeal Centre, New Delhi.

(iii) The company has received a demand order of ₹ 12.50 lakh for contravention of Section 34(2) of CGST Act 2017 for FY 2019-20 dated 27 September, 2023. The company has filled the appeal with the relevant authorities. The same is closed in favour of the company.

(iv) The company has received a demand order of ₹ 49.06 lakh under Section 74 of CGST Act 2017 (read with MPGST Act and IGST Act) for determination of short/non payment of tax and ITC wrongly availed. The company has fiiled an appeal against the same with the relevant authorities.

(iv) Bank guarantee amounting to ₹ 25 Lacs has been given to UIDAI. Previous year ₹ 925 Lacs which includes bank guarantees amounting to ₹ 900 lacs given to National Stock Exchange as security deposit for Initial Public Offer and the same has been released during current year. (Refer note no 4) Above amount does not include the contingencies, the likelihood of which is remote.

36. DISCLOSURES AS PER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

The group had requested its suppliers to confirm the status as to whether they are covered under the Micro, Small and Medium Enterprises Development Act, 2006 and is in the continuous process of obtaining such confirmation from its suppliers. The disclosure relating to unpaid amount as at the year-end together with interest paid/payable as required under the said Act have been given to the extent such parties could be identified on the basis of the information available with the group regarding the status of suppliers under MSMED Act, 2006.

Particulars		As at 31 March, 2025	As at 31 March, 2024
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;		
	- Principal due	5.65	18.55
	- Interest due	-	-
(ii)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iii)	the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-

Notes formig part of consolidated financial statements
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(All amounts in ₹ Lacs, unless otherwise stated)

Particulars		As at 31 March, 2025	As at 31 March, 2024
(iv)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(v)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

37. ASSETS HELD FOR SALE

The group has obtained possession of certain properties mortgaged by customers, under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (The SARFAESI Act, 2002), which shall be sold to realise the loan and other amounts receivable by the group. The group is in the process of selling these properties and such loans are classified as assets held for sale.

Particulars	As at 31 March, 2025	As at 31 March, 2024
Gross Carrying Amount	917.36	926.05
Less:- Impairment loss on stock of acquired properties	(326.95)	(289.48)
Net Carrying amount	**590.41**	**636.57**

38. EMPLOYEE BENEFIT PLANS

A) Defined contribution plans

Provident and other funds

The group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The group has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Contribution to provident fund	995.46	793.50
Contribution to ESIC	75.07	89.98
Contribution to labour welfare fund	4.70	3.46
Total	**1,075.23**	**886.94**

B) Defined benefit plans

Gratuity

The group provides gratuity to its employees which are defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. These plans typically expose the group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

The plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

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(All amounts in ₹ Lacs, unless otherwise stated)

Salary risk

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of plan will have a bearing on the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit plan were carried out as at 31 March, 2025 by Mr. Ashok Kumar Garg (FIAI M.No. 00057), Fellow of the Institute of Actuaries of India. The present value of the defined benefit plan, and the related current service cost, were measured using the projected unit credit method.

Principal assumptions	31 March, 2025	31 March, 2024
Discount rate(s)	7.00%	7.25%
Expected rate(s) of salary increase	11.00%	11.00%
Retirement age	58	58
Withdrawal rate	20.00%	20.00%
In service mortality	IALM (2012-14)	IALM (2012-14)

The expected rate of return on plan asset is determined considering several applicable factors, mainly the composition of plan asset held, assessed risks, historical result of return on plan assets and the group's policy for plan assets management

Amounts recognised in the statement of profit and loss and other comprehensive income in respect of these defined benefit plans are as follows:

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Service cost:		
Current service cost	227.64	159.19
Interest cost	33.47	24.40
Components of costs recognised in profit or loss related to defined benefit plan	**261.11**	**183.59**
Remeasurement (gains)/ loss recognised in other comprehensive income:		
Actuarial losses arising from changes in financial assumptions	27.90	36.95
Actuarial gains arising from experience adjustments for plan liabilities	(2.43)	(51.09)
Actuarial gains arising from experience adjustments for plan Assets	(16.31)	(2.15)
Components of cost recognised in other comprehensive income related to defined benefit plan	**9.16**	**(16.29)**

The amount included in the balance sheet arising from the group's obligation in respect of its defined benefit plans is as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Present value of funded defined benefit plan	726.22	461.65
Fair value of plan assets	671.61	402.15
Net liability arising from defined benefit plan	**54.61**	**59.50**

Movements in the present value of the defined benefit plan are as follows:

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Opening defined benefit Plan	461.66	325.35
Current service cost	227.64	159.19
Interest cost	33.47	24.40

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Remeasurement (gains)/losses:		
Actuarial losses/(gains) arising from changes in financial assumptions	27.90	36.95
Actuarial (gains)/losses arising from experience adjustments	(2.43)	(51.09)
Past service cost, including losses/(gains) on curtailments	-	-
Benefits paid	(22.01)	(33.14)
Closing defined benefit plan	**726.23**	**461.66**

Movements in the fair value of planned assets are as follows:

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
Fair value of plan assets at the beginning of the period	402.15	-
Expected return on plan assets	28.15	-
Contributions	225.00	400.00
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	16.31	2.15
Fair Value of Plan Asset at the end of the Period	**671.61**	**402.15**

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined plan are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	31 March, 2025	31 March, 2024
Discount rate (increase by 5%)	(33.84)	(22.42)
Discount rate (decrease by 5%)	36.60	24.76
Salary growth rate (increase by 5%)	34.91	23.20
Salary growth rate (decrease by 5%)	(32.93)	(21.38)

Sensitivities due to change in mortality rate and withdrawl rate are not expected to be material and hence impact of such change is not calculated.

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit plan as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit plan has been calculated using the projected unit credit method at the end of reporting period.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Other disclosures

Maturity profile of defined benefit plan

Particulars	As at 31 March, 2025	As at 31 March, 2024
31 March, 2026	56.39	35.76
31 March, 2027	12.54	6.57
31 March, 2028	16.61	7.65
31 March, 2029	18.01	9.04
31 March, 2030	17.31	9.47
31 March, 2031 and onwards	605.36	393.16

-The expected contributions to the plan for the next year is ₹ 416.32 lakh.

Notes formig part of consolidated financial statements
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(All amounts in ₹ Lacs, unless otherwise stated)

39. MATURITY ANALYSIS OF ASSETS AND LIABILITIES

Assets	31 March, 2025			31 March, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	18,195.94	-	18,195.94	11,191.71	-	11,191.71
Bank balance other than cash and cash equivalents	13,204.75	2,899.62	16,104.37	23,286.61	3,292.15	26,578.76
Derivative financial instruments	-	570.17	570.17	-	-	-
Receivables	38.32	-	38.32	-	-	-
Loans	84,089.94	6,01,858.60	6,85,948.54	63,630.94	4,42,608.63	5,06,239.57
Investments	20,072.33	11,454.92	31,527.25	15,779.70	-	15,779.70
Other financial assets	6,017.14	10,821.60	16,838.74	4,737.77	7,901.75	12,639.52
Non-financial assets						
Current tax assets (Net)	355.23	-	355.23	1,482.92	-	1,482.92
Deferred tax assets (Net)	-	624.98	624.98	-	306.53	306.53
Property, plant and equipment	-	2,827.70	2,827.70	-	2,953.20	2,953.20
Other intangible assets	-	108.57	108.57	-	28.09	28.09
Other non-financial assets	865.64	154.16	1,019.80	1,438.31	143.37	1,581.68
Assets held for sale	590.41	-	590.41	636.57	-	636.57
Total assets	**1,43,429.70**	**6,31,320.32**	**7,74,750.02**	**1,22,184.53**	**4,57,233.72**	**5,79,418.25**
Liabilities						
Financial liabilities						
Derivative financial instruments	-	-	-	255.54	-	255.54
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	5.65	-	5.65	18.55	-	18.55
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	897.32	-	897.32	481.68	-	481.68
Debt securities	1,249.90	3,741.24	4,991.14	0.90	3,000.00	3,000.90
Borrowings (Other than debt securities)	1,07,292.36	3,84,622.21	4,91,914.57	76,564.03	2,61,944.94	3,38,508.97
Other financial liabilities	4,501.21	-	4,501.21	5,681.70	-	5,681.70
Non-financial liabilities						-
Provisions	311.54	127.01	438.55	158.36	122.28	280.64
Other non-financial liabilities	1,128.04	-	1,128.04	1,323.70	-	1,323.70
Total liabilities	**1,15,386.02**	**3,88,490.46**	**5,03,876.48**	**84,484.46**	**2,65,067.22**	**3,49,551.68**
Net	**28,043.68**	**2,42,829.86**	**2,70,873.54**	**37,700.07**	**1,92,166.50**	**2,29,866.57**

Note: The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend. Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the group for compiling the return submitted to the RBI/NHB.

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(All amounts in ₹ Lacs, unless otherwise stated)

40. FINANCIAL INSTRUMENTS

40.1 Capital management

Capital

The group maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the National Housing Bank (NHB) and Reserve Bank of India (RBI). The adequacy of the group's capital is monitored using, among other measures, the regulations issued by NHB and RBI.

Capital management

The capital management objectives of the group are:

- to ensure that the group complies with externally imposed capital requirements, if any and maintains strong credit ratings and healthy capital ratios

- to ensure the ability to continue as a going concern

- to provide an adequate return to shareholders

Gearing ratio

The gearing ratio at the end of reporting period was as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Debt		
Borrowings(other than debt securities)	4,91,914.57	3,38,508.97
Debt securities	4,991.14	3,000.90
Gross debt	**4,96,905.71**	**3,41,509.87**
Cash and cash equivalents	(18,195.94)	(11,191.71)
Net debt	**4,78,709.77**	**3,30,318.16**
Total equity	**2,70,873.54**	**2,29,866.56**
Gross debt to equity ratio	**1.83**	**1.49**
Net debt to equity ratio	**1.77**	**1.44**

Management assesses the capital requirements of the group in order to maintain an efficient overall financing structure. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the group may adjust the amount of dividends, return on capital to shareholders, issue new shares, or sell assets to reduce debt.

40.2 Categories of financial instruments

The carrying value of financial assets and financial liabilities are as follows:

As at 31 March, 2025

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	18,195.94	18,195.94
Bank balance other than cash and cash equivalents	-	-	16,104.37	16,104.37
Derivative financial instuments	-	570.17	-	570.17
Receivables	-	-	38.32	38.32
Loans	-	-	6,85,948.54	6,85,948.54
Investments	-	-	31,527.25	31,527.25
Other financial assets	-	-	16,838.74	16,838.74
Total financial assets	**-**	**570.17**	**7,68,653.16**	**7,69,223.33**

Notes formig part of consolidated financial statements
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(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial liabilities				
Trade payables	-	-	902.97	902.97
Debt securities	-	-	4,991.14	4,991.14
Borrowings (Other than debt securities)	-	-	4,91,914.57	4,91,914.57
Other financial liabilities	-	-	4,501.21	4,501.21
Total financial liabilities	**-**	**-**	**5,02,309.89**	**5,02,309.89**

As at 31 March, 2024

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Cash and cash equivalents	-	-	11,191.71	11,191.71
Bank balance other than cash and cash equivalents	-	-	26,578.76	26,578.76
Loans	-	-	5,06,239.57	5,06,239.57
Investments	-	-	15,779.70	15,779.70
Other financial assets	-	-	12,639.52	12,639.52
Total financial assets	**-**	**-**	**5,72,429.26**	**5,72,429.26**
Financial liabilities				
Derivative financial instuments	-	255.54	-	255.54
Trade payables	-	-	500.23	500.23
Debt securities	-	-	3,000.90	3,000.90
Borrowings (Other than debt securities)	-	-	3,38,508.97	3,38,508.97
Other financial liabilities	-	-	5,681.70	5,681.70
Total financial liabilities	**-**	**255.54**	**3,47,691.80**	**3,47,947.34**

40.3 Fair value measurement of assets and liabilities

Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly/ indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair Value of financial instruments which are not measured at Fair Value

The carrying amounts and fair value of the group's financial instruments are reasonable approximations of fair values at financial statement level.

Valuation methodologies of financial instruments not measured at fair value

Loans

The fair value of loans is estimated by discounting the expected future contractual cash flows using current market interest rates for similar loans with comparable credit risk and maturity profiles. Given that the current market rates do not significantly differ from the contractual rates, the carrying amounts of these loans approximate their fair values.

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Borrowings

The group's most of the borrowings are at floating rate which approximates the fair value.

Fair value of fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rates charged for similar new loans and carrying value approximates the fair value for fixed rate borrowing at financial statement level."

Short Term and Other Financial Assets and Liabilities

The management assessed that cash and cash equivalents, receivables, investments, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Assets held for sale

Real estate properties are valued based on a valuations given by internal technical valuers.

40.4.Financial risk management

Risk Management

The group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, cash and bank balances, receivables, investments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, high rated bank deposits, credit limits and collateral.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Funding strategies to ensure diversified resource-raising options to minimise cost and maximise stability of funds. and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.
Market risk - currency risk	External Commercial Borrowings	Sensitivity analysis	Hedging strategies to ensure 100 % hedge by way of booking derivatives in the form of forward cover or cross currency swap. Effectiveness of the hedge is reviewed by Risk management Committee periodically.
Liquidity risk	Business commitments and other liabilities	Rolling cash flow forecasts	Maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.
Operational Risk	Inadequate or failed internal processes, people and system or from external events.	Expected loss analysis	Maintaining adequate controls and continuously and responding to potential risk.

The Board has the overall responsibility of risk management - there are two committees of the Board which takes care of managing overall risk in the organisation. In accordance with the RBI and NHB guidelines to enable Housing Finance Companies to adopt best practices and greater transparency in their operations, the Board of Directors of the group has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, and an Asset Liability Management Committee (ALCO) to review the liquidity and interest rate risk.

a) Credit risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to the group. In its lending operations, the group is principally exposed to credit risk.

The credit risk is governed by various product policies. The product policies outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The group measures, monitors and manages credit risk at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for both Housing Loans and Non-housing Loans. The group has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal. Also, refer note 7

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Credit risk arises from loan financing, cash and cash equivalents, investments and deposits with banks and financial institutions, as shown below:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Loans	6,85,948.54	5,06,239.57
Cash and cash equivalents	18,195.94	11,191.71
Bank balance other than cash and cash equivalents	16,104.37	26,578.76
Receivables	38.32	-
Investments	31,527.25	15,779.70
Other financial assets	16,838.74	12,639.52

Credit risk management

The group assesses and manages credit risk based on internal credit rating system and external ratings.

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

The customers are primarily low and middle -income, salaried and self-employed individuals. The credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income and obligations, the loan-to-value ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels.

The various process controls such as PAN Number Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. Individual loans are secured by the mortgage of the borrowers property.

The group considers a financial instrument as defaulted and considers it as Stage 3 (credit-impaired) for expected credit loss (ECL) calculations, when the assets become more than 90 days past due on its contractual payments and these assets continue to be classifed as Stage 3 till the entire overdues are received,in accordance with the RBI guidelines and Board approved ECL Policy.

The following table sets out information about credit quality of loans measured at amortised cost based on days past due information. The amount represents gross carrying amount. (Refer note 7 - Loans for detailed disclosure on gross carrying value and ECL amount on loans).

Particulars	As at 31 March, 2025				As at 31 March, 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Loans	6,77,527.15	18,891.87	6,940.31	7,03,359.33	5,02,265.47	11,395.36	5,012.87	5,18,673.70
Impairement loss allowance	4,014.12	704.76	1,709.96	6,428.84	2,708.20	454.76	1,246.44	4,409.40

Receivables

Receivables are related to commission income and are managed by monitoring the recoverability of amounts continuously

Investments

Investments are generally made in mutual funds and high rated debt securities. Credit risk related to these investments is managed by monitoring the recoverability of such amounts continuously.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes security deposits, EIS receivables on derecognised portfolio and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

b) Market risk

(i) Interest rate risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The group's exposure to market risk is primarily on account of interest rate risk and currency risk.

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(All amounts in ₹ Lacs, unless otherwise stated)

Interest rate risk exposure

The group is subject to interest rate risk, since the rates of loans and borrowings might fluctuate over the tenure of instrument. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions inflation and other factors. In order to manage interest rate risk, the group seeks to optimise borrowing profile between short-term and long-term loans. The liabilities are categorised into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

Sensitivity analysis

Below is the sensitivity of profit or loss and equity changes in interest rates:

Particulars	Impact on profit before tax	
	Year ended 31 March, 2025	Year ended 31 March, 2024
Loans		
Interest rate - Increase by 100 basis points*	1,364.81	593.06
Interest rate - Decrease by 100 basis points*	(1,364.81)	(593.06)
Borrowings		
Interest rate - Increase by 100 basis points*	(3,400.43)	(2,508.21)
Interest rate - Decrease by 100 basis points*	3,400.43	2,508.21

*Holding all other variables constant

(ii) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The group's exposure to the risk of changes in foreign exchange rates relates primarily to External Commercial Borrowings (ECB).

The group has hedged its foreign currency exposure through Cross Currency Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the group's profit before tax (PBT).

Foreign Currency Exposure

Particulars	Year ended 31 March, 2025	Year ended 31 March, 2024
External Commercial Borrowing (USD in lakh)	300.00	300.00

Sensitivity

Below is the sensitivity of profit or loss and equity changes in currency rates:

Particulars	Impact on profit before tax		Impact on OCI before tax	
	Year ended 31 March, 2025	Year ended 31 March, 2024	Year ended 31 March, 2025	Year ended 31 March, 2024
USD rate - Increase by 5%*	-	-	(1,283.72)	(1,250.69)
USD rate - Decrease by 5%*	-	-	1,283.72	1,250.69

*Holding all other variables constant

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management of the group monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

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The tables below analyse the financial assets and financial liabilities of the group into relevant maturity groupings based on their contractual maturities for all non-derivative financial assets.

Maturities of financial assets

31 March, 2025	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	18,195.94	-	-	-	**18,195.94**
Bank balance other than cash and cash equivalents	13,204.75	2,098.71	800.91	-	**16,104.37**
Receivables	38.32	-	-	-	**38.32**
Loans*	86,213.83	154,260.32	136,087.74	326,797.44	**7,03,359.33**
Investments	20,072.33	8,872.13	2,582.79	-	**31,527.25**
Other financial assets	6,017.14	6,277.83	3,200.33	1,343.44	**16,838.74**
Total	**1,43,742.31**	**1,71,508.99**	**1,42,671.77**	**3,28,140.88**	**7,86,063.95**

31 March, 2024	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	11,191.71	-	-	-	**11,191.71**
Bank balance other than cash and cash equivalents	23,286.61	3,267.15	25.00	-	**26,578.76**
Loans*	65,030.02	1,15,485.42	1,01,237.41	2,36,920.85	**5,18,673.70**
Investments#	15,779.70	-	-	-	**15,779.70**
Other financial assets	4,737.77	4,449.67	2,329.33	1,122.75	**12,639.52**
Total	**1,20,025.81**	**1,23,202.24**	**1,03,591.74**	**2,38,043.60**	**5,84,863.39**

#High Quality Liquid Assets(HQLA) are considered for maturity under the bucket of "Less than 1 year" considering the nature of investments

*The maturity analysis is prepared considering the prepayments on housing and other loans in line with historical trend.

Maturities of financial liabilities

31 March, 2025	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	1,07,138.11	1,90,134.04	1,10,932.85	83,709.57	**4,91,914.57**
Debt securities	1,249.90	2,492.35	1,248.89	-	**4,991.14**
Trade payables	902.97	-	-	-	**902.97**
Other financial liabilities	4,501.21	-	-	-	**4,501.21**
Total	**1,13,792.19**	**1,92,626.39**	**1,12,181.74**	**83,709.57**	**5,02,309.89**

31 March, 2024	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	76,564.03	1,30,405.54	83,613.30	47,926.10	**3,38,508.97**
Debt securities	0.90	3,000.00	-	-	**3,000.90**
Trade payables	500.23	-	-	-	**500.23**
Other financial liabilities	5,681.70	-	-	-	**5,681.70**
Total	**82,746.86**	**1,33,405.54**	**83,613.30**	**47,926.10**	**3,47,691.80**

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

d) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The group recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The group 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.

41. RELATED PARTY TRANSACTIONS

List of related parties:		
i Post Employment Benefit Plan	India Shelter Employees Gratuity Fund Trust	
ii. Key management personnel	a.	Sudhin Bhagwandas Choksey- Chairman and Non-Executive Nominee Director
	b.	Anil Mehta - Chairman and Non-Executive Director till 31 July, 2023
	c.	Rupinder Singh- Managing Director and Chief Executive Officer
	d.	Ashish Gupta - Chief Financial Officer
	e.	Mukti Chaplot - Company Secretary
	f.	Anup Gupta - Nominee Director till 07 March, 2024
	g.	Sumir Chadha - Non-Executive Non-Independent Director
	h.	Shailesh J Mehta- Non-Executive Non-Independent Director
	i.	Rachna Dikshit - Independent Director
	j.	Thomson Kadantot Thomas- Independent Director
	k.	Parveen Kumar Gupta- independent Director
	l.	Savita Mahajan- Independent Director
	m.	Ajay Narayan Jha- Independent Director till 08 February, 2024
iii. Entities having significance influence	a.	WestBridge Crossover Fund, LLC (Holder of Equity Shares)
	b.	Nexus Ventures III Ltd, Mauritius (Holder of Equity Shares) till 20 December, 2023
	c.	Aravali Investment Holdings (Holder of Equity Shares)
iv. Relative of key management personnel(KMP) - (where there are transactions)	Ankit Aggarwal - Spouse of Mukti Chaplot	

Transactions with related parties

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Gratuity Contribution in India Shelter Employees Gratuity Fund Trust	225.00	400.00

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Transaction with key management personnel

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Remuneration		
Rupinder Singh	807.20	672.48
Ashish Gupta	250.84	234.81
Mukti Chaplot	42.99	50.27
Contribution to pension funds and gratuity payment		
Rupinder Singh	22.85	19.04
Ashish Gupta	11.97	10.71
Mukti Chaplot	1.40	1.24
Fees paid to non-executive director/promoter		
Anil Mehta	93.33	280.00
Commission and Sitting fees to independent directors		
Rachna Dikshit	16.10	25.00
Thomson Kadantot Thomas	18.40	23.40
Parveen Kumar Gupta	16.25	19.85
Savita Mahajan	13.50	15.25
Ajay Narayan Jha	-	13.10
Proceeds from issue of equity shares		
Rupinder Singh	-	38.75
Ashish Gupta (Refer note 2 below)	4.50	19.00
Mukti Chaplot	-	4.00
Anil Mehta	-	46.30
Proceeds for security premium		
Rupinder Singh	-	948.56
Ashish Gupta (Refer note 2 below)	134.82	444.19
Mukti Chaplot	-	109.70
Anil Mehta	-	721.02

Note 1: The KMPs are covered under the Company's gratuity policy, compensated absences policy and ESOP scheme along with other eligible employees of the Company. Proportionate amount of gratuity expenses, provision for compensated absences and ESOP expenses are not included in the aforementioned disclosures as it cannot be separately ascertained.

Note 2: The Board of Directors of the Company alloted 90,000 equity shares (face value ₹ 5 per share) to Mr. Ashish Gupta at ₹ 154.80 per share.

Balances outstanding as at the year end

Particulars	As at 31 March, 2025	As at 31 March, 2025
Commision and sitting fees payable to independent directors		
Rachna Dikshit	6.40	-
Thomson Kadantot Thomas	6.40	-
Parveen Kumar Gupta	6.00	-
Savita Mahajan	6.40	-

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	As at 31 March, 2025	As at 31 March, 2025
Remuneration payable		
Rupinder Singh	403.73	368.18
Ashish Gupta	125.57	138.35
Mukti Chaplot	12.00	21.63
Share capital		
-Entities having significant influence		
WestBridge Crossover Fund, LLC	1,085.42	1,085.42
Aravali Investment Holdings	1,421.14	1,421.14
- Key Managerial Personnel		
Rupinder Singh	32.36	38.75
Ashish Gupta	21.55	19.75
Mukti Chaplot	4.19	5.35
- Relatives of Key Managerial Personnel		
Ankit Aggarwal	0.75	0.75

42. EARNINGS PER SHARE

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Profits for the year (A)	37,787.34	24,759.76
Weighted average number of equity shares for calculating basic earnings per share (B)	10,74,08,851	9,40,88,926
Effect of potential ordinary shares on Employee Stock Options and right to subscribe outstanding (C)	39,61,253	42,55,659
Total weighted average number of equity shares for calculating diluted earnings per share (B+C)	11,13,70,104	9,83,44,585
Earnings per share on profit for the year (Face value of ₹ 5 per share) (Refer note 57)		
a) Basic earnings per share (₹) (A/B)	35.18	26.32
b) Diluted earnings per share (₹) {A/(B+C)}	33.93	25.18

43. LEASE RELATED DISCLOSURES

The group has leases for office building, branches and related facilities and cars. These agreements are for tenures between 1 year and 6 years and majority of the agreements are renewable by mutual consent on mutually agreeable terms.

Leases for which the lease term is less than 12 months have been accounted as short term leases

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31 March, 2025	31 March, 2024
Short-term leases	330.47	195.37
Leases of low value assets	-	-
Variable lease payments	-	-

B Total cash outflow for finance leases for the year ended 31 March, 2025 was ₹ 826.81 Lacs (31 March, 2024: ₹ 725.17 Lacs).

C The group has total commitment for short-term leases as at 31 March, 2025 ₹ Nil (31 March, 2024: ₹ Nil).

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

D Movement in lease liabilities

Particulars	Premises	Vehicles	Total
Balance as at 31 March, 2023	1,472.11	71.96	1,544.07
Additions during the year	889.93	119.59	1,009.52
Deductions/Adjustments	(14.19)	(46.82)	(61.01)
Finance Cost accrued during the year	145.22	8.29	153.51
Payment of lease liabilities	(687.54)	(37.63)	(725.17)
Balance as at 31 March, 2024	**1,805.53**	**115.39**	**1,920.92**
Additions during the year	266.44	34.86	301.30
Deductions/Adjustments	(37.66)	-	(37.66)
Finance Cost accrued during the year	132.08	10.65	142.73
Payment of lease liabilities	(782.66)	(44.15)	(826.81)
Balance as at 31 March, 2025	**1,383.73**	**116.75**	**1,500.48**

E Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31 March, 2025	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	777.95	442.43	259.67	91.66	58.27	57.13	1,687.11
Interest expense	88.97	51.96	24.92	11.51	6.80	2.47	186.63
Net present values	**688.98**	**390.47**	**234.75**	**80.15**	**51.47**	**54.66**	**1,500.48**

31 March, 2024	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	736.34	654.38	395.65	236.92	90.25	114.26	2,227.80
Interest expense	132.34	84.05	46.82	23.47	11.17	9.03	306.88
Net present values	**604.00**	**570.33**	**348.83**	**213.45**	**79.08**	**105.23**	**1,920.92**

F There are no variable lease agreements.

G Information about extension and termination options

As at 31 March, 2025

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	187	1 to 6 years	1.58 years	187	-	187
Car lease	10	1 to 4 years	3.15 years	-	10	10

As at 31 March, 2024

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	177	1 to 7 years	2.40 years	177	-	177
Car lease	8	2 to 5 years	4 years	-	8	8

H The total future cash outflows as at 31 March, 2025 for leases that had not yet commenced is of ₹ Nil (31 March, 2024: Nil).

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

44. Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31,2025

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	99.93%	2,70,681.97	99.78%	37,704.68	100.00%	115.47	99.78%	37,820.15
Subsidiary								
India Shelter Capital Finance Limited	0.51%	1,391.56	0.22%	82.66	0.00%	-	0.22%	82.66
Eliminations	(0.44%)	(1,200)	0.00%	-	0.00%	-	0.00%	-
TOTAL	**100.00%**	**2,70,873.54**	**100.00%**	**37,787.34**	**100.00%**	**115.47**	**100.00%**	**37,902.81**

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31,2024

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
India Shelter Finance Corporation Limited	99.95%	2,29,757.66	99.71%	24,687.31	100.00%	(504.91)	99.70%	24,182.39
Subsidiary								
India Shelter Capital Finance Limited	0.57%	1,308.91	0.29%	72.45	0.00%	-	0.30%	72.45
Eliminations	(0.52%)	(1,200)	0.00%	-	0.00%	-	0.00%	-
TOTAL	**100.00%**	**2,29,866.57**	**100.00%**	**24,759.76**	**100.00%**	**(504.91)**	**100.00%**	**24,254.85**

45. EMPLOYEE STOCK OPTION SCHEME

The Company provides Employee Stock option schemes to its employees. For the year ended 31st March, 2025 following Employee Stock Option Plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below:

Particulars	ESOP 2017						
Date of grant	31 January, 2018	15 February, 2019	17 May, 2019	13 August, 2019	04 November, 2019	01 July, 2020	17 September, 2020
Exercise price per option*	₹ 59.24	₹ 79.51	₹ 89.96	₹ 92.28	₹ 94.78	₹ 98.90	₹ 98.90
Fair Value of share on the date of grant	₹ 59.24	₹ 79.51	₹ 89.96	₹ 92.28	₹ 94.78	₹ 98.90	₹ 98.90
Fair value of grant	₹ 30.43	₹ 55.24	₹ 54.64	₹ 53.33	₹ 56.24	₹ 63.59	₹ 63.59
Vesting dates:							
Tranche I (10% of the options granted)	31 January, 2019	15 February, 2020	17 May, 2020	13 August, 2020	04 November, 2020	01 July, 2021	17 September, 2021
Tranche II (20% of the options granted)	31 January, 2020	15 February, 2021	17 May, 2021	13 August, 2021	04 November, 2021	01 July, 2022	17 September, 2022
Tranche III (30% of the options granted)	31 January, 2021	15 February, 2022	17 May, 2022	13 August, 2022	04 November, 2022	01 July, 2023	17 September, 2023
Tranche IV (40% of the options granted)	31 January, 2022	15 February, 2023	17 May, 2023	13 August, 2023	04 November, 2023	01 July, 2024	17 September, 2024

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

Particulars	ESOP 2021						
Date of grant	31 August, 2021	02 November, 2021	01 February, 2022	31 March, 2022	12 May, 2022	31 May, 2022	01 July, 2022
Exercise price per option*	₹ 154.80	₹ 157.79	₹ 157.79	₹ 170.36	₹ 170.36	₹ 170.36	₹ 170.36
Fair Value of share on the date of grant	₹ 154.80	₹ 157.79	₹ 157.79	₹ 170.36	₹ 170.36	₹ 170.36	₹ 170.36
Fair value of grant	₹ 50.51	₹ 52.37	₹ 53.23	₹ 58.04	₹ 60.01	₹ 60.60	₹ 60.87
Vesting dates:							
Tranche I (20% of the options granted)	31 August, 2022	02 November, 2022	01 February, 2023	31 March, 2023	12 May, 2023	31 May, 2023	01 July, 2023
Tranche II (20% of the options granted)	31 August, 2023	02 November, 2023	01 February, 2024	31 March, 2024	12 May, 2024	31 May, 2024	01 July, 2024
Tranche III (20% of the options granted)	31 August, 2024	02 November, 2024	01 February, 2025	31 March, 2025	12 May, 2025	31 May, 2025	01 July, 2025
Tranche IV (20% of the options granted)	31 August, 2025	02 November, 2025	01 February, 2026	31 March, 2026	12 May, 2026	31 May, 2026	01 July, 2026
Tranche V (20% of the options granted)	31 August, 2026	02 November, 2026	01 February, 2027	31 March, 2027	12 May, 2027	31 May, 2027	01 July, 2027

Particulars	ESOP 2021							
Date of grant	30 July, 2022	01 August, 2022	03 November, 2022	10 February, 2023	09 May, 2023	29 September, 2023	13 November, 2023	11 November, 2024
Exercise price per option*	₹ 170.36	₹ 170.36	₹ 197.00	₹ 197.00	₹ 197.00	₹ 207.70	₹ 207.70	₹ 701.35
Fair Value of share on the date of grant	₹ 170.36	₹ 170.36	₹ 197.00	₹ 197.00	₹ 197.00	₹ 207.70	₹ 207.70	₹ 701.35
Fair value of grant	₹ 60.40	₹ 60.40	₹ 70.75	₹ 68.49	₹ 61.48	₹ 60.68	₹ 62.21	₹ 283.80
Vesting dates:								
Tranche I (20% of the options granted)	30 July, 2023	01 August, 2023	03 November, 2023	10 February, 2024	09 May, 2024	29 September, 2024	13 November, 2024	11 November, 2025
Tranche II (20% of the options granted)	30 July, 2024	01 August, 2024	03 November, 2024	10 February, 2025	09 May, 2025	29 September, 2025	13 November, 2025	11 November, 2026
Tranche III (20% of the options granted)	30 July, 2025	01 August, 2025	03 November, 2025	10 February, 2026	09 May, 2026	29 September, 2026	13 November, 2026	11 November, 2027
Tranche IV (20% of the options granted)	30 July, 2026	01 August, 2026	03 November, 2026	10 February, 2027	09 May, 2027	29 September, 2027	13 November, 2027	11 November, 2028
Tranche V (20% of the options granted)	30 July, 2027	01 August, 2027	03 November, 2027	10 February, 2028	09 May, 2028	29 September, 2028	13 November, 2028	11 November, 2029

Particulars	ESOP 2023		
Date of grant	27 July, 2023	19 August, 2024	06 February, 2025
Exercise price	₹ 204.00	₹ 753.75	₹ 670.25
Fair Value of share on the date of grant	₹ 204.00	₹ 753.75	₹ 670.25
Fair value of grant	₹ 61.78	₹ 281.06	₹ 289.83
Vesting dates:			
Tranche I (20% of the options granted)	27 July, 2024	19 August, 2025	06 February, 2026
Tranche II (20% of the options granted)	27 July, 2025	19 August, 2026	06 February, 2027
Tranche III (20% of the options granted)	27 July, 2026	19 August, 2027	06 February, 2028
Tranche IV (20% of the options granted)	27 July, 2027	19 August, 2028	06 February, 2029
Tranche V (20% of the options granted)	27 July, 2028	19 August, 2029	06 February, 2030

The Nomination and Remuneration Committee vide Circular resolution dated July, 20, 2023 has approved acceleration of vesting(s) ("Right of Acceleration") falling due between July 19, 2023 to September 30, 2024 during the period July, 20, 2023 to July 25, 2023 ("Acceleration Window"), under ESOP Scheme 2017 and ESOP Scheme 2021, in accordance with the respective ESOP Schemes and subject to the applicable terms and conditions

Notes formig part of consolidated financial statements
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(All amounts in ₹ Lacs, unless otherwise stated)

Reconciliation of options under each plan

Particulars	ESOP 2017		ESOP 2021		ESOP 2023	
	Number of options	**Amount***	**Number of options**	**Amount***	**Number of options**	**Amount***
Outstanding as at 31 March, 2024	**1,37,000**	**98.51**	**35,71,498**	**6,191.99**	**23,11,500**	**4,715.46**
Granted during the year	-	-	2,08,500	1,462.31	6,27,000	4,576.55
Forfeited during the year	-	-	75,600	223.53	2,03,600	717.71
Exercised during the year	1,37,000	98.51	4,11,616	740.95	2,95,535	602.89
Expired during the year	-	-	-	-	-	-
Outstanding as at 31 March, 2025	**-**	**-**	**32,92,782**	**6,689.83**	**24,39,365**	**7,971.41**
Exercisable at the end of the year	-	-	7,15,107	1,163.84	1,45,365	296.54

*represents amount received/receivable by the Company at the time of exercise of options

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during the financial year:

Particulars	
Risk free interest rate	6.66% to 6.86%
Expected life of option	3.6 yrs to 5.6 yrs
Expected Volatility	28.70% to 34.49%
Dividend yield	0%

The risk free interest rates are determined based on the Government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of relevant index using standard deviation of daily change in index price. The historical period is taken into account to match the expected life of the option. Dividend yield has been considered taking into account the historical and expected rate of dividend on equity share price as on grant date.

*The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share (Also refer Note 57). Exercise price for the options granted before split is adjusted accordingly

46. KEY ANALYTICAL RATIOS

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Debt -Equity Ratio	1.83 times	1.49 times
Total Debts to Total Assets (Debt securities+ Borrowings {Other than Debt Securities}/Total Assets)	0.64	0.59
Net Profit Margin (%) (PAT/Total Revenue)	32.13%	28.74%
Gross NPA ratio (Gross Stage 3 loans/Gross Loan Assets)	0.99%	0.97%
Net NPA ratio (Net Stage 3 loans/Net Loan Assets)	0.75%	0.73%
Provision Coverage ratio (Stage 3 Provision/Gross Stage 3 loans)	24.64%	24.86%

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

47. Transfer of assets

Assignment deal

The Company has sold some loans measured at amortised cost as per assignment deals during the year. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet.

The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Company's business model remains to hold the assets for collecting contractual cash flows.The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition, per type of asset.

Loans measured at amortised cost	As at 31 March, 2025	As at 31 March, 2024
Carrying amount of derecognised financial assets as at year ended	1,22,640.32	94,850.37
Carrying amount of derecognised financial assets during the year	56,993.56	45,066.42
Gain from derecognition	9,805.54	7,914.76

48. BASED ON THE REVIEW OF COMMONLY PREVAILING PRACTICES, THE MANAGEMENT CONSIDERS BELOW CHANGES AS RELEVANT:

Below mention liabilities are regrouped. The management believe that these reclassifications does not have any material impact on the information presented in the balance sheet in the prior period.

Particulars	As at 31 March, 2024 (as previously reported)	Increase/(Decrease)	As at 31 March, 2025 (Restated)
Liabilities and Equity			
Other Financial liabilities	6,846.04	(1,164.35)	5,681.70
Other non-financial liabilities	159.36	1,164.35	1,323.70

49. In Compliance with Section 128 of the Companies Act, 2013 read with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014,

(i) Proper books of account as required by law have been kept by the Company, except with respect to the accounting software, where due to limited details in System and Organisation controls (""SOC"") report, it is not verifiable whether proper backup logs and related configurations along with configurations around retention of backups are being maintained.

(ii) The Company uses an accounting software (Microsoft D365) for maintaining its books of account which has a feature of recording audit trail (edit log) which has operated throughout the year for all relevant transactions recorded in the accounting software, except that with respect to the accounting software there is no independent evidence verifiable as to whether audit trail feature is enabled for direct changes to the data when using certain access rights that may be available with the service provider (Microsoft).

50. The group does not hold any immovable property other than disclosed in Note no. 12 as on 31 March, 2025 and 31 March, 2024. All the lease agreements are duly executed in favour of the group for properties where the group is the lessee.

51. No proceedings have been initiated or pending against the group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March, 2025 and 31 March, 2024.

52. The group does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended 31 March, 2025 and 31 March, 2024.

53. The group has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 31 March, 2025 are held by the group in the form of short term deposits/ investments till the time the utilisation is made subsequently.

Notes formig part of consolidated financial statements
as at and for the year ended 31 March, 2025 (Contd.)

(All amounts in ₹ Lacs, unless otherwise stated)

54. There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March, 2025 and 31 March, 2024, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March, 2025 and 31 March, 2024.

55. i) The group has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March, 2025 and 31 March, 2024.

ii) The group has not entered into any scheme of arrangement in terms of section 230 to 237 of the Company Act, 2013.

iii) The group has complied with the number of layers prescribed under clause(87) of section 2 of the Act read with Companies(Restriction on number of layers) Rules, 2017 for the financial years ended 31 March, 2025 and 31 March, 2024.

56. The group, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept from its customers, other entities and persons. These transactions are part of group's normal business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the group to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the group (Ultimate beneficiaries). The group has also not received any fund from any parties (Funding party) with the understanding that the group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries."

57. The Board of Directors of the Company in its meeting held on 12 July, 2023 and shareholders in the Extraordinary General Meeting held on 18 July, 2023 approved the sub-division of shares from ₹ 10 per share to ₹ 5 per share. The number of shares used for the calculation of earnings per share, and the earnings per share in Note 42 (including that in the comparative periods), have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013. No other adjustments are made in the financial statements on account of the share split.

58. All charges or satisfaction are registered with ROC within the statutory period for the financial years ended March 31, 2025 and March 31, 2024. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

59. There was no subsequent events after the reporting date which requires disclosure or adjustment to the reported amounts.

As per our report of even date attached
For **S.R Batliboi & Associates LLP**
Chartered Accountants
Firm's Registration No.: 101049W/E300004

per Amit Kabra
Partner

Membership No.: 094533

Place: Indore
Date: 09 May, 2025

For and on behalf of the Board of Directors of
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey
Chairman and Non-Executive Nominee Director
DIN: 00036085

Rupinder Singh
Managing Director and Chief Executive Officer
DIN: 09153382

Rachna Dikshit
Independent Director
DIN: 08759332

Ashish Gupta
Chief Financial Officer

Mukti Chaplot
Company Secretary
Membership No. 38326

NOTICE FOR CONVENING 27TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT 27TH ANNUAL GENERAL MEETING OF THE MEMBERS OF INDIA SHELTER FINANCE CORPORATION LIMITED TO BE HELD ON MONDAY, 28 JULY, 2025 AT 11:00 A.M. THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO-VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. **To consider and adopt the Audited Standalone and Consolidated Financial Statements of the company, together with Board of Directors Report and Auditors Report for Financial Year ended 31 March, 2025.**

   To consider, and if thought fit to pass, with or without modifications, the following resolution, as an Ordinary Resolution:

   "**RESOLVED THAT** the Audited Standalone & Consolidated Financial Statements of the Company, the reports of the Board of Directors and Auditors for the Financial Year ended 31 March, 2025, be and are hereby read, considered and adopted."

2. **To re-appoint Mr. Sudhin Bhagwandas Choksey (DIN: 00036085), who retires by rotation and being eligible, has offered himself for re-appointment.**

   To consider, and if thought fit to pass, with or without modifications, the following resolution, as an Ordinary Resolution:

   "RESOLVED THAT pursuant to provisions of Section 152 (6) and other applicable provisions of the Companies Act, 2013, Mr. Sudhin Bhagwandas Choksey (DIN: 00036085) who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Chairman and Non-Executive Non-Independent Director of the Company."

3. **To declare Final Dividend of ₹ 5 per equity share of face value of ₹ 5/- each for the Financial Year ended 31 March, 2025.**

   To consider, and if thought fit to pass with or without modifications, the following resolution, as an Ordinary Resolution:

   "RESOLVED THAT the Final Dividend of ₹ 5 per equity share of face value of ₹ 5/- each for the Financial Year ended 31 March, 2025, be and is hereby approved."

SPECIAL BUSINESS:

4. **To consider and approve re-appointment of Mr. Rupinder Singh (DIN: 09153382) as Managing Director & Chief Executive Officer ("MD & CEO") of the Company and approve an increase in his remuneration for the Financial Year 2025-26 and thereof**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force)('the Act') and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) and other applicable provision of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), other applicable laws (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Articles of Association of the Company and such other consents and permissions as may be required, the approval of the shareholders of the Company, be and is hereby accorded for re-appointment of Mr. Rupinder Singh (DIN: 09153382) as Managing Director & Chief Executive Officer ("MD & CEO") of the Company, for a further period of 5 (five) years w.e.f 23 November, 2025 and increase in his remuneration w.e.f. 01 April, 2025 on the terms and conditions and remuneration as stipulated herein below:

   1. **Remuneration**
      - Fixed Pay: ₹ 4,50,00,000 per annum;
      - Variable Pay: In addition to the Fixed pay, Variable Pay maximum upto 120% of Fixed Pay (Fixed Pay as may be revised from time to time) as may be approved by the Board of Directors/Committee for each year;
      - Perquisites and Other Benefits: In addition to the Fixed Pay, remuneration will include perquisites as per the Company policies (perquisite value maximum upto 12% of the Fixed Pay (Fixed Pay as may be revised from time to time)) including but not limited to:
        - Rent-free residential accommodation (furnished or otherwise) with the company bearing the cost of repairs, maintenance, society charges and utilities for the said accommodation
        - Car with driver maintained by the company for official and personal use
        - Health Insurance for self and family upto sum assured of ₹ 60 Lacs and other insurances including life and GPA as per the Company policies
        - One Club membership
        - Medical Reimbursements for self and family
        - Leave travel Concession for self and family

      In addition to above limit on perquisites, one-time long service award as per the policies of the Company shall be payable to the MD & CEO.

   2. The Board of Directors, on the recommendation of the Nomination and Remuneration Committee may approve further increase in the Fixed Pay upto a maximum of 20% every year, during the tenure of his appointment. The quantum of the annual increase will be performance-based and as may be decided by the Board of Directors on recommendation of Nomination and Remuneration Committee.

   3. Mr. Rupinder Singh, MD & CEO, shall be subject to leave and other personnel policies of the Company from time to time.

   4. ESOP and Warrants: Mr. Rupinder Singh shall be eligible for ESOP and Warrants as per the policy of the Company from time to time and provisions of Companies Act, 2013 and rules made thereunder.

   5. Reimbursement of expenses incurred for the business of the company: Reasonable and necessary business expenses as incurred by him, which are directly related to the performance of his duties of employment, including travel, professional memberships and professional development, subject to documentation furnished by Mr. Rupinder Singh and ratification by the Chief Financial Officer.

   Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost, in the absence of any such Rule.

   RESOLVED FURTHER THAT, the consent of the shareholders, be and is hereby given for the payment of remuneration as detailed above, to Mr. Rupinder Singh (DIN: 09153382) for his re-appointment as MD & CEO of the Company, which remuneration shall be valid and payable (i) in the event the Company is profit making, for his entire term of appointment; and (ii) for a period not exceeding 3 (Three) years from the date of his appointment in the event that the Company has no profits or has inadequate profits in any financial year, in which case the remuneration by way of salary, allowances, perquisites and retirement benefits to Mr. Rupinder Singh be paid as approved by Board basis the recommendation of Nomination & Remuneration Committee in accordance with section II of part II of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

   RESOLVED FURTHER THAT for the purpose of giving effect to these resolutions, Mr. Ashish Gupta, Chief Financial Officer or Ms. Mukti Chaplot, Company Secretary of the Company be and are hereby severally or jointly authorised to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to seek necessary approvals and settle any questions, difficulties or doubts that may arise in this regard."

5. **To consider and approve an increase in the borrowing powers in excess of Paid-Up Share Capital, Free Reserves and Security Premium Account of the Company under Section 180 (1) (c) of the Companies Act, 2013**

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

   "RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof) and any rules and regulations made thereunder (the "**Companies Act**"), and the Articles of Association of the Company, the consent of the shareholders/ members of the company, be and is hereby accorded by way of special resolution, to the Board of Directors of the Company ("**Board**") and/or any committee as may be authorised by the Board ("**Committee**") to borrow, from time to time, as it may think fit, any sum(s) of money in any currency, from time to time, for the purpose of the business of the Company, ***inter alia***, by way of advances, loans (including external commercial borrowings) or credit facilities (fund based or non-fund based) or by issue of bonds, non-convertible debentures ((a) listed or unlisted (to the extent permitted by applicable law), (b) senior secured, (c) senior unsecured, (d) unsecured, (e) subordinated, (f) market linked debentures, and/or (g) any others (as may be agreed)), commercial papers, from banks, financial or other institution(s), investors, mutual fund(s), or any other persons on such terms and conditions and with or without security as the Board/Committee may think fit, which, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) and monies to be borrowed by the Company at any time, shall not exceed in the aggregate ₹ 1,20,00,00,00,000 (Indian Rupees Twelve Thousand Crore), notwithstanding that such aggregate amount of borrowings outstanding at any time may exceed the aggregate, for the time being, of the paid-up share capital of the Company, its free reserves (that is to say reserves not set apart for any specific purpose), and securities premium of the Company.

   RESOLVED FURTHER THAT, to give effect to the above resolution, Mr. Rupinder Singh, Managing Director & Chief Executive Officer, Mr. Ashish Gupta, Chief Financial Officer

and Ms. Mukti Chaplot, Company Secretary be and are hereby jointly and severally authorised to do all such acts, deeds, matters and things, including to settle any question, difficulty or doubt that may arise and to finalise and execute all documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution.

RESOLVED FURTHER THAT any of the Director and the Company Secretary is authorised severally to certify the true copy of the aforesaid resolution."

6. To consider and approve the Employee Stock Option Plan 2025 ("ESOP 2025")

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

"**RESOLVED THAT** pursuant to Section 62(1)(b) of the Companies Act 2013, read with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, applicable regulations of the Securities and Exchange Board Of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, as per the provisions of the Memorandum of Association and Articles of Association of the company and subject to such other approvals, permissions, sanctions, conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, ,consent of the shareholders be and is hereby accorded to the 'Employee Stock Option Plan 2025' ("ESOP 2025")..

RESOLVED FURTHER THAT pursuant to Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, and the Memorandum and Articles of Association of the Company, consent of the shareholders be and is hereby accorded to create, offer, grant, issue and allot up to 26,60,000 (Twenty-Six Lac Sixty Thousand only) employee stock options to or for the benefit of such person(s) as may be decided under ESOP 2025, in one or more tranches, exercisable in aggregate into not more than 26,60,000 (Twenty-Six Lac Sixty Thousand only) equity shares of face value of ₹ 5/- each fully paid up, and on such terms and conditions as may be determined by the Board.

RESOLVED FURTHER THAT the said equity shares shall rank pari passu in all respects with the then existing equity shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, the Board/Committee be and is hereby authorised to do all acts, deeds, matters and things as it may deem fit in its absolute discretion and permitted under applicable laws for the purpose of making a fair and reasonable adjustment to the Options granted earlier including issue of any additional equity shares by the company to the option grantees and the aforesaid ceiling of the employee stock option/ equity shares shall be deemed to increase to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT in case the equity shares of the company are either sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition payable by the option grantees under the plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 5 per equity share bears to the revised face value of the equity shares of the company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the ESOP 2025 or any employee stock options granted thereunder, as it may deem fit, from time to time, in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Memorandum and Articles of Association of the Company, Securities and Exchange Board Of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable laws.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any powers conferred herein, to any Committee of Directors with a power to further delegate to any executives / officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary in this regard."

7. To consider and approve the appointment of Secretarial Auditor of the Company and fix their remuneration

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

"**RESOLVED THAT** pursuant to provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the shareholders be and is

hereby accorded to appoint Mr. Jitender Singh, (Membership No. A33610 & C.P. No.: 26612), Company Secretary in Practice, from whom Consent has been received, to act as the Secretarial Auditor of the Company to hold the office for a period of 5 (five) years from Financial Year 2025-26 to Financial Year 2029-30, subject to the firm's satisfying the eligibility norms each year, on such remuneration including out of pocket expenses, and other expenses as may be mutually agreed by and between the Company and the Secretarial Auditor.

RESOLVED FURTHER THAT Mr. Rupinder Singh, Managing Director & Chief Executive Officer, Mr. Ashish Gupta, Chief Financial Officer and Ms. Mukti Chaplot, Company Secretary of the Company be and are hereby severally authorised, on behalf of the Company to do all such acts, deeds, matters and things as may be necessary, proper or desirable and to sign and execute all necessary documents, applications, forms and returns for the purpose of giving effect to the aforesaid resolution."

By Order of the Board
For **India Shelter Finance Corporation Limited**

Sd/-
Mukti Chaplot
Company Secretary
Membership No:38326

Date: 03 July, 2025
Place: Gurugram

NOTES

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") relating to the special business to be transacted at the Annual General Meeting ("AGM"/ "Meeting") is annexed hereto.
2. The AGM of the company is being conducted through VC in accordance with General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013" ("the Act"), General Circular Nos. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 in relation to "Clarification on holding of AGM through VC/ OAVM, collectively referred to as "MCA Circulars" and Securities and Exchange Board of India ("SEBI")vide its Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2024/133 dated October 3, 2024 read with earlier circulars issued by SEBI in this regard, collectively referred to as "SEBI Circulars", which details the procedure and manner of holding AGM through VC and provide certain relaxations from compliance with applicable laws. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
3. M/s. Kfin Technologies Limited ("KFintech"), Registrar & Transfer Agent of the Company ("RTA") shall be providing facility for e-voting and attending the AGM through video conferencing.
4. In compliance with the applicable MCA and SEBI Circulars, the Notice of the AGM is being sent only through electronic mode (by e-mail) to those members whose e-mail ids are registered with the Company/ Depositories and will also be available on the Company's website at https://www.indiashelter.in/ websites of the Stock Exchanges, i.e. BSE Limited and the National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFintech at https://evoting.kfintech.com

   In accordance with Regulation 36(1)(b) of the Listing Regulations, the Company will send letters to the members, who have not registered their email IDs, informing them that the Annual Report is available on the Company's website at https://www.indiashelter.in/investor-relations.
5. Since this AGM is being held through VC/OAVM pursuant to the MCA Circulars read with Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05 January, 2023, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxy by the members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
6. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the LODR Regulations, the Company has extended e-voting facility for its members to enable them to cast their votes electronically on the resolutions set forth in this Notice. The period of remote e-voting before the AGM commences on Friday, 25 July, 2025, 09:00 A.M. IST) and ends on Sunday, 27 July, 2025, (05:00 P.M. IST). The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, i.e., Monday, 21 July, 2025.
7. The Company has fixed 04 July, 2025, as the "Record Date" for determining entitlement of Members to final dividend for the financial year ended March 31, 2025, if approved at the AGM.

8. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of tax at source will be made on or before 27 August, 2025, to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the NSDL and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day on 04 July, 2025.

9. The Company has appointed Mr. Jitender Singh (Membership No. A33610, COP No. 26612), Company Secretary to act as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and be available for the purpose.

10. The Scrutiniser shall, immediately after the conclusion of the e-voting at the AGM, first count the votes cast through e-voting during the meeting and thereafter unblock the votes cast through remote e-voting before the AGM in presence of at least two witnesses who are not in the employment of the Company, and make a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, and submit the same to the Chairperson or a person authorised by him in writing who shall countersign the same.

11. Members attending the AGM through VC shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

12. In line with the applicable circulars at least 1000 members will be able to join the AGM on a first come-first-served basis. However, the large shareholders (i.e. shareholders holding 2% or more shares), Promoters, Institutional Investors, Directors, Key Managerial Personnels, Chairperson(s) of the Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come first served principle.

13. Members seeking or requiring any clarification or information in respect of any matter to be placed at the AGM may send their requests to the Company by 27 July, 2025, 5.00 P.M. (IST) at **secretarial@indiashelter.in.**

14. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

15. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16 March, 2023, has made it mandatory for shareholders holding shares in physical form to furnish PAN, KYC (i.e., postal address with pin code, email ids, mobile number, bank account details, specimen signature, Demat account details) and their nominee details to the RTA of the Company. Further, relevant forms to update the above-mentioned information are available on the Company's website at **https://www.indiashelter.in/investor-relations**

16. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25 January, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4.

17. As per the provisions of Section 72 of the Act, the facility for making the nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said form to their Depository Participant (DP) in case the shares are held in electronic form and to Kfin Technologies Limited (Kfin) in case the shares are held in physical form.

18. Members may please note that SEBI has made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions. Members may please note that SEBI has also made it mandatory for submission of PAN in the following cases: (i) Deletion of name of the deceased shareholder(s) (ii) Transmission of shares to the legal heir(s) and (iii) Transposition of shares. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

19. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/ Authorisation etc. authorising its representative to attend the AGM through VC on its behalf and to vote either through remote e-voting or during AGM together with attested specimen signature(s) of the duly authorised representative(s). The said Resolution/Authorisation shall be sent electronically through registered email ids to the Company at secretarial@indiashelter.in with a copy marked to evoting@kfintech.com and the Scrutiniser at jitender@hja.co.in

20. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to **secretarial@indiashelter.in**

21. Speaker Registration before AGM: Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views, during the period starting from 24 July, 2025 (9:00 a.m. IST) to 25 July, 2025 (5:00 p.m. IST). For registration, please visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from KFin. On successful login, select "Speaker Registration" and mention your e-mail id, mobile number, and city. The Company reserves the right to restrict the number of speakers at the AGM depending on the availability of time for the AGM. Please note that questions of only those members will be entertained/considered who are holding shares of Company as on the cut-off date i.e. 21 July, 2025. Those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM and the maximum time per speaker will be restricted to 3 minutes.

22. Due to limitation of transmission and co-ordination during the AGM, the Company may have to dispense with or curtail the speaker session & dispense with the speaker registration during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

23. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act and the Certificate for the ESOP Schemes of the Company as required under the SEBI Regulations will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection by the members up to the date of AGM, i.e., 28 July, 2025. Members seeking to inspect such documents can send an email to secretarial@indiashelter.in

INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS:

A. VOTING THROUGH ELECTRONIC MEANS:

a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and sub-regulation (1) & (2) of Regulation 44 of the SEBI Listing Regulations and applicable Circulars, the Company is offering the facility of remote e-voting to its members. The facility of casting votes by a member using an electronic voting system from a place other than venue of the AGM ("remote e-voting") as well as voting at the AGM through VC ("e-voting at the AGM") will be provided by Company's Registrar and Transfer Agent i.e. M/s KFin Technologies Limited. The instructions for remote e-voting and facility for those members participating in the AGM to cast vote through e-voting system during the AGM are given in the Notice.

b) The remote e-voting period commences on Friday, 25 July, 2025 (9:00 a.m. IST) and ends on Sunday, 27 July, 2025 (5:00 p.m. IST). During this period, members holding shares either in physical form or in demat form, as on Monday, 21 July, 2025 (i.e. "Cut-off" Date), may cast their vote electronically.

c) The remote e-voting module shall be disabled by KFin for voting thereafter. Those members who will be present in the AGM through VC facility and have not cast their vote on the resolution through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

d) The members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC but shall not be entitled to cast their vote again.

e) In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the members, there shall be no voting by show of hands at the AGM. The Company is also offering a facility for voting by way of "Insta Poll" at the AGM for the members attending the meeting who have not cast their vote by remote e-voting. If a member cast votes by both modes i.e. remote e-voting and Insta Poll at the AGM, then voting done through remote e-voting shall prevail and Insta Poll shall be treated as invalid.

B. THE DETAILS OF THE PROCESS AND MANNER FOR REMOTE E-VOTING ARE EXPLAINED HEREIN BELOW - APPLICABLE FOR NON-INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE AND SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE:

(i) Please access the RTA's e-voting platform at the URL: https://evoting.kfintech.com.

(ii) Members whose email ids are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of e-voting Event Number (EVEN) i.e. 8921, USER ID and password. Members are requested to use these credentials at the Remote Voting Login at the abovementioned URL.

(iii) Alternatively, if the member is already registered with RTA's e-voting platform, then he can use their existing User ID and password for casting the vote through remote e-voting.

If they have forgotten the password, then they may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(iv) Members can also use SMS service to get the credentials if their mobile number is registered against Folio No. / DP ID Client ID, by sending SMS: MYEPWD <space> EVEN No+ Folio No. (in case of physical shareholders) or MYEPWD <space> DP ID Client ID (in case of shares held in DEMAT form) to 9212993399.

Example for NSDL	MYEPWD <SPACE> IN12345612345678
Example for CDSL	MYEPWD<SPACE> 1402345612345678
Example for Physical	MYEPWD <SPACE> 6614HMT12345678

(v) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-voting Event Number) 8921 followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting your vote.

(vi) After entering these details appropriately, click on "LOGIN".

(vii) You will now reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ids etc., on first login. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

(viii) You need to login again with the new credentials.

(ix) On successful login, the system will prompt you to select the "EVENT" i.e., India Shelter Finance Corporation Limited- 8921.

(x) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR/AGAINST" or alternatively, you may partially enter any number "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the member does not indicate either "FOR" or "AGAINST", it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

(xi) Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

(xii) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xiii) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, members can login any number of times till they confirm the voting on all the resolutions by clicking "SUBMIT".

C. THE INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER FOR INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE:

As per the SEBI circular dated 09 December, 2020, on e-voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with their respective Depositories and Depository Participants as detailed below. Shareholders are advised to update their mobile number and email ids in their demat accounts in order to access e-voting facility.

Option 1 – Login through Depositories

NSDL	CDSL
Members who have already registered and opted for IDeAS facility to follow below steps: Go to URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under 'IDeAS' section. On the new page, enter the existing User ID and Password. Post successful authentication, click on Click on the Company name or e-voting service provider and you will be re-directed to e-voting service provider website (i.e. KFintech) for casting the vote during the remote e-voting period.	Members who have already registered and opted for Easi / Easiest to follow below steps: Go to URL: https://web.cdslindia.com/myeasitoken/home/login; or URL: www.cdslindia.com and then go to Login and select New System Myeasi. Login with user id and password. The option will be made available to reach e-voting page without any further authentication. Click on Company name or e-voting service provider name to cast your vote during the remote e-voting period.

NSDL	CDSL
User not registered for IDeAS e-Services To register click on link: https://eservices.nsdl.com (Select "Register Online for IDeAS"); or https://eservices.nsdl.com/SecureWeb/IdeasDirec tReg.jsp Proceed with completing the required fields.	User not registered for Easi/Easiest Option to register is available at: https://web.cdslindia.com/myeasitoken/home/login Proceed with completing the required fields
First-time users can visit the e-voting website directly and follow the process below: Go to URL: https://www.evoting.nsdl.com/ Click on the icon "Login" which is available under 'Shareholder/Member' section. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on the Company name or e-voting service provider name and you will be redirected to e-voting service provider website (i.e. KFintech) for casting your vote during the remote e-voting period. Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for a seamless voting experience. NSDL Mobile App is available on App Store Google Play	First-time users can visit the e-voting website directly and follow the process below: Go to URL: www.cdslindia.com Click on the icon "E-voting" Provide demat Account Number and PAN No. System will authenticate user by sending OTP on registered Mobile & Email ID as recorded in the demat Account. After successful authentication, the user will be provided links for the respective ESP where the e-voting is in progress. Click on the Company name and you will be redirected to e-voting service provider website (i.e. KFintech) for casting your vote during the remote e-voting period.

Option 2 - Login through Depository Participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged in, you will be able to see e-voting option. Click on e-voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on the Company name or e-voting service provider name and you will be redirected to e-voting service provider website of KFintech for casting your vote during the remote e-voting period.

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at the abovementioned website. For any technical issues, members may contact as below:

NSDL	CDSL
NSDL helpdesk by email to: evoting@nsdl.co.in or call at toll-free no.: 1800 1020 990 or 1800 22 44 30	CDSL helpdesk by email to: helpdesk.evoting@cdslindia.com or call at 022-23058738, 23058542-43

I. Voting at the AGM: Those members who are present in the meeting through VC / OAVM and have not cast their vote on resolution through remote e-voting, can vote through e-voting at the meeting. Members who have already cast their votes by remote e-voting are eligible to attend the meeting. However, those members are not entitled to cast their vote again at the meeting.

II. A member can opt for only single mode of voting i.e., through remote e-voting or voting at the AGM. If a member cast votes by both modes i.e., voting at the AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

Other Instructions:

a. Members holding shares either in physical form or in dematerialised form, as on the close of business hours on Monday, 21 July,, 2025, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice. The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date. Any person who is not a member as on the cut-off date should treat this Notice for information purposes only.

b. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as of the cut-off date, i.e. Monday, 21 July, 2025 may obtain the login ID and password in the manner as mentioned below:

   i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-voting Event Number + Folio No. or DP ID Client ID to 9212993399

   1. Example for NSDL:

      MYEPWD <SPACE> IN12345612345678

   2. Example for CDSL:

      MYEPWD <SPACE> 1402345612345678

   3. Example for Physical:

      MYEPWD <SPACE> XXXX1234567890

      (8921 being E-voting Event Number)

   ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/ , the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

   iii. In case of any queries, you may refer Help & FAQ section of https://evoting.kfintech.com or call KFintech on Toll-Free No. 1-800-309-4001.

   iv. Member may send an e-mail request to einward.ris@kfintech.com. However, KFintech shall endeavour to send User ID and Password to those new members whose e-mail IDs are available.

c. The Board of Directors has appointed Mr. Jitender Singh (Membership No. A33610, COP No. 26612), Company Secretary as a Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

d. Facility of joining the AGM through VC shall be open fifteen (15) minutes before the time scheduled for the AGM and will be available for members on first-come-first-served-basis and the Company may close the window for joining the VC facility fifteen (15) minutes after the scheduled time to start the AGM.

e. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Please note that login to the e-voting website will be disabled upon 3 unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details/Password' or 'Physical User Reset Password' option available on https://evoting.kfintech.com to reset the password.

f. In case of any query pertaining to e-voting, please visit Help & FAQ's section and e-voting user manual available at the download section of https://evoting.kfintech.com ("Kfin's website") or contact Mr. Umesh Pandey from Kfin at evoting@kfintech.com or call Kfin's toll free number 1-800309-4001 for any further clarifications.

g. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and submit, not later than two working days of conclusion of the AGM, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairperson or any other person authorised by him in writing, who shall countersign and declare the same.

h. The voting results declared along with the Scrutiniser's Report(s) will be available on the website of the Company i.e. https://www.indiashelter.in/investor-relations and on the website of the RTA at https://evoting.kfintech.com and will be communicated to the BSE Limited and the National Stock Exchange of India Limited within two working days from the conclusion of the AGM.

D. INSTRUCTIONS FOR THE MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM (AGM) AND E-VOTING DURING THE AGM:

a. Members may access the platform to attend the AGM through VC at https://emeetings.kfintech.com/ by clicking on the tab "video conference" and using their e-voting login credentials provided in the email received from the Company / Kfin. After logging in, click on the "Video Conference" tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquette to join the meeting. Please note that the members who have not registered their e-mail address or do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice.

b. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the scheduled time for commencement of the AGM and maybe closed after the expiry of 15 minutes after such scheduled time.

c. The e-voting window shall be activated upon instructions of the Chairperson during the AGM proceedings. Upon the declaration by the Chairperson about the commencement of e-voting at AGM, members shall click on the "Vote" sign on the left-hand bottom corner of their video screen for voting at the AGM, which will take them to the Instapoll page. Members would need to click on the "Instapoll" icon and follow the instructions to vote on the resolutions. Only those shareholders, who are present in the AGM and have not casted their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.

d. Members are encouraged to join the meeting through Laptops/Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.

e. Members will be required to grant access to the webcam to enable VC/OAVM. Further, members connecting from mobile devices or Tablets or through Laptop connecting via mobile hotspot may experience audio/video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

f. A video guide assisting the members attending AGM either as a speaker or participant is available for quick reference at URL: https://cruat04.kfintech.com/emeetings/video/howitworks.aspx.

g Members who may require any technical assistance or support before or during the AGM are requested to contact Kfin's at toll free number 1-800-309-4001 or write to them at einward.ris@kfintech.com.

Summarised information at glance

Particulars	Details
Time and Date of AGM	Monday, 28 July, 2025 at 11:00 a.m. (IST)
Venue/Mode	Through video conference at below link: https://emeetings.kfintech.com/
Cut-off date for e-voting	Monday, 21 July, 2025
E-voting Start time and date	Friday, 25 July, 2025 (9:00 a.m. IST)
E-voting end time and date	Sunday, 27 July, 2025 (5:00 p.m. IST)
E-voting website links (Please use as applicable to you)	https://evoting.kfintech.com/ https://eservices.nsdl.com https://web.cdslindia.com/myeasitoken/home/login
E-voting Event Number (EVEN)	8921
Contact details of RTA	Mr. Umesh Pandey, Manager KFin Technologies Limited Selenium Tower B, Plot 31 and 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana, India Email ids: einward.ris@kfintech.com umesh.pandey@kfintech.com Website: https://www.kfintech.com Toll free number 1-800-309-4001

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

The shareholders of the Company, at the Extra Ordinary General Meeting ('EGM') held on 15 December, 2021, had approved the appointment of Mr. Rupinder Singh (DIN: 09153382) as the Managing Director & Chief Executive Officer ("MD & CEO") of the Company, for a period of 4 years with effect from 23 November, 2021. The Board of Directors of the Company ('the Board') at its meeting held on 09 May, 2025, on the recommendation of the Nomination and Remuneration Committee ('NRC'), approved re-appointment of Mr. Rupinder Singh as the Managing Director & Chief Executive Officer of the Company for a further period of 5 years from the expiry of his present term, i.e., with effect from 23 November, 2025, and recommended to the Shareholders of the Company his re-appointment together with the terms and conditions of his re-appointment and remuneration payable to him.

The Board is of the view that Mr. Rupinder Singh's strategic leadership, rich and varied experience and initiatives taken by him and involvement in operations of the Company, it would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Mr. Rupinder Singh as the MD & CEO.

The members of Nomination and Remuneration Committee and Board of Directors in their meeting held on 09 May 2025, recommended increase in remuneration of Mr. Rupinder Singh (DIN: 09153382) as the MD & CEO of the Company from 01 April, 2025, with the authority to the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, to further increase his fixed pay upto 20% every year during the tenure of his appointment. The quantum of the annual increase will be performance-based and as may be decided by the Board of Directors on recommendation of Nomination and Remuneration Committee.

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors in there meeting held on 09 May, 2025, the members are requested to consider and approve the re-appointment of Mr. Rupinder Singh (DIN: 09153382) and increase in his remuneration including Variable Pay with effect from 01 April, 2025, to further increase his fixed pay upto 20% every year during the tenure of his appointment.

In accordance with the applicable provisions of Companies Act, 2013, the Managerial Remuneration paid by the Company is well within the prescribed limits under Section 197 of Companies Act, 2013. However, since gain on exercising stock options is treated as perquisites under the Income Tax Act, 1961, the Company is required to obtain the approval of the shareholders such that the aforementioned remuneration including the gain on exercise of stock options in event of inadequacy of profit or absence of profit under Section 197 of Companies Act, 2013 shall be minimum remuneration payable to Mr. Rupinder Singh during the tenure of his appointment.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

The statement as required under Part II Section II B (iv) of Schedule V is as under:

I. GENERAL INFORMATION

1. **Nature of industry:** The Company is engaged in Housing Finance, i.e., to provide credit to low-middle income households to acquire new housing or to extend and improve their current housing.

2. **Date or expected date of commencement of commercial production:** India Shelter Finance Corporation Limited (India Shelter) is the new name of the erstwhile Satyaprakash Housing Finance India Limited (SHFIL) which was incorporated on 26 October, 1998, and registered the name change on 08 July, 2010. Same was noted and new registration was granted by National Housing Bank on 14 September, 2010, and till date the Company is engaged in the activities of housing finance, i.e., to provide credit to low-middle income households to acquire new housing or to extend and improve their current housing.

3. **Financial performance based on given indicators:** The financial data as per last audited Balance Sheet as on 31 March, 2025 is as under:

(₹ in Lacs)

Particulars	2024-25	2023-24
Total Income	1,17,479.86	86,037.66
Less: Total Expenses	68,671.22	54,216.63
Profit/(Loss)before tax	48,808.64	31,821.03
Less: Current tax	11,461.76	6,967.56
Deferred Tax	(357.80)	166.16
Profit after tax	37,704.68	24,687.31
Other comprehensive Income	115.47	(504.91)
Transfer of Statutory Reserve (u/s Section 29C of NHB Act, 1987)	7,540.94	4,937.46
Balance carried to Balance Sheet	22,570.45	15,029.51
Earnings per Share (Face Value ₹ 5)		
Basic	35.10	26.24
Diluted	33.86	26.10

4. **Foreign Investments or collaborations, if any:** 71.48 % of the paid-up share capital of the Company as on 31 March, 2025 is held by foreign body corporates and non-resident individuals.

II. Information about the Appointee:

1. **Background details:** Mr. Rupinder Singh is MBA from FORE School of Management. He worked with companies such as Cholamandalam Investment & Finance Company, HDFC Bank and GE Money. In his last assignment, he led the Home Equity/ Mortgage & SME businesses at Chola and was instrumental in driving quality portfolio growth and delivering large profits.

2. **Past remuneration:** Prior to this recommendation, his remuneration as approved by the shareholders was as below:

Particulars	Amount (in ₹)
Fixed Pay	3,80,88,000
Variable Pay	4,57,05,600
Perquisites and other Benefits	43,00,000
Total	**8,80,93,600**

3. **Recognition or awards:** He has received recognition from his past employers for his services.

4. **Job profile and his suitability:** Mr. Rupinder Singh is responsible for overall business strategy and direction for the organisation. He is also responsible for new initiatives, strategic alliances etc. Mr. Rupinder Singh shall exert his full-time energy to his duties as Managing Director & Chief Executive Officer and shall report to the Board and shall be responsible for developing and recommending to the Board the business plan and staffing plans.

5. **Remuneration proposed:**

1. Remuneration

- Fixed Pay: ₹ 4,50,00,000 per annum;
- Variable Pay: In addition to the Fixed pay, Variable Pay maximum upto 120% of Fixed Pay (Fixed Pay as may be revised from time to time) as may be approved by the Board of Directors/Committee for each year;
- Perquisites and Other Benefits: In addition to the Fixed Pay, remuneration will include perquisites as per the Company policies (perquisite value maximum upto 12% of the Fixed Pay (Fixed Pay as may be revised from time to time) including but not limited to:
  - Rent-free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities for the said accommodation
  - Car with driver maintained by the Company for official and personal use
  - Health Insurance for self and family upto sum assured of ₹ 60 Lacs and other insurances including life and GPA as per the Company policies
  - One Club membership
  - Medical Reimbursements for self and family
  - Leave travel Concession for self and family

In addition to above limit on perquisites, one-time long service award as per the policies of the Company shall be payable to the MD & CEO.

2. The Board of Directors on the recommendation of the Nomination and Remuneration Committee may approve further increase in the Fixed Pay upto a maximum of 20% every year, during the tenure of his appointment. The quantum of the annual increase will be performance-based and as may be decided by the Board of Directors on recommendation of Nomination and Remuneration Committee.

3. Mr. Rupinder Singh, MD & CEO, shall be subject to leave and other personnel policies of the Company from time to time.

4. ESOP and Warrants: Mr. Rupinder Singh shall be eligible for ESOP and Warrants as per the policy of the Company from time to time and provisions of Companies Act, 2013 and rules made thereunder.

5. Reimbursement of expenses incurred for the business of the Company: Reasonable and necessary business expenses as incurred by him, which are directly related to the performance of his duties of employment, including travel, professional memberships and professional development, subject to documentation furnished by Mr. Rupinder Singh and ratification by the Chief Financial Officer.

Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost, in the absence of any such Rule.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The remuneration payable has been benchmarked with the remuneration being drawn by peers in similar capacity in similar companies of comparable size in the housing finance industry and has been considered by the Nomination and Remuneration Committee and Board of Directors in their meeting held on 09 May, 2025.

7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:

Mr. Rupinder Singh has no material pecuniary relationship except the managerial remuneration and holds 6,47,172 equity shares as on 31 March, 2025 & 10,95,000 ESOP's. He does not have any relationship with any Managerial Personnel or other director of the Company.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits and Steps taken or proposed to be taken for improvement:

The Managerial Remuneration paid by the Company is well within the prescribed limits under Section 197 of the Companies Act, 2013. However, in event of inadequacy of profit or absence of profit under Section 197 of Companies Act, 2013, the remuneration comprising salary, perquisites and other benefits approved/ratified by the Board of Directors be paid as minimum remuneration to the MD & CEO during the tenure of his appointment.

2. Steps taken or proposed to be taken for improvement

Not applicable

3. Expected increase in productivity and profits in measurable terms:

Refer point no.1 above.

The Board of Directors recommends the Special Resolution set out at Item Nos. 4 for approval by the Shareholders of the Company.

None of the Directors and Key Managerial Personnel except Mr. Rupinder Singh are concerned or interested in this resolution.

Item No. 5

The provisions of Section 180(1)(c) of the Companies Act, 2013 prescribes that the Board of Directors of a company shall exercise the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital, free reserves and securities premium, apart from temporary loans obtained from the Company's bankers in the ordinary course of business only with the consent of the members of the Company by a special resolution.

Pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013, the borrowing limit of ₹ 7500 Crs was approved by the shareholders of the company in their meeting held on 12 July, 2023.

In order to cater the business requirement of the company and considering the future borrowings of the company, it is proposed to pass a special resolution in the general meeting in terms of section 180(1)(c) of the Companies Act, 2013 in order to borrow money together with the moneys already borrowed by the company, apart from temporary loans obtained in the ordinary course of business, in excess of the paid-up share capital, free reserves and securities premium of the company.

The Company has total outstanding borrowing of ₹ 4,515.91 Crs as at 31 March, 2025. During the Financial Year 2024-25, the borrowing limits of the Company may exceed the approved threshold limit of ₹ 7,500 Crs.

In view of the above, it is proposed to pass the aforementioned resolution and the shareholders of the company are requested to authorise the Board of Directors of the Company ("Board") and/or any Committee as may be authorised by the Board ("Committee") to borrow monies up to an aggregate amount of ₹ 1,20,00,00,00,000 (Indian Rupees Twelve Thousand Crore) or the aggregate of the paid-up capital, free reserves and securities premium of the Company, whichever is higher at any time.

The Board of Directors have approved an overall borrowing limit of ₹ 12,000 Crs in their meeting held on 09 May, 2025.

The Board of Directors recommends the Special Resolution set out at Item Nos. 5 for approval by the Shareholders of the Company.

None of the Directors and Key Managerial Personnel are concerned or interested in this resolution.

Item No. 6

Pursuant to the provisions of Section 62(1)(b) and rules made thereunder of the Companies Act and other applicable provisions, if any, of the Companies Act, 2013 an Explanatory Statement relating to the Special Resolution is given as under:

Particulars as required under Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 are given below:

1. Total number of options to be granted:

A total of 26,60,000 [Twenty-Six Lac Sixty Thousand Only] would be granted to the eligible employees of the Company under ESOP Schemes. Each option when exercised would be converted into one equity share of face value of ₹5/- each fully paid-up. Options lapsed or cancelled due to any reason including due to lapse of exercise period or due to resignation of the employees / Directors or otherwise would be available for being re-granted at a future date. The Board (which term deems to include the "Nomination and Remuneration Committee" of the Board as per terms of ESOP Schemes) is authorised to re-grant such lapsed / cancelled options as per the ESOP Schemes.

In case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment will be made to the options granted. Accordingly, if any additional equity shares are required to be issued by the Company to the option grantees for making such fair and reasonable adjustment, the ceiling of options / equity shares as aforesaid shall be deemed to increase to the extent of such additional equity shares issued.

2. Identification of classes of employees entitled to participate in the employee stock option scheme:

Employee entitled to participate in the ESOP Schemes shall be in accordance with the ESOP Scheme 2025.

3. Appraisal Process for determining the eligibility of the employees to employee stock option scheme:

The options shall be granted to the employees as per performance appraisal system of the Company or where the Board/Committee shall determine the eligibility criteria for the employees under the ESOP Schemes based on their evaluation on various parameters, such as length of service, grade, performance, technical knowledge, leadership qualities, merit, contribution and conduct, future potential, etc., and such other factors as may be deemed appropriate by it.

4. Requirements of vesting and period of vesting:

The options granted shall vest so long as the employee continues to be in the employment of the Company, as the case may be, in accordance with the terms and conditions mentioned in ESOP Schemes. The Board/Committee/Management may, at its discretion, lay down (i) certain performance metrics on the achievement of which the granted options would vest; (ii) the detailed terms and conditions relating to such performance-based vesting, and the proportion in which options granted would vest subject to the minimum and maximum vesting period as specified below. The vesting period of options granted shall vest not earlier than 1 (one) year and not later than 5 (Five) years from the date of grant of such options. The exact proportion in which and the exact period over which the options would vest would be determined by the Board/Committee subject to the minimum vesting period of one year from the date of grant of options.

5. The maximum period within which the options shall be vested:

The options granted shall vest in not later than 5 (Five) years from the date of grant of such options.

6. Exercise price or the formula for arriving at the same:

The Exercise price of each ESOP will be the Market Price of each share as on the date of grant.

7. Exercise Period and the process of exercise:

The Exercise price of each ESOP will be the Market Price of each share on the relevant date.

8. Lock-in period:

Not Applicable

9. Maximum number of options to be granted per employee and in aggregate:

The maximum number of Options that may be granted to each Employee under this plan shall not exceed 1% (one percent) of the paid-up equity share capital of the company as on 31 March, 2025 or such other number as may be approved by the Board and the shareholders of the company from time to time.

10. Method of option valuation:

To calculate the employee compensation cost, the company shall use Fair Market Value or any other method under the applicable law.

11. The conditions under which option vested in employees may lapse:

The vested options shall lapse in case of termination of employment due to misconduct or due to breach of the Company policies or the terms of employment. Further, irrespective of employment status, in case vested options are not exercised within the prescribed exercise period, then such vested options shall lapse.

12. The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:

In case of resignation / termination (other than due to misconduct), all the vested options shall be exercised by the relevant employee before his/her last working day with the company. All unvested options as on date of resignation or termination shall stand cancelled with effect from that date.

13. Disclosure and Accounting Policies:

The company shall comply with the disclosure and accounting policies prescribed as per prevailing accounting guidelines and upon listing of securities of the company, the company shall comply with the accounting policies and disclosure requirements as prescribed under Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

14. Maximum quantum of benefits to be provided per Employee under the Scheme:

The maximum quantum of benefits underlying the options issued to an employee shall be equal to the difference between the option exercise price and the market price of the shares on the exercise date.

15. Whether the Scheme is to be implemented and administered directly by the Company or through a trust:

The ESOP 2025 is to be implemented and administered directly by the Company, through Nomination and Remuneration Committee.

16. Whether the Scheme involves new issue of shares by the Company or secondary acquisition by the trust or both:

The ESOP 2025 involves only new issue of shares by the Company.

17. The amount of loan to be provided for implementation of the Scheme(s) by the Company to the Trust, its tenure, utilization, repayment terms, etc.

Not Applicable as ESOP 2025 is proposed to be implemented directly by the Company.

18. Maximum percentage of secondary acquisition that can be made by the Trust for the purpose of the Scheme:

Not Applicable as ESOP 2025 involves only new issue of shares by the Company.

The Board of Directors recommends the Special Resolution set out at Item Nos. 6 for approval by the Shareholders of the company.

Except Mr. Rupinder Singh, Managing Director & Chief Executive Officer, Mr. Ashish Gupta, Chief Financial Officer and Ms. Mukti Chaplot, Company Secretary to extent of the ESOP that will be granted under respective Schemes, None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the passing of the Resolution.

Item No. 7

In accordance with the provisions of Section 204(1) read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company is required to annex with its Board's Report, a Secretarial Audit Report submitted by a Company Secretary in whole time practice. Further, pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), every listed entity and its material unlisted subsidiaries incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report, with the annual report of the listed entity.

The said Regulation 24A was amended w.e.f. 13 December, 2024 vide SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 and further provides that an Individual can be appointed as Secretarial Auditor for not more than one term of five consecutive years subject to obtaining shareholders' approval. The Board of Directors at its meeting held on 09 May, 2025 recommended appointment of Mr. Jitender Singh, (Membership No. A33610 & C.P. No.: 26612), Company Secretary in Practice as Secretarial Auditor for one term of five consecutive years from Financial Year 2025-26 upto Financial Year 2029-30. Mr. Jitender Singh, (Membership No. A33610 & C.P. No.: 26612), Company Secretary in Practice has furnished his eligibility and expressed willingness to get appointed as Secretarial Auditor for a term of five consecutive years from financial Year 2025-26 and confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

Mr. Jitender Singh holds a peer review certificate in terms of guidelines issued by the Institute of Company Secretaries of India and meets the eligibility criteria as enumerated under Regulation 24A (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

"Brief Profile of Mr. Jitender Singh"

Mr. Jitender Singh has 13 years of experience and led several significant assignments, providing both hands-on legal advice as well as overall strategic inputs. He has extensive experience in a wide range of practice areas including Corporate Compliance & Management, Foreign Direct Investment, Joint Ventures, Mergers & Acquisitions, Secretarial Audit, Due-Diligence, Approvals of the Ministry of Corporate Affairs, Compounding of Offences under the provisions of the Companies Act, 2013, Corporate Governance Auditors and FEMA Compliances and Management Consultants. He is also part of Litigation team and regularly appears before departmental and appellate authorities, e.g., NCLT. In addition to his practice, he is the co author of "Company Law Premier" publication of the Institute of the Company Secretaries of India ("ICSI") and member of research Committee of ICSI constituted in the year 2015, Member of Task Force Committee of ICSI and a frequent speaker at conferences and seminars conducted by the Institute of Company Secretaries of India (ICSI). He is member of Research Committee of NIRC-ICSI for the year 2018.

The recommendation for the appointment of Mr. Jitender Singh, (Membership No. A33610 & C.P. No.: 26612), Company Secretary in Practice, as Secretarial Auditor is based on their past track record and capabilities in delivering quality secretarial audit services to India Shelter Finance Corporation Limited and other companies of similar size and complexity. The proposed fee for Secretarial Audit is ₹ 2,75,000 per annum plus applicable taxes with power to the Board to revise during the term. The said remuneration excludes certifications and other professional work, applicable taxes and out of pocket expenses.

The Board of Directors recommends the Special Resolution set out at Item Nos. 7 for approval by the Shareholders of the Company.

None of the Directors and Key Managerial Personnel are concerned or interested in this resolution.

By Order of the Board
For India Shelter Finance Corporation Limited

Sd/-
Mukti Chaplot
Company Secretary
Membership No: 38326

Date: 03 July, 2025
Place: Gurugram

ANNEXURE A

Information as required under 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) for Item No. 3 is given hereunder:

S.No.	Particulars	Details
1.	Name of Director	Mr. Sudhin Bhagwandas Choksey
2.	Date of Birth	31-01-1954
3.	DIN	00036085
4.	Age	71 Years
5.	Brief resume, experience and qualifications	Mr. Sudhin Bhagwandas Choksey is the Chairman and Non-Executive Nominee Director of our Company. He holds a Bachelor's Degree in Commerce from the Syndenham College of Commerce and Economics, University of Bombay, Mumbai, Maharashtra. He is also a member of the Institute of Chartered Accountants of India. He was previously associated with Gruh Finance Limited as the Managing Director and Bandhan Bank as Executive Director (Designate). He has experience in the Banking Sector.
6.	Nature of expertise in specific functional areas	Industry Experience, Financial Expertise, Strategy & Planning, Leadership experience, Governance, Compliance & Risk Management
7.	Terms and conditions of appointment/re-appointment	Mr. Sudhin Bhagwandas Choksey is proposed to be re-appointed as a Chairman and Non-Executive Non-Independent Director of the Company, liable to retire by rotation, at the ensuing Annual General Meeting of the Company. The terms and condition of re-appointment shall be as per Appointment Letter and in accordance with the provisions of Companies Act, 2013.
8.	Remuneration proposed to be paid	NIL
9.	Date of first appointment on Board, last drawn remuneration and number of board meetings attended	Date of First appointment: 03-11-2021 Last drawn remuneration: NIL During Financial Year 2024-25, there were 4 board meetings held and Mr. Sudhin Bhagwandas Choksey has attended all the 4 Board Meeting.
10.	No. of Equity shares held in the Company (Including shareholding as a beneficial owner) (as on March, 2025)	NIL
11.	Relationship with other directors and Key Managerial Personnel inter-se	None
12.	Directorships held in other Companies Board	Directorship in other companies: 1. Asahi Songwon Colors Limited 2. CSB Bank Limited 3. Fairchem Organics Limited 4. Gujarat Ambuja Exports Limited 5. The Sandesh Limited 6. Anchorage Infrastructure Investments Holdings Limited 7. ArMee Infotech Limited 8. Kuhoo Finance Private Limited 9. Kuhoo Tech Innovations Private Limited

S.No.	Particulars	Details
13.	Membership/Chairmanship of Committees of the Board of other Companies*	**Membership/Chairmanship held on other Companies:** **CSB Bank Limited** 1. Risk Management Committee-Chairman 2. Stakeholders Relationship Committee-Member 3. Corporate Social Responsibility Committee-Member 4. Nomination and Remuneration Committee-Member 5. Management Committee - Member **Fairchem Organics Limited** 1. Audit Committee-Chairman 2. Stakeholders Relationship Committee-Member 3. Risk Management Committee-Member **Gujarat Ambuja Exports Limited** 1. Audit Committee-Member 2. Risk Management Committee-Member 3. Corporate Social Responsibility Committee-Member **The Sandesh Limited** 1. Audit Committee-Chairman 2. Risk Management Committee- Chairman 3. Nomination and Remuneration Committee-Member **Anchorage Infrastructure Investments Holdings Limited** 1. Audit Committee- Chairman 2. Nomination and Remuneration Committee-Chairman **ArMee Infotech Limited** 1. Audit Committee-Chairman 2. Nomination and Remuneration Committee-Member 3. Corporate Social Responsibility Committee-Member 4. IPO Committee - Member
14.	Listed entities from which the person has resigned in the past three years	Nil

*Includes Public (Listed and Unlisted) Companies

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