

INDEPENDENT AUDITOR'S REPORT

To the Members of SEWA Grih Rin Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the accompanying financial statements of SEWA Grih Rin Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit and total comprehensive income (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note no. 34 of the accompanying financial statements which states that the Company has been granted extension up to June 2025 by Reserve Bank of India ("RBI") to comply with the Principal Business Criteria ("PBC") as specified under paragraph 4.1.17 read with paragraph 5.3 of the Master Direction – Non Banking Financial Company – Housing Finance Company ("NBFC-HFC") (Reserve Bank) Directions, 2021 ("Master Directions") as amended.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Director's report including annexures to Director's report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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 the Board of Directors 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the 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 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 financial statements, including the disclosures, and whether the 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.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2024 and the related transition date opening balance sheet as at April 1, 2023 included in these financial statements, have been prepared after adjusting previously issued financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021 to comply with Ind AS. The previously issued financial statements were audited by the predecessor auditor whose report for the year ended March 31, 2024 and March 31, 2023 dated August 8, 2024 and July 24, 2023 respectively expressed an unmodified opinion on those financial statements. Adjustments made to the previously issued financial statements to comply with Ind AS have been audited by us. Refer note 46 to the accompanied financial statements.

Our opinion on the financial statements is not modified in respect of the above matter on the comparative financial information.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, 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 for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and in respect of books of account being maintained in cloud servers, the Company based on the confirmation received from the vendor has represented to us that the daily back is being maintained in a server physically located in India.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (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 modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vii) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



(h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to a director during the year is in excess of the limits laid down under Section 197 of the Act amounting to Rs. 19.43 million.

(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 does not have any pending litigations which would impact its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (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, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

Based on the 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 (i) and (ii) of Rule 11(e) contain any material misstatement.

- (v) The dividend declared and paid by the Company on compulsory convertible preference shares during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- (vi) Based on our examination which included test checks, the Company has used multiple accounting software for maintaining its books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has been operating throughout the year for all relevant transactions recorded in the respective software except that the feature of recording audit trail (edit log) facility was not enabled at the database layer of one accounting software ('Finnone').

Additionally, the audit trail to the extent it was enabled as stated above, has been preserved by the Company as per the statutory requirements for record retention.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

(Rahul Singh)

Partner

Membership No.: 096570

UDIN No.: 25096570BIMQMF4239



Place: Gurgaon

Date: 09 May 2025

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of SEWA Grih Rin Limited on the financial statements as of and for the year ended March 31, 2025)

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (including right of use assets, investment property and asset held for sale).

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the Property, Plant and Equipment is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year, being under cost model. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

(e) There are no proceedings which have been initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and Rules made thereunder.

- (ii) (a) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.

(b) During the year, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, from banks and financial institutions on the basis of security of current assets. As represented by the Company, no quarterly returns/statements are required to be filed by the Company with such banks and financial institutions.

- (iii) (a) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(a) of the Order are not applicable.

(b) In our opinion, security given and the terms and conditions of grant of all loans and advances in the nature of loans are not, prima facie, prejudicial to the Company's interest. The Company has not made any investments in, and or provided any guarantee during the year.

(c) In our opinion, in respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated and in our opinion the repayments/receipts of the principal amount and the interest are regular, except for below mentioned cases, wherein the repayment(s)/receipt(s) of the principal amount and the interest are not regular. The details of such cases are as follows (Refer note 41 to the financial statements).

Category of loan	Extent of delay	Amount (Rs. In million)
Term Loans	1-30 Days	833.56
	31-90 Days	792.87
	More than 90 Days	258.03
Total		1884.46



(d) In respect of loans or advances in the nature of loans granted by the Company, (the total amount which is overdue for more than 90 days as at the balance sheet date is given as under). As explained to us, reasonable steps have been taken by the Company for the recovery of principal/ interest amounts (Refer note 41 to the financial statements).

(Amount Rs. in million)

Category of Loan	No. of Cases	Principal Amount Overdue	Interest Overdue	Total Overdue
Term Loan	758	258.03	33.15	291.18

(e) The Company's principal business is to give loans. Accordingly, the provisions of clause 3(iii)(e) of the Order are not applicable.

(f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provisions of clause 3(iii)(f) of the Order are not applicable.

(iv) The Company has not undertaken any transactions in respect of loans, guarantees, and securities covered under section 185 of the Companies Act, 2013. The Company has not made any investment as referred to in section 186(1) of the Act and other requirements relating to section 186 do not apply to the Company.

(v) The Company has neither accepted any deposits nor the amounts which are deemed to be deposits during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

(vii) (a) The undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable except provident fund payable of Rs. 0.13 million and labour welfare fund of Rs. 0.01 million outstanding since March 31, 2024 for the reason stated in note 19 of the accompanying financial statements. We are informed that the operations of the Company during the year did not give rise to any liability for sales-tax, service tax, value added tax and duty of excise.

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.

(viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) We report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The term loans were applied for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.



(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) & 3(ix)(f) of the Order are not applicable.

- (x) (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

(b) During the year, the Company has made preferential allotment/ private placement of shares (partially). In respect of such allotment, in our opinion, the Company has complied with the requirement of Section 42 and Section 62 of the Act and the Rules framed there under. In our opinion, the funds raised have been utilized for the purposes for which the funds were raised though funds which were not required for immediate utilisation were temporarily invested in liquid funds, however these funds were ultimately utilized for the stated end-use. The Company has not made any preferential allotment or private placement of convertible debentures (fully, partially or optionally) during the year.

- (xi) (a) Material fraud by the Company or on the Company has been noticed or reported during the year as disclosed in note 55 of the financial statements. However, the board of directors based on the whistle blower complaint and subsequent investigation by the professional firm has identified instances of misappropriation of cash collected from customers, embezzlement of cash and regularisation of certain delinquent loan accounts by the former senior officials of the Company pertains to the period ended March 31, 2024. However, as stated in the note, the overall impact of the above has been estimated around Rs. 18.06 million on which substantial amount has been recovered, and the balance amount has been charged to the statement of profit and loss for the year ended March 31, 2024.

(b) The predecessor statutory auditors has filed a report in the matter reported in (x)(a) above under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 (as amended) with the Central Government, during the year and up to the date of this report.

(c) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

- (xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

- (xv) During the year the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the RBI Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.

(b) The Company is a Housing Finance Company registered with the National Housing Bank and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.

(c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.

(d) The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC as part of the Group. Accordingly, provisions of clause 3(xvi)(d) of the Order are not applicable.



(xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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) The provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3 (xx) (a) and (b) of the order is not applicable for the year.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

(Rahul Singh)

Partner

Membership No.: 096570

UDIN No.: 25096570BMIQMF4239



Place: Gurgaon

Date: 09 May 2025

Annexure B

Independent Auditor's report on the Internal Financial Controls with reference to financial statements 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 financial statements of SEWA Grih Rin Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the 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 financial control with reference to 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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, issued by the Institute of Chartered Accountants of India ("the ICAI") and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to 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 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 system with reference to financial statements.

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

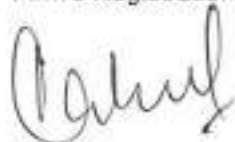
Opinion

In our opinion, and to the best of our information and according to the explanations given to us the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal financial control with reference to 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.

For **S.N. Dhawan & CO LLP**

Chartered Accountants

Firm's Registration No.:000050N/N500045



(Rahul Singhal)

Partner

Membership No.: 096570

UDIN No.: 26096570BMIQMF4239



Place: Gurgaon

Date: 09 May 2025

SEWA Grih Rin Limited
Corporate Identification Number CIN: U65923DL2011PLC222491
Balance Sheet as at March 31, 2025
(All amounts are in INR millions, unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
ASSETS				
(1) Financial Assets				
Cash and cash equivalents	3	947.02	1,051.73	423.40
Bank balance other than cash and cash equivalents	4	361.42	374.93	386.45
Derivative financial instruments	5	105.46	52.53	26.42
Trade receivables	6	8.50	17.48	11.73
Loans	7	9,591.77	10,401.88	5,965.63
Investments	8	2,196.91	-	89.76
Other Financial Assets	9	271.01	201.71	24.57
Total Financial assets		13,482.99	12,100.04	6,937.98
(2) Non-financial assets				
Current tax assets (net)	10	6.88	40.73	13.84
Deferred tax assets (net)	11	131.91	149.62	138.51
Property, Plant & Equipment	12	120.83	134.12	71.74
Intangible assets under development	12	-	47.96	21.97
Other intangible assets	12	73.28	0.80	1.54
Right of use assets	44	148.62	153.94	104.98
Other non-financial assets	13	83.02	74.40	50.02
Total Non-Financial assets		544.55	601.67	400.90
Total Assets (1+2)		14,027.54	12,701.71	7,338.88
LIABILITIES AND EQUITY				
Liabilities				
(1) Financial liabilities				
Derivative financial instruments	5	-	1.17	0.15
Trade payables	14	-	-	-
- Total outstanding dues of micro enterprises and small enterprises		3.70	3.44	3.17
- Total outstanding dues of creditors other than micro enterprises and small enterprises		36.68	38.06	24.90
Debt securities	15	507.40	509.86	-
Borrowings (other than debt securities)	16	8,227.90	9,203.32	5,350.87
Lease liabilities	44	162.21	159.93	100.98
Other financial liabilities	17	97.34	75.40	31.73
Total Financial liabilities		9,034.23	10,081.01	5,511.80
(2) Non-financial liabilities				
Provisions	18	22.81	22.20	13.45
Other Non-financial liabilities	19	29.37	143.94	13.22
Total Non-financial liabilities		52.18	166.14	26.67
Total Liabilities (3 = 1+2)		9,086.41	10,247.15	5,538.47
(4) Equity				
Equity share capital	20	2,747.11	859.49	657.39
Instruments entirely equity in nature	21	-	178.88	237.02
Other equity	22	2,194.02	1,416.19	906.00
Total Equity		4,941.13	2,454.56	1,800.41
Total Liabilities and Equity (3+4)		14,027.54	12,701.71	7,338.88

Material accounting policies 1.2
The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000050N/N500045

Rahul Singh
Partner
Membership Number: 096570

Place: Gurugram
Date: May 9, 2025



For and on behalf of Board of Directors
SEWA Grih Rin Limited

Ajesh Appukuttan
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: May 9, 2025

Ayush Jindal
Company Secretary

Place: Gurugram
Date: May 9, 2025

Vishal Visaraj Thakkar
Director & CFO
DIN: 10546734

Place: Mumbai
Date: May 9, 2025



SEWA Grih Rin Limited
Corporate Identification Number CIN: U65923DL2011PLC222491
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in INR millions, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March, 31 2024
(1) Revenue from operations:			
(i) Interest income on financial assets measured at amortised cost	23	1,786.00	1,555.44
(ii) Fees and commission income	24	58.36	124.49
(iii) Net gain on fair value changes	25	93.54	42.47
(iv) Income on derecognised (assigned) loans	26	113.50	176.95
Total revenue from operations		2,031.40	1,899.35
(2) Other income	27	17.01	2.20
(3) Total income (1+2)		2,048.41	1,901.55
(4) Expenses			
Finance costs	28	918.99	755.33
Impairment on financial instruments	29	(14.34)	133.83
Employee benefits expenses	30	752.38	685.62
Depreciation and amortisation expense	31	95.71	71.93
Other expenses	32	271.71	238.57
Total expenses		2,024.45	1,885.28
(5) Profit before tax (3-4)		23.96	16.27
(6) Tax expenses	47		
Current tax		-	-
Tax adjustment relating to prior years		(0.38)	2.63
Deferred tax charge / (credit)		18.19	(12.61)
Total tax expenses		17.81	(9.98)
(7) Profit for the year (5-6)		6.15	26.25
(8) Other Comprehensive income			
Items that will not to be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit plan		(1.91)	(0.78)
Income tax relating to items that will not be reclassified to profit or loss		0.48	0.20
Other comprehensive income		(1.43)	(0.58)
(9) Total comprehensive income for the year (7+8)		4.72	25.67
Earnings per equity share			
[nominal value of share Rs. 10 (March 31, 2024: Rs. 10)]			
Basic (in Rs. per share)	33	0.03	0.26
Diluted (in Rs. per share)	33	0.03	0.26

Material accounting policies

The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570

Place: Gurugram
Date: May 9, 2025



For and on behalf of Board of Directors
SEWA Grih Rin Limited

Ajeesh Appukuttan
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: May 9, 2025

Ayush Jindal
Company Secretary

Place: Gurugram
Date: May 9, 2025



Vishal Visaraj Thakkar
Director & CFO
DIN: 10646734

Place: Mumbai
Date: May 9, 2025

SEWA Grih Rin Limited

Corporate Identification Number CIN: U65523DL2011PLC222491

Statement of Cash Flows for the year ended March 31, 2025

(All amounts are in INR millions, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flow from operating activities		
Profit before tax	23.96	16.27
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment	95.71	71.93
Interest expense on borrowings and debt securities	836.45	670.50
Interest expense on leases	15.34	14.42
Impairment on financial instruments	(339.86)	131.12
Interest on unwinding of security deposits	(1.74)	(1.45)
Employee share option expense	(1.27)	7.07
Loss on sale of property, plant & equipment	-	0.02
Property, plant & equipment written off	0.64	-
Income on derecognised (assigned) loans	(113.50)	(176.95)
Net gain on fair value changes	(93.54)	(42.47)
Operating profit before working capital changes	422.19	696.46
Changes in working capital:		
Adjustments for (increase)/ decrease in operating assets:		
(Increase)/decrease in trade receivables	8.98	(5.75)
(Increase)/decrease in other financial assets	42.43	(6.57)
(Increase)/decrease in other non-financial assets	11.38	(36.46)
(Increase)/decrease in derivative financial asset	(53.57)	(35.04)
(Increase)/decrease in loan	1,151.32	(4,549.40)
(Increase)/decrease in other bank balance	13.51	11.52
Adjustments for increase/ (decrease) in operating liabilities:		
Increase/(decrease) in trade payables	(2.15)	13.46
Increase/(decrease) in derivative financial liability	(1.17)	1.02
Increase/(decrease) in provisions	(1.30)	7.97
Increase/(decrease) in other financial liabilities	21.94	43.67
Increase/(decrease) in other non-financial liabilities	(114.57)	130.72
Cash used in operations	1,498.99	(3,734.40)
Net income tax paid	34.23	(29.52)
Net cash flows/(used) in operating activities (A)	1,533.22	(3,763.92)
B. Cash flow from investing activities		
Purchase of Property, Plant & Equipment	(27.35)	(93.17)
Capital expenditure on intangible assets including under development	(34.32)	(25.99)
Purchase of Mutual funds	(9,467.28)	(10,362.20)
Sale of Mutual funds	7,364.95	10,413.38
Sale of Property, Plant & Equipment	0.01	0.10
Sale of investment	-	100.00
Net cash from/(used) investing activities (B)	(2,164.39)	32.12
C. Cash flow from financing activities		
Proceeds from borrowings	650.00	5,088.03
Repayment of borrowings	(1,625.42)	(1,215.58)
Proceeds/(Repayment) of debt securities	(92.26)	599.66
Share issue expenses paid	(133.90)	(31.27)
Interest paid	(836.45)	(670.50)
Proceeds from issue of CCPS	-	649.00
Proceeds from issue of equity shares	2,617.06	3.71
Dividend paid on CCPS	(0.04)	(0.03)
Payment of lease liabilities	(51.63)	(42.89)
Net cash generated from financing activities (C)	527.36	4,360.13
Net increase in cash and cash equivalents (A)+(B)+(C)	(103.61)	628.33
Cash and cash equivalents at the beginning of the year	1,051.73	423.40
Cash and cash equivalents at the end of the year	947.92	1,051.73
Components of cash and cash equivalents (refer note 3)		
Cash on hand	3.89	14.29
Balances with banks	263.49	1,037.44
Deposits with original maturity of less than 3 months	680.54	-
Total	947.92	1,051.73



SEWA Grih Rin Limited
Corporate Identification Number CIN: U65923DL2011PLC222491
Statement of Cash Flows for the year ended March 31, 2025
(All amounts are in INR millions, unless otherwise stated)

The above cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS-7) on "Statements of Cash Flows".

Reconciliation of liabilities from financing activities:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance of share capital (incl. premium) and borrowings	12,627.81	7,553.31
<u>Non cash movement:</u>		
Accrual of Interest	838.45	670.50
Premium on exercise of ESOPs	-	0.95
<u>Cash movement:</u>		
Issue of shares (including premium)	2,617.05	652.71
Proceeds from borrowings including debts (net)	557.74	5,667.69
Repayment of borrowings (net)	(1,625.42)	(1,215.58)
Payment of share issue expenses	(133.90)	(31.27)
Interest paid	(838.45)	(670.50)
Closing balance of share capital (incl. premium) and borrowings	14,043.29	12,627.81

Material accounting policies

1.2

The accompanying notes referred to above form an integral part of the financial statements
As per our report of even date

For S.N. Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000050N/N500045

Rahul Singhal
Partner
Membership Number: 096570

Place: Gurugram
Date: May 9, 2025



For and on behalf of Board of Directors
SEWA Grih Rin Limited

Ajeesh Appukuttan
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: May 9, 2025

Vishal Visenji Thakkar
Director & CFO
DIN: 10546734

Place: Mumbai
Date: May 9, 2025

Ayush Jindal
Company Secretary

Place: Gurugram
Date: May 9, 2025



SEWA Grih Rin Limited
Corporate Identification Number CIN: U66933DL2011PLC222491
Balance sheet as at March 31, 2025
(All amounts are in INR millions, unless otherwise stated)

Statement of Changes in Equity

Equity Share Capital

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 1, 2023	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the year	6,59,49,342	659.49	6,57,59,342	657.59	6,57,59,342	657.59
Changes in equity share capital during the year	34,54,88,768	2,687.62	2,10,000	2.10	-	-
Closing balance as at the end of the year	41,54,38,110	2,747.11	6,59,49,342	659.49	6,57,59,342	657.59

Instruments entirely equity in nature

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 1, 2023	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance at the beginning of the year	3,78,87,667	378.88	2,97,01,872	297.02	2,97,01,872	297.02
Changes during the year	(3,78,87,667)	(378.88)	1,41,85,795	141.86	-	-
Closing balance as at the end of the year	-	-	3,78,87,667	378.88	2,97,01,872	297.02

Other Equity

Particulars	Reserves & Surplus					Total
	Share Based Payment Reserve	Retained Earnings	Securities premium	Statutory reserve	Other comprehensive Income	
Balance at the beginning of April 1, 2023	7.16	(27.51)	1,308.03	36.69	-	1,324.37
Ind AS transition adjustment (refer note 46)	4.26	(421.64)	-	-	(0.58)	(418.37)
Revised balance at the beginning of April 1, 2023	11.42	(449.15)	1,308.03	36.69	(0.58)	906.00
Profit / (Loss) for the year	-	26.25	-	-	(0.58)	25.67
Transfer to statutory reserve	-	(5.67)	-	5.67	-	-
Securities premium on issuance of CCPS	-	-	507.14	-	-	507.14
Securities premium on ESOPs exercised during the year	-	-	2.56	-	-	2.56
Payment of dividend on compulsory convertible preference shares	-	(0.03)	-	-	-	(0.03)
Share issue expenses	-	-	(31.27)	-	-	(31.27)
Cost of ESOPs granted during the year	7.07	-	-	-	-	7.07
Transfer to securities premium on exercise of ESOPs	(0.95)	-	-	-	-	(0.95)
Balance at the end of March 31, 2024	17.54	(428.54)	1,786.46	42.30	(1.57)	1,416.19
Profit / (Loss) for the year	-	6.15	-	-	(1.43)	4.72
Transfer to statutory reserve	-	(1.23)	-	1.23	-	-
Securities premium on issuance of equity shares	-	-	908.32	-	-	908.32
Securities premium on ESOPs exercised during the year	-	-	-	-	-	-
Payment of dividend on compulsory convertible preference shares	-	(0.04)	-	-	-	(0.04)
Share issue expenses	-	-	(133.90)	-	-	(133.90)
Transfer on cancellation of ESOPs	-	7.90	-	-	-	7.90
Cost of ESOPs granted during the year	(9.17)	-	-	-	-	(9.17)
Transfer to securities premium on exercise of ESOPs	-	-	-	-	-	-
Balance at the end of the current reporting period	8.37	(415.76)	2,598.88	43.53	(3.00)	2,194.82

Material accounting policies

The accompanying notes referred to above form an integral part of the financial statements.
As per our report of even date.

For S.M. Dhawan & CO LLP
Chartered Accountants
Firm Registration Number: 000504N/1500045

Harish Singhani
Partner
Membership Number: 096570

Place: Gurugram
Date: May 9, 2025



For and on behalf of Board of Directors
SEWA Grih Rin Limited

Ayesh Aggarwal
Managing Director & CEO
DIN: 10988270

Place: Mumbai
Date: May 9, 2025

Ayesh Jindal
Company Secretary

Place: Gurugram
Date: May 9, 2025



Vinod Vinod Thakkar
Director & CFO
DIN: 10646734

Place: Mumbai
Date: May 9, 2025

1. Company overview

Sewa Grih Rin Limited ("the Company") is a Company incorporated on July 18, 2011 under the provisions of the Companies Act, 1956, and obtained a fresh certificate of incorporation on April 07, 2014 upon change of name on conversion to a Public Limited Company. It is a Housing Finance Company registered under section 29A of The National Housing Bank Act, 1987 vide Registration Certificate No. 01.0118.15 dated January 24, 2015. The Company is engaged in providing secured retail home loans, home equity loans and loans against property to women borrowers for a period up to twenty years. The Company operates in India through branches spread across various Indian States viz. Delhi, Rajasthan, Madhya Pradesh, Uttar Pradesh, Maharashtra, Bihar, Haryana, Gujarat, etc. These loans are primarily to be used by the women borrowers for home purchase, home improvements, home extension and for construction of dwelling units on plots owned by borrowers. The Company is not allowed to accept/hold public deposits.

1.1 Basis of preparation

Statement of Compliance

The financial statements of the Company as at and for the year ended March 31, 2025 are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India. These financial statements have been approved by the board of directors in its meeting held on May 9, 2025.

The financial statements for the year ended March 31, 2025 is the first financial statements prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules, 2021 (Indian GAAP or previous GAAP) as amended. Accordingly, the Company has prepared financial statements in accordance with Ind AS applicable for year ending on March 31, 2025, together with the comparative year data as at and for the year ended March 31, 2024, and as at April 1, 2023 (date of transition to Ind AS) as described in note 2. The principal adjustments made by the Company in restating its Indian GAAP financial statements including the balance sheet as at April 1, 2023 and the financial statements as at and for the year ended March 31, 2024 are stated in note 46. The statutory financial statements till FY 2023-2024 had been audited by predecessor auditors.

Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the time these financial statements have been adopted by the Board of Directors, have been considered in preparing these financial statements.

The material accounting policies adopted under Ind AS by the Company are disclosed in note 2.

1.2 Basis of preparation, measurement and presentation

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer to accounting policies in note 2) in accordance with the accounting principles generally accepted in India.

The Balance Sheet, the Statement of Change in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ("NBFCs") that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

1.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional and presentation currency. All amounts have been denominated in million and rounded off to the nearest two decimals, except as stated otherwise.



2. Material accounting policies

2.1 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements, assumptions and estimation uncertainties

In the process of applying the Company's accounting policies, management has made the following estimates and judgments, which have a significant impact on the carrying amount of assets and liabilities at each balance sheet date:

Business model assessment - Classification of financial assets: Assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest ('SPPI') on the principal amount outstanding

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income 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 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 assets.

Impairment of financial assets

The Company establishes criteria for determining whether credit risk on the financial assets has increased significantly since initial recognition, determines methodology for incorporating forward looking information into measurement of expected credit loss ('ECL') and selection of models used to measure ECL. The inputs used and process followed by the Company in determining the ECL has been detailed in note 41(f).

Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is carried out in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility.

Impairment of financial instruments: Determining inputs into the ECL measurement model, including incorporation of forward looking information including key assumptions used in estimating recoverable cash flows

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time ECL ('LTECL') basis and the qualitative assessment;
- The segmentation of financial assets when their ECL is assessed on a collective basis;

- Development of ECL models, including the various formulas and the choice of inputs;
- Determination of associations between macroeconomic scenarios and, economic inputs and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

Measurement of defined benefit obligations: key actuarial assumptions

The measurement of obligations related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations. Refer to note 36.

Recognition of deferred tax assets

The Company has recognised deferred tax assets/ (liabilities) and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The Company is expected to generate adequate taxable income for liquidating these assets in due course of time.

Recognition and measurement of provisions and contingencies

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the Company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgment is required to conclude on these estimates.

Useful lives and expected residual value of assets

Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically. The lives are based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 except intangible assets which are amortised over the period of 3-5 years.

2.2 Measurement of fair value

The Company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).



When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2.3 Financial Instruments

Initial recognition and measurement

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets – Classification

On initial recognition, a financial asset is classified as measured at either of:

- Amortized cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset being 'debt instrument' is measured at the amortised cost, only if both of the following conditions are met and is not designated as at FVTPL:

- The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met and is not designated as at FVTPL:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular

interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

If cash flows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of Profit and Loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.



Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Statement of Profit and Loss.

Collateral Repossession

In its normal course of business whenever default occurs, the Company on the satisfaction of some internal logics initiate the Arbitration process and after getting the order from the Arbitral Tribunal takes the possession of two-wheeler in its secured portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The Company generally does not use the assets repossessed for the internal operations. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the Company also does not derecognise the underlying financial asset immediately on repossession. The Company does not record repossessed assets on its Balance Sheet as non-current assets held for sale.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Derecognition

Financial asset – derecognition due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Financial asset – derecognition other than due to substantial modification

A financial asset, such as a loan to a customer, is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.



Derecognition - Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.4 Impairment of financial assets

Impairment of financial instruments:

The Company applies the ECL model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflects the general pattern of credit deterioration of a financial assets. The Company categories financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Impaired assets, i.e. more than 90 days past due

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

The Company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the Company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgment, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The Company regularly reviews its models in the context of actual loss experience and make adjustments when such differences are significantly material.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

After initial recognition, trade receivables are subsequently measured at amortized cost using the effective interest method, less provision for impairment. The Company follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to Statement of Profit and Loss and is recognised in OCI.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

2.5 Property, plant and equipment

Initial recognition and measurement

The cost of an item of Property, plant and equipment is recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific fixed assets and that are attributable to construction activity in general and can be allocated to specific fixed assets are included in capital work-in-progress.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation methods, estimated useful lives and residual value

The Company depreciates its property, plant and equipment on the straight line method based on the useful lives as specified in Part 'C' of Schedule II to the Act, except intangible assets which are amortised over the period of 3-5 years.

Depreciation on additions is being provided on pro rata basis from the date of such additions. Similarly, depreciation on assets sold / disposed off during the period is being provided up to the dates on which such assets are sold / disposed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

Leasehold improvements are amortised on a straight line basis over the non-cancellable period of lease or management estimates to useful life, whichever is lower.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.6 Intangible assets

Initial recognition and measurement

Intangible assets acquired by the Company are carried at cost of acquisition less amortisation. The cost of an item of intangible assets comprises its purchase price, including non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

An intangible asset is de-recognised 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 is recognised in profit or loss when the asset is de-recognised.

Amortization methods, estimated useful lives and residual value

Intangible assets, comprising software, are amortised over the estimated useful life of 3 years to 5 years on a straight-line basis from the date of capitalization. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2.7 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.8 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For assets that are not yet available for use, the recoverable amount is estimated at each reporting date. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

2.9 Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the year in which the change occurs.

2.10 Revenue recognition

Interest income on loans

Interest income from financial assets is recognised using Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

The interest revenue continues to be recognised at the original EIR applied on the gross carrying amount for financial assets (when the asset is not credit impaired) or to the amortised cost of the liability. However, for the financial assets that have become credit impaired subsequent to the initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Other financial charges

Cheque bouncing charges, late payment charges, foreclosure and other related charges are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.

Other income

Service fees income is recognised over the time as services are rendered, per the terms of the contract. Insurance commission income is recognised in the month of issuance / renewal of the policy. All other items of income are accounted for on accrual basis.

Recovery from bad debts

Recovery from bad debts written off is recognised as income on the basis of actual realization from customers.

2.11 Employee benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Benefits such as salaries and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee provides the related service.

Post-employment benefits

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund is a defined contribution plan. The Company expenses its contributions towards provident fund which are being deposited with the Regional Provident Fund Commissioner.



Defined benefit plans

The Company's gratuity scheme is an unfunded defined benefit plan. The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The present value of obligations under such defined benefit plans are based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognise each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity period approximating to the terms of related obligations.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements. Changes due to service cost and net interest cost / income is recognised in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of actuarial gains and losses are recognised in other comprehensive income:

Gratuity payable to the employees on fixed term contract with the Company are accounted for on the basis of salary drawn and the period served as at the balance sheet date in accordance with the Payment of Gratuity Act, 1972.

Other long term employee benefits

Benefits under compensated absences constitute other employee benefits. Employee entitlements to annual leave are recognised when they accrue to the eligible employees. An accrual is made for the estimated liability for annual leave as a result of services provided by the eligible employees up to the Balance Sheet date. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Leave encashment payable to the employees on fixed term contract with the Company are accounted for on the basis of salary drawn and the accumulated leave balance as at the balance sheet date in accordance with the other long term employee benefits plans of the company.

2.12 Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current tax is measured at the amount expected to be paid in respect of taxable income for the period in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the period and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum alternative tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if, the Company:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously

Deferred tax

Deferred tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

2.13 Leases

The Company has adopted Ind AS 116 on Leases and applied it to all lease contracts existing on April 1, 2023 using the modified retrospective method. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

The following policies apply subsequent to the date of initial application, April 1, 2023.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Company if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease; initial direct costs incurred; and
- the amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

2.14 Foreign currency transactions

Transactions in foreign currency are translated into the functional currency of the Company at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of Profit and Loss of the period. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates on that date; the resultant exchange differences are recognised in the Statement of Profit and Loss.

2.15 Earnings per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.16 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company is engaged in the business of financing. Accordingly, the Company's activities/ business is reviewed regularly by the Company's Chairman assisted by an executive committee from an overall business perspective, rather than reviewing its products/ services as individual standalone components. Based on the dominant source and nature of risks and returns of the Company, management has identified its business segment as its primary reporting format. Refer note 35 for details on segment information presented.

2.17 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



3. Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2024	As at April 1, 2023
Cash and cash equivalents:			
Cash on hand	3.85	14.28	5.24
Deposits with banks	265.49	1,037.94	163.11
Deposits with original maturity of less than 3 months	850.54	-	235.06
Total	860.88	1,052.22	403.41

4. Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2024	As at April 1, 2023
Deposits held as margin money against borrowings from banks	268.57	374.71	385.17
Deposit accounts having balance maturity of less than 12 months	92.67	-	-
Serialized balances with Banks	0.18	0.22	1.26
Total	361.42	374.93	386.43

5. Derivative financial instruments (at FVTPL)

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes and includes option contracts entered into for hedging foreign currency payments only. The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts. The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

Particulars	As at March 31, 2023		
	Notional Amounts	Fair Value Asset	Fair Value Liability
Currency derivatives			
Forwards and Swaps			
Mark-to-market gain on derivatives	2,158.03	105.46	-
Total derivative financial instruments	2,158.03	105.46	-

Particulars	As at March 31, 2024		
	Notional Amounts	Fair Value Asset	Fair Value Liability
Currency derivatives			
Forwards and Swaps			
Mark-to-market gain on derivatives	2,770.81	52.53	1.17
Total derivative financial instruments	2,770.81	52.53	1.17

Particulars	As at April 1, 2023		
	Notional Amounts	Fair Value Asset	Fair Value Liability
Currency derivatives			
Forwards and Swaps			
Mark-to-market gain on derivatives	2,426.55	26.42	0.15
Total derivative financial instruments	2,426.55	26.42	0.15

6. Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2024	As at April 1, 2023
Trade receivables			
Unsecured, Considered good	8.50	17.48	11.73
	8.50	17.48	11.73

No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person; nor any trade receivable are due from firms or private companies respectively in which any of the director is a partner, a director or a member.

Trade receivables aging schedule as on 31 March, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured, Considered good	8.50	-	-	-	-	8.50
	8.50	-	-	-	-	8.50

Trade receivables aging schedule as on 31 March, 2024

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured, Considered good	17.48	-	-	-	-	17.48
	17.48	-	-	-	-	17.48

Trade receivables aging schedule as on 1 April, 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Unsecured, Considered good	11.73	-	-	-	-	11.73
	11.73	-	-	-	-	11.73



7. Loans

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Term Loans (Gross)	8,853.90	11,095.22	8,455.82
Less: Impairment loss allowance	282.13	863.96	490.19
Total net	8,571.77	10,231.26	7,965.63
(i) Out of above:			
(a) Secured by tangible assets	8,591.77	10,401.66	8,965.63
(b) Loans in India:			
Public Sector	-	-	-
Others (gross)	8,591.77	11,095.22	8,455.82
Less: Impairment loss allowance	282.13	863.96	490.19
Total net (b)	8,309.64	10,231.26	7,965.63
(c) Loans outside India	-	-	-
Less: Impairment loss allowance	-	-	-
Total net (c)	-	-	-
Total net (b+c)	8,309.64	10,231.26	7,965.63

(a) Loans are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

(b) Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and partly secured by assignment of life insurance policies and property insurance policies.

(iv) No loans and advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013).

(v) Refer note 41 for expected credit loss related disclosures on loan assets.

8. Investments

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Investment at fair value			
In commercial papers	-	-	39.78
(Unquoted 1,000,000 commercial papers having face value of Rs 100/- each with maturity date of 10 April 2023)			
In mutual funds:			
Axis Liquid Fund - Dir - Growth (Units - 124,680)	559.47	-	-
Barclays Liquid Fund - Dir - Growth (Units - 900,906)	314.16	-	-
Edelweiss Liquid Fund - Dir - Growth (Units - 48,197)	161.62	-	-
HDFC Liquid Fund - Dir - Growth (Units - 100,013)	318.32	-	-
LIC MF Liquid Fund - Dir - Growth (Units - 70,898)	333.84	-	-
Nippon India Liquid Fund - Dir - Growth (Units - 55,085)	356.33	-	-
Sundaram Liquid Fund - Dir - Growth (Units - 155,679)	356.54	-	-
Total gross	2,196.31	-	39.78
Less: Allowance for impairment loss (c)	-	-	-
Total net (a+b+c)	2,196.31	-	39.78
(i) Out of above, Investments:			
In India	2,196.31	-	39.78
Outside India	-	-	-

9. Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Unsecured and considered good:			
Security Deposits	20.12	10.15	12.98
Collection receivable on accounts of purchase loan pool	-	11.14	9.74
Process Interest Special receivable	247.41	179.02	-
Receivable from online payment aggregator and gateway	10.25	6.01	1.62
Other receivables	0.47	0.06	0.05
Total gross	278.25	207.38	24.39
Less: Impairment loss allowance	7.04	6.67	-
Total net	271.21	200.71	24.39

10. Current tax assets (Net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Advance income taxes (net of provision for income tax)	6.88	40.73	13.84
Total	6.88	40.73	13.84

11. Deferred tax asset (Net)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Deferred tax relates to the following:			
Depreciation on property, plant and equipment and amortisation of right of use assets and other intangible assets	(37.88)	(40.55)	(27.53)
Provision for employee benefits and other provisions	5.74	5.89	5.89
Impairment allowances for financial assets	67.80	146.37	124.37
Lease liabilities	(41.83)	(40.25)	(25.41)
Business loss	96.15	8.87	-
Other adjustment pursuant to Ind AS	(40.93)	(21.91)	(12.17)
Total	37.91	49.62	55.61



12. Property, Plant & Equipment, Intangible asset under development and Other intangible assets

Particulars	Tangible asset (A)				Other intangible assets (B)	Intangible asset under development (C)	Total (A+B+C)
	Furniture and fixtures	Office equipment	Computer equipment	Leasehold Improvements	Total	Software under development	
(i) Gross Block							
Balance as at April 01, 2023	16.50	8.44	40.19	6.61	71.74	21.97	95.25
Additions	15.64	10.44	27.54	39.55	93.17	25.99	119.16
Disposals/Adjustment	-	-	2.47	-	2.47	-	2.47
Balance as at March 31, 2024	32.14	18.88	65.26	46.16	162.44	47.96	211.94
Additions	6.28	4.12	2.62	14.33	27.35	28.59	138.22
Disposals/Adjustment	1.25	1.42	1.48	-	4.15	76.55	80.70
Balance as at March 31, 2025	37.17	21.58	66.40	60.49	185.64	-	269.46
(ii) Accumulated depreciation/amortisation							
Balance as at April 01, 2023	-	-	-	-	-	-	-
For the year	2.45	2.64	20.64	4.94	30.67	0.64	31.31
Disposals/Adjustment	-	-	2.35	-	2.35	-	2.35
Balance as at March 31, 2024	2.45	2.64	18.29	4.94	28.32	-	28.96
For the year	3.23	3.89	23.39	9.48	39.99	9.89	49.88
Disposals/Adjustment	0.99	1.10	1.41	-	3.50	-	3.50
Balance as at March 31, 2025	4.69	5.43	40.27	14.42	64.81	10.53	75.34
(iii) Net Block							
Balance as at April 01, 2023	16.50	8.44	40.19	6.61	71.74	21.97	95.25
Balance as at March 31, 2024	29.69	16.24	46.97	41.22	134.12	47.96	182.98
Balance as at March 31, 2025	32.48	16.15	26.13	46.07	120.83	-	194.12

Ageing for intangible assets under development as at March 31, 2025, March 31, 2024 and April 1, 2023 is as follows :

Particulars	Amount in intangible asset under development for a period of			
	Less than 1 Year	1 Year - 2 Year	2 Year - 3 Year	Total
Projects in Progress				
As at March 31, 2025	-	-	-	-
As at March 31, 2024	25.99	13.69	8.28	47.96
As at April 1, 2023	13.69	8.28	-	21.97



13 Other non-financial assets

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Prepaid expenses	12.71	24.76	18.25
Advance EMI paid for debts	-	14.43	24.50
Advance to employees	1.01	3.17	1.52
Advance to insurance company	6.97	19.77	-
Other advances	1.92	2.86	4.38
GST input credit	40.41	17.15	2.07
Total gross	63.02	84.48	60.72
Less: Impairment loss allowance	-	12.08	-
Total net	63.02	72.40	60.72

14 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Total outstanding dues of micro enterprises and small enterprises	3.70	3.44	3.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	25.62	38.09	24.50
Total	29.32	41.53	27.67

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
(a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3.70	3.44	3.17
(b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-	-
(c) Principal amounts paid to suppliers registered under the MSMED Act, beyond the 45 days during the year	-	-	-
(d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond 45 days during the year	-	-	-
(e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-	-
(f) The amount of interest accrued and remaining unpaid at the end of accounting year, and	-	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Except as disclosed above the Company has not received information from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act 2006, accordingly disclosure has been made to the extent information received. The Company has not entered any claim for interest from any supplier as at the balance sheet date and hence, not accrued the same. Further in view of the management, the impact of interest, if any, that may be payable is accordance with the provisions of the Act, is not expected to be material.

Trade payables ageing schedule as on March 31, 2025

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSMED	3.70	0.88	-	-	-	3.70
(ii) Others	25.74	0.34	-	-	-	26.08
(iii) Disputed dues - MSMED	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade payables ageing schedule as on March 31, 2024

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSMED	0.66	2.76	0.02	-	-	3.44
(ii) Others	12.45	24.94	0.64	-	-	38.09
(iii) Disputed dues - MSMED	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Trade payables ageing schedule as on April 1, 2023

Particulars	Unbilled	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSMED	0.66	2.51	-	-	-	3.17
(ii) Others	13.03	13.82	-	-	0.08	24.90
(iii) Disputed dues - MSMED	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

15 Debt securities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Measured at Amortised Cost			
Unsecured			
From financial institution			
Redeemable Non-Convertible Debentures (800 Debentures of Rs.8,57,200/- each)	507.48	599.68	-
(March 31, 2024: 400 Debentures of Rs.10,00,000/- each)			
Total	507.48	599.68	-
Out of above:			
Debt Securities in India	507.48	599.68	-
Debt Securities outside India	-	-	-
Total	507.48	599.68	-

Debentures are unsecured and non-convertible with a tenure of 7 years from the date of allotment i.e., December 14, 2023. The principal repayments are made semi-annually and interest is paid on quarterly basis. The interest rate i.e., 10.00% is determined by adding a margin to the repo rate and is subject to revision every 12 months.



16 Borrowings (other than debt securities)

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Measured at Amortised Cost			
Borrowed:			
National Housing Bank (refinance)	398.19	544.95	421.41
Term loan from banks	5,962.17	5,350.77	1,403.47
Term loan from others	2,348.64	2,709.04	1,230.50
External commercial borrowing	2,450.00	2,595.00	2,276.49
	5,227.90	5,201.32	5,330.87
Out of above:			
Borrowings in India	5,809.00	5,603.76	3,115.30
Borrowings outside India	2,450.00	2,595.00	2,235.49
Total	5,227.90	5,201.32	5,330.87

Loan from National Housing Bank

Secured against eligible individual Housing loans under various refinance schemes and bank guarantee by banks. These loans carrying interest rates in the range of 8.50% to 8.80% is determined by adding a margin to the Benchmark rate and is subject to revision on periodic basis. The loans are having remaining tenure ranging from 3 to 6 years from the date of disbursement and are repayable in quarterly instalments.

Loan from Banks

Secured by a first and exclusive charge on the standard receivables and carrying interest rates in the range of 8.34% to 12.15% for floating rate of loans is determined by adding a margin to the Benchmark rate and is subject to revision on periodic basis and The loans are having remaining tenure ranging from 5 months to 6 years from the date of disbursement and are repayable in monthly/quarterly instalments.

Loan from others and external commercial borrowing

Loans from various financial institutions are secured by a first and exclusive charge on the standard receivables and carrying interest rates in the range of 8.02% to 11.50% is determined by adding a margin to the Benchmark rate and is subject to revision on periodic basis. The loans are having remaining tenure ranging from 1 to 10 years from the date of disbursement and are repayable in monthly/quarterly instalments.

The borrowings have not been guaranteed by directors or others. Also, there are no defaults as on balance sheet date in repayment of borrowing & debt security and interest thereon.

Maturity profile of borrowings as on March 31, 2025

Repayment Schedule	Due within 1 year Amount	Due 1 to 3 years Amount	Due 3 to 5 years Amount	Above 5 years Amount	Total Amount
Loan from National Housing Bank (refinance)	54.11	342.50	132.11	69.54	398.19
Term loan from banks	889.32	1,264.86	614.32	36.63	5,073.93
Term loan from others	252.15	1,033.83	366.68	391.40	2,348.64
External commercial borrowing	273.82	547.64	470.11	1,158.62	2,450.49
Interest accrued & EPR Adjustments					(28.75)
Total	1,369.40	3,290.83	1,683.22	1,623.79	5,227.90

Maturity profile of borrowings as on March 31, 2024

Repayment Schedule	Due within 1 year Amount	Due 1 to 3 years Amount	Due 3 to 5 years Amount	Above 5 years Amount	Total Amount
Loan from National Housing Bank (refinance)	66.01	186.97	136.51	161.46	530.95
Term loan from banks	753.96	1,473.19	900.67	118.79	3,260.61
Term loan from others	481.22	1,019.81	721.00	496.78	2,717.81
External commercial borrowing	261.87	533.79	558.61	1,216.10	2,610.37
Interest accrued & EPR Adjustments					(28.81)
Total	1,573.06	3,172.92	3,014.89	2,066.16	5,201.32

Maturity profile of borrowings as on April 1, 2023

Repayment Schedule	Due within 1 year Amount	Due 1 to 3 years Amount	Due 3 to 5 years Amount	Above 5 years Amount	Total Amount
Loan from National Housing Bank (refinance)	66.58	316.51	67.93	129.31	421.43
Term loan from banks	312.20	635.10	363.32	138.47	1,468.99
Term loan from others	215.69	418.76	379.12	222.21	1,235.78
External commercial borrowing	104.34	328.60	328.88	1,421.33	2,243.25
Interest accrued & EPR Adjustments					(18.47)
Total	281.01	1,498.97	1,178.92	1,911.44	5,330.87

17 Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Payable for capex	6.97	1.09	11.58
Amount refundable to customers	29.90	14.91	2.42
Amount payable to insurance company	-	-	2.37
Employee related payables	41.54	41.55	8.22
Expense payable	0.91	4.22	7.14
Amount payable on interest loans	21.61	10.47	-
Dividend payable on CCPS	-	0.03	-
Servicing liability	0.31	0.14	-
Total	97.34	75.40	31.73



21 Instruments entirely equity in nature

Particulars	As at March 31, 2023		As at March 31, 2024		As at April 1, 2025	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Authorized						
Non-Cumulative Compulsorily convertible preference shares (CCPS)	-	-	3,90,00,000	390.00	2,48,00,000	248.00
	-	-	3,90,00,000	390.00	2,48,00,000	248.00
Issued, subscribed and paid up						
Non-Cumulative Compulsorily convertible preference shares (CCPS)	-	-	3,78,87,867	378.88	2,37,01,872	237.02
Total	-	-	3,78,87,867	378.88	2,37,01,872	237.02
Reconciliation of CCPS outstanding at the beginning and end of the year:						
Outstanding at the beginning of the year	3,78,87,867	378.88	2,37,01,872	237.02	2,37,01,872	237.02
Add:						
Issued during the year	-	-	1,41,85,795	141.86	-	-
Less:						
Conversion of compulsorily convertible preference shares (refer note 25-iv)	3,78,87,867	378.88	-	-	-	-
Outstanding at the end of the year	-	-	3,78,87,867	378.88	2,37,01,872	237.02

(i) Rights, preferences and restrictions attached to 0.01% Compulsorily Convertible Preference Shares

The Company has issued Non-Cumulative compulsorily convertible preference shares in Series D and Series E funding round with face value of INR 10 each.

The Series D and Series E investors shall be entitled to receive on their respective Series D Series E CCPS, non-cumulative dividend in preference to any dividend on Equity Shares at the rate of 0.01% per annum, until converted into Equity Shares.

The Series D and Series E CCPS shall carry voting rights in accordance with the provisions of the Act and as agreed under the Agreement. The Series D and Series E CCPS investors shall have the right, by providing a written notice to the Company, to request the Company to convert the Series D and Series E CCPS into equity shares at any time until the conversion trigger event in accordance with the manner provided under Amended & Restated Share Subscription & Shareholders' Agreement dated May 28, 2022 and First Addendum to the Amended and Restated Share Subscription and Shareholders' Agreement dated June 30, 2022.

Any Series D CCPS and Series E CCPS that have not been converted into equity shares, shall compulsorily convert into equity shares on the immediately preceding business day of the date of expiry of twenty (20) years from the date of allotment of the Series D CCPS and Series E CCPS by the Company.

Series D and Series E CCPS shall be subject to transfer restrictions as set forth under Amended & Restated Share Subscription & Shareholders' Agreement dated May 28, 2022 and First Addendum to the Amended and Restated Share Subscription and Shareholders' Agreement dated June 30, 2022.

(ii) Details of compulsorily convertible preference shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2024		As at April 1, 2025	
	% of Holding	Number	% of Holding	Number	% of Holding	Number
Aditya Nordic Fund F/KS	-	-	81.86%	1,04,49,602	80.94%	1,02,00,880
WVR CP & NVR SSA, LLC	-	-	15.14%	57,37,040	14.98%	35,51,747
Orkney Network Fund Inc.	-	-	3.25%	38,04,370	14.19%	36,04,370
Okonofe Ecological Development Coop Society U/A	-	-	12.63%	48,04,031	8.25%	19,65,300
OH Mauritius S	-	-	7.81%	27,39,281	0.66%	-
	-	-	98.19%	3,04,35,430	98.06%	2,37,59,396



22 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Securities premium			
Balance at the beginning of the year	1,786.46	1,308.03	1,308.03
Add:			
Securities premium on issue of equity shares and CCPS	908.32	507.14	-
Securities premium on exercise of employees stock option	-	2.56	-
Less:			
Share issue expenses	(133.90)	(31.27)	-
Balance at the end of the year	2,560.88	1,786.46	1,308.03
Share Option Outstanding Account			
Balance at the beginning of the year	17.54	11.42	7.16
Add/(Less): Ind AS transition adjustment (refer note 46)	-	-	4.26
Add/(Less): Compensation options granted during the year net of cancellation	(9.17)	7.07	-
Transfer to securities premium on exercise of options	-	(0.95)	-
Balance at the end of the year	8.37	17.54	11.42
Statutory reserve			
Balance at the beginning of the year	42.30	36.69	36.69
Additions during the year	1.23	5.61	-
Balance at the end of the year	43.53	42.30	36.69
Retained earnings			
Balance at the beginning of the year (including foreign currency translation reserve)	(428.54)	(449.15)	(27.51)
Ind AS Transition adjustment (refer note 46)	-	-	(421.64)
Add:			
Profit transferred from Statement of profit and loss	6.15	26.25	-
Transfer from ESOP reserve on cancellation after vesting	7.90	-	-
Less:			
Dividend on preference shares	(0.04)	(0.03)	-
Transfer to statutory reserve	(1.23)	(5.61)	-
Net surplus in the statement of profit and loss	(415.76)	(428.54)	(449.15)
Other Comprehensive Income			
Balance at the beginning of the year	(1.57)	(0.99)	-
Ind AS Transition adjustment (refer note 46)	-	-	(0.99)
Add/(Less):			
Remeasurement of defined benefit plans (net of taxes)	(1.43)	(0.58)	-
Balance at the end of the year	(3.00)	(1.57)	(0.99)
Grand Total	2,194.02	1,416.19	906.00

2.1 Nature and Purpose of reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares, share issue expenses, etc. in accordance with the provisions of the Companies Act, 2013.

Share Option Outstanding Account

This reserve is used to recognise the fair value of options issued to employees under Employee Stock Option Plan.

Statutory reserve

As per Section 45-IC of the RBI Act, 1934, every non-banking financial company shall create a reserve fund and transfer therein a sum not less than 20% of its net profit every year as disclosed in the Statement of Profit & Loss A/c before any dividend is declared. This ensures that the company does not appropriate the entire net profit as disclosed in the profit and loss account, but this percentage is either ploughed back into the business or is represented by a portion of the asset.

Retained earnings

Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Other comprehensive income

Other comprehensive income comprises remeasurement gain or loss on the post retirement benefits net of taxes.



SEWA Grih Rin Limited
Notes to the financial statements for the year ended March 31, 2025
(All amounts are in INR millions, unless otherwise stated)

23 Revenue from operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income on financial assets measured at amortised cost:		
Interest on loans	1,740.55	1,510.84
Interest on deposits with banks	25.45	44.60
	<u>1,766.00</u>	<u>1,555.44</u>

24 Fees and Commission Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Prepayment charges	7.87	5.70
Initial money deposit	26.09	45.92
Advertisement fee	0.70	65.68
Commission income	10.03	-
Collection charges	13.07	7.19
Total	<u>58.36</u>	<u>124.49</u>

(a) Disclosures in relation to revenue from contract with customers:

(i) Geographical markets:

India	58.36	124.49
Outside India	-	-
Total	<u>58.36</u>	<u>124.49</u>

(ii) Timing of revenue recognition

Services transferred at a point in time	58.36	124.49
Services transferred over time	-	-
Total	<u>58.36</u>	<u>124.49</u>

(iii) Contract Assets

Trade receivables	8.50	17.48
	<u>8.50</u>	<u>17.48</u>

(b) Details of segment wise income from insurance partners as required by Insurance Regulatory and Development Authority of India (IRDAI) are as below:

(i) Income from insurance intermediation

Commission income - life insurance	8.06	-
Commission income - general insurance	1.97	-
	<u>10.03</u>	<u>-</u>

The Company received Corporate Agency (CA) license from the Insurance Regulatory and Development Authority of India (IRDAI) on January 22, 2025. The Company entered into agreements with various insurance partners as a Corporate Agent and received commission Income during the year as disclosed above.

25 Net gain on fair value changes

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Total net gain on fair value changes on financial instruments measured at fair value through profit and loss		
- On investment in units of mutual funds	94.18	51.40
- On derivatives	(0.64)	(8.93)
Fair value changes		
- Realised	62.45	49.53
- Unrealised	31.09	(7.06)
	<u>93.54</u>	<u>42.47</u>



26 Income on derecognised (assigned) loans

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Income on derecognised (assigned) loans	113.50	176.95
	113.50	176.95

27 Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Other income	4.12	0.75
Interest on unwinding of security deposits	1.74	1.45
Liabilities and provisions no longer required write back	11.15	-
	17.01	2.20

28 Finance Cost

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On Financial Liabilities measured at Amortised cost		
Interest expense on borrowings and debt securities	836.45	670.50
Other borrowing cost	3.09	5.85
Premium on forward contract	64.11	64.56
Interest expense on leases	15.34	14.42
	918.99	755.33

29 Impairment On Financial Instruments And Write Off

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On financial instruments measured at Amortised cost		
Loan Assets	(341.43)	113.37
Loan commitment	(0.47)	2.17
Other receivables written off	3.66	0.54
Bad debts	322.33	-
Impairment on other financial assets	1.57	5.67
Impairment on non-financial assets	-	12.08
	(14.34)	133.83

30 Employee benefits expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salary, allowances and incentives	696.95	622.59
Contribution to provident fund and other funds (refer note 36)	33.35	32.19
Gratuity expense (refer note 36)	3.01	2.58
Leave encashment	9.26	6.02
Staff welfare & insurance expenses	11.08	15.17
Employee share option expense (refer note 42)	(1.27)	7.07
	752.38	685.62



31 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment	39.99	30.67
Amortization of intangible assets	9.89	0.64
Amortization of right to use assets	45.83	40.62
	95.71	71.93

32 Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Electricity and water charges	9.91	7.32
Rent	11.65	10.97
Repair and maintenance - others	7.26	8.33
Advertisement and marketing expenses	0.43	1.42
IT/Computer maintenance charges	66.63	50.02
Staff recruitment and training	4.07	8.40
Office expenses	35.43	34.65
Director's sitting fees	1.78	0.97
Legal professional & consultancy expenses	66.92	58.07
Cash collection & bank charges	7.41	6.16
Meeting expenses	0.74	3.26
Travelling and conveyance	26.48	33.06
Rates fee and taxes	25.73	5.47
Remuneration to auditors*	6.63	2.66
Loss on sale of property, plant & equipment	-	0.02
Loss due to Cash Embazzlement/Fraud (refer note 55)	-	5.80
Brokerage & Commission	-	1.99
Property, plant & equipment written off	0.64	-
	271.71	238.57

***Remuneration to auditors#:**

- Audit fees#	3.55	1.45
-Tax audit fees	0.35	0.40
-Certification & other services#	2.73	0.81
	6.63	2.66

Audit fees and other certification fees for the current year includes Rs. 0.50 and Rs. 1.68 respectively paid to predecessor auditors. Remuneration to auditors for FY 2023-2024 are paid to predecessor auditors.



33 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holder of the Company by the weighted average number of Equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holder of the Company by the weighted average number of Equity shares outstanding during the period plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit attributable for basic earnings	6.15	26.25
Less: Dividend on convertible preference shares	(0.04)	(0.03)
Profit adjusted for the effect of dilution (a)	6.11	26.22
Weighted average number of equity shares for basic EPS* (b)	21,19,30,442	9,95,34,760
Basic EPS (a/b)	0.03	0.26
Weighted average number of equity shares (partly paid shares and ESOPs) for computation of Diluted EPS (c)	21,75,35,868	10,08,73,870
Diluted EPS (a/c)	0.03	0.26

34 Segment Information

The Company has only one reportable business segment, i.e. to provide loans against/ for purchase, construction, repairs & renovations of houses, which have similar nature of products and services, type/class of customers for the purpose of Ind AS 108 on 'Segment Reporting'. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment. As on March 31, 2025, the Company is not meeting the principal business criteria as laid out in circular No. DOR..NBFC (HFC), CC.No.118/03.10.136/2020-21 dated October 22, 2020 issued by the RBI. The Company vide its communication dated January 7, 2025 has proactively sought extension from RBI to meet the PBC criteria by June, 2025 and RBI has granted extension till June, 2025 through its communication dated January 14, 2025.

No revenue from transactions with a single external customer amounted to 10% or more of the Company's total revenue in year ended March 31, 2024 and March 31, 2025.

35 Transfer of Financial Assets**Assignment deal:**

The Company has sold some loans and advances measured at amortised cost as per the assignment deals, as a source of finance. As per the terms of deal, since substantial risk and rewards (as per Ind AS 109) 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 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/(loss) on derecognition :-

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Carrying amount of derecognised assets	785.20	598.34
Gain from derecognition during the year*	113.50	176.95

*Excludes the loss amounting of Rs. 155.65 million incurred on assets sale to ARC



36 Employee benefit obligations

(i) Defined contribution plan

The Company makes provident fund contributions to defined contribution plan for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. The Company recognised Rs. 30.87 (March 31, 2024: Rs. 28.49) for provident fund contributions in the Statement of Profit and Loss.

(ii) Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan in India (unfunded). The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees, where in the benefit employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plan, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO). Management estimates the DBO quarterly with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income. The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service.

Movement in the present value of defined benefit obligation recognised in the balance sheet

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Present value of benefit obligation at the beginning of the year	11.45	9.02	11.04
Interest cost	0.80	0.64	0.80
Current Service cost	2.21	1.94	1.37
Benefits Paid	(5.14)	(0.93)	(4.55)
Actuarial (Gains)/losses on obligations:			
- Change in financial assumptions	11.45	0.20	(0.68)
- Change in demographic assumptions	(60.89)	(4.12)	0.05
- Experience adjustment	51.35	4.70	0.99
Present value of benefit obligation at the end of the year	11.23	11.45	9.02

Reconciliation of present value of defined benefit obligation and the fair value of assets:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Present value of obligation (A)	11.23	11.45	9.02
Fair Value of plan assets (B)	-	-	-
Present value of obligation (A- B)	11.23	11.45	9.02

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Obligation expected to be settled in the next 12 months	4.26	4.28	3.29
Obligation expected to be settled beyond next 12 months	6.97	7.17	5.73
Total Obligation	11.23	11.45	9.02

Expenses recognized in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	2.21	1.94
Interest cost	0.80	0.64
Remeasurements	-	-
Total expense charged to profit and loss account	3.01	2.58

Actuarial (gain)/loss recognised in other comprehensive income:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Amount recognized in OCI on transition	1.77	0.99	0.99
Remeasurements during the period due to:			
- Change in financial assumptions	11.45	0.20	-
- Change in demographic assumptions	(60.89)	(4.12)	-
- Experience adjustments	51.35	4.70	-
Closing amount recognized in OCI	3.68	1.77	0.99



Actuarial assumptions used for determination of the liability of the Company:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Retirement Age	58 years	58 years	58 years
Discount Rate	6.39%	6.97%	7.13%
Salary escalation rate	8%	7%	7%
Mortality Table (100% of Indian Assured Lives Mortality)	2012-2014	2012-2014	2012-2014
Attrition rate			
Up to 30 Years	66.58%	75.86%	71.00%
From 31 to 44 years	72.44%	57.23%	66.00%
Above 44 years	40.28%	38.25%	27.00%

Maturity profile of defined benefit obligation

Maturity profile of the defined benefit liabilities	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
0 to 1 Year	4.25	4.28	3.29
1 to 2 Year	3.35	3.76	2.47
2 to 3 Year	1.24	1.72	1.40
3 to 4 Year	0.68	1.01	0.70
4 to 5 Year	0.19	0.41	0.66
5 to 6 Year	0.09	0.12	0.26
6 Year onwards	1.42	0.15	0.23

Sensitivity analysis for gratuity liability

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
a) Impact of the change in discount rate			
Impact due to increase of 0.5%	(0.11)	(0.10)	(0.09)
Impact due to decrease of 0.5%	0.11	0.11	0.09
b) Impact of the change in salary increase			
Impact due to increase of 0.5%	0.11	0.09	0.07
Impact due to decrease of 0.5%	(0.11)	(0.09)	(0.07)

*We have used Projected Unit Credit (P.U.C method) as prescribed by Ind AS 19.



37 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations:

Particulars	As at March 31, 2025		
	Within 12 Months	After 12 Months	Total
Assets			
Financial assets			
Cash and cash equivalents	947.92	-	947.92
Bank balance other than cash and cash equivalents	283.30	78.12	361.42
Derivative financial instruments	5.12	99.34	105.46
Trade receivables	8.50	-	8.50
Loans	759.85	8,811.92	9,591.77
Investments	2,196.91	-	2,196.91
Other financial assets	61.62	189.19	271.01
Non-financial assets			
Current tax assets (net)	-	6.88	6.88
Deferred tax assets (net)	-	131.91	131.91
Property, plant & equipment	-	120.83	120.83
Intangible assets under development	-	-	-
Other intangible assets	-	73.29	73.29
Right of use assets	-	148.62	148.62
Other non-financial assets	62.00	1.02	63.02
Total assets	4,345.42	9,651.12	14,027.54
LIABILITIES			
Financial liabilities			
Derivative financial instruments	-	-	-
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	3.70	-	3.70
Total outstanding dues of creditors other than micro enterprises and small enterprises	35.68	-	35.68
Debt securities	83.76	423.64	507.40
Borrowings (other than debt securities)	1,750.75	6,477.15	8,227.90
Lease liabilities	23.61	158.60	182.21
Other financial liabilities	97.06	0.29	97.34
Non-financial liabilities			
Current tax liabilities (Net)	-	-	-
Provisions	11.36	11.45	22.81
Other non-financial liabilities	29.37	-	29.37
Total liabilities	2,035.28	7,051.13	9,086.41



37 Maturity analysis of assets and liabilities

Particulars	As at March 31, 2024		
	Within 12 Months	After 12 Months	Total
Assets			
Financial assets			
Cash and cash equivalents	1,051.73	-	1,051.73
Bank balance other than cash and cash equivalents	124.29	250.64	374.93
Derivative financial instruments	4.65	47.88	52.53
Receivables	17.48	-	17.48
Loans	742.02	9,659.64	10,401.66
Investments	-	-	-
Other financial assets	53.93	147.78	201.71
Non-financial assets			
Current tax assets (net)	-	40.73	40.73
Deferred tax assets (net)	-	149.62	149.62
Property, plant & equipment	-	134.12	134.12
Intangible assets under development	-	47.96	47.96
Other intangible assets	-	0.90	0.90
Right of use assets	-	153.94	153.94
Other non-financial assets	70.40	4.00	74.40
Total assets	2,064.50	10,637.21	12,701.71
LIABILITIES			
Financial liabilities			
Derivative financial instruments	0.85	0.22	1.17
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	3.44	-	3.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	38.09	-	38.09
Debt securities	87.67	511.99	599.66
Borrowings (other than debt securities)	1,662.73	7,610.59	9,273.32
Lease Liabilities	36.54	123.39	159.93
Other financial liabilities	75.40	-	75.40
Non-financial liabilities			
Provisions	11.33	10.87	22.20
Other Non-financial liabilities	143.94	-	143.94
Total liabilities	1,993.09	8,257.06	10,247.15



37 Maturity analysis of assets and liabilities

Particulars	As at April 1, 2023		
	Within 12 Months	After 12 Months	Total
Assets			
Financial assets			
Cash and cash equivalents	423.40	-	423.40
Bank balance other than cash and cash equivalents	167.40	219.05	386.45
Derivative financial instruments	7.44	18.98	26.42
Receivables	11.73	-	11.73
Loans	431.60	5,534.03	5,965.63
Investments	99.78	-	99.78
Other financial assets	12.73	11.84	24.57
Non-financial assets			
Current tax assets (net)	-	13.84	13.84
Deferred tax assets (net)	-	136.81	136.81
Property, plant & equipment	-	71.74	71.74
Intangible assets under development	-	21.97	21.97
Other intangible assets	-	1.54	1.54
Right of use assets	-	104.98	104.98
Other non-financial assets	17.55	32.47	50.02
Total assets	1,171.63	6,167.25	7,338.88
LIABILITIES			
Financial liabilities			
Derivative financial instruments	-	0.15	0.15
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	3.17	-	3.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	24.90	-	24.90
Borrowings (other than debt securities)	784.77	4,566.10	5,350.87
Lease Liabilities	27.32	73.68	100.98
Other financial liabilities	31.73	-	31.73
Non-financial liabilities			
Current tax liabilities (Net)	-	-	-
Provisions	6.51	8.04	13.45
Other Non- financial liabilities	13.22	-	13.22
Total liabilities	891.62	4,646.85	5,538.47

38 Commitments and Contingencies

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Contingencies	-	-	-
Commitments:			
Undisbursed amount of loans sanctioned	630.83	675.15	463.64

39 Corporate Social Responsibility (CSR) expense:

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from April 1, 2014. The provisions of the said section are not applicable to the Company for the year ended March 31, 2025, as it does not meet the conditions mentioned under section 135(1) of the Companies Act, 2013.



SEWA Grih Rin Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts are in INR millions, unless otherwise stated)

40 Related Party disclosure

(i) List of Related Parties

(A) Entities whose control exists

Sewa Mutual Benefit Trust	Entity having significant influence over the Company (till November 17, 2024)
Oikocredit Ecumenical Development Cooperative Society U.A	Entity having significant influence over the Company (till November 17, 2024)
Abler Nordic Fund IV KS	Entity having significant influence over the Company (till November 17, 2024)
WWB CP II Non SSA, LLC	Entity having significant influence over the Company (till November 17, 2024)
Arpwood Partners Fund I LLP	Entity having significant influence over the Company (w.e.f November 10, 2024)

(B) Key Managerial Personnel

Shruti Savio Gonsalves	Managing Director & Chief Executive Officer (till September 09, 2024)
Jhummi Mantri	Chief Financial Officer (till June 26, 2024)
Kashvi Malhotra	Company Secretary (till February 6, 2025)
Appukuttan Ajesh	Managing Director & CEO (w.e.f March 26, 2025)
Ayush Jindal	Company Secretary (w.e.f February 7, 2025)
Vishal Visanji Thakkar	Director (w.e.f November 13, 2024) & CFO (w.e.f December 3, 2024)
R V Verma	Independent & Non-Executive Director
Sanjay Kaul	Independent & Non-Executive Director

ii) Related Party Transactions

Name of Related Party	Nature of Transaction	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Entities whose control exist			
Arpwood Partners Fund I LLP	Issuance of equity share capital	2,500.43	-
Key Managerial Personnel			
Shruti Savio Gonsalves	Salary (includes perquisites)*	17.19	11.10
	Reimbursement of expenses	-	0.75
	Advance Given	-	2.99
Jhummi Mantri	Salary (includes perquisites)*	2.49	8.27
	Reimbursement of expenses	-	0.15
Kashvi Malhotra	Salary (includes perquisites)*	4.11	4.00
	Reimbursement of expenses	-	0.01
Appukuttan Ajesh	Salary (includes perquisites)*	0.54	-
Ayush Jindal	Salary (includes perquisites)*	0.55	-
Vishal Visanji Thakkar	Salary (includes perquisites)	0.10	-
R V Verma	Sitting fees (excluding GST)	0.76	0.48
Sanjay Kaul	Sitting fees (excluding GST)	0.84	0.44

*The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the company as a whole.

iii) Related Party Balance

Name of Related Party	Nature of Balances	As at March 31, 2025	As at March 31, 2024
Shruti Savio Gonsalves	Travelling advances	-	2.99
Vishal Visanji Thakkar	Salary (includes perquisites)	0.03	-

iv) Key Management personnel compensation

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Short term employee benefits	25.00	21.37
Termination benefits	2.83	-
Employee-share based payment	-	-
Total compensation	27.83	21.37

v) Terms and conditions of transaction with related parties

All Related Party Transactions entered during the year were in ordinary course of business and on arm's length basis.

(vi) The Company has paid the managerial remuneration during the year ended 31 March 2025 in excess of the limit laid down under section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 amounting to Rs. 19.43 million. Accordingly, pursuant to the requirements of section 197, the board in its meeting held on dated April 22, 2025, is seeking approval from shareholders in the upcoming general meeting on the remuneration so paid to the directors during the year 31 March 2025.



41 Financial Risk Management**a) Introduction and risk profile**

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk, interest rate risk and market risk. It is also subject to various operating and business risks. The Company also has a system of internal controls to reduce the residual risk in each of these categories and the effectiveness of these controls is assessed periodically.

b) Risk management structure and policies

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Board. The Risk Management Committee is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Management Committee, to ensure that procedures are compliant with the overall framework. The unit is also responsible for monitoring compliance with risk principles, policies and limits across the Company, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk of damage to the Company's reputation. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity of the cash flows (excluding interest) of the Company's financial assets and liabilities:

As at March 31, 2025

Particulars	On Demand	Less than 3 months	3 to 12 Months	1-5 Years	Over 5 Years	Total
Cash and cash equivalents	297.38	850.54	-	-	-	847.92
Bank balance other than cash and cash equivalents	-	135.52	147.78	77.93	0.19	361.42
Derivative financial instruments	-	6.02	0.10	99.34	-	105.46
Receivables	-	8.50	-	-	-	8.50
Loans	-	251.30	509.47	2,945.74	5,996.15	9,591.77
Investments	-	2,196.91	-	-	-	2,196.91
Other financial assets	-	37.96	43.86	183.18	6.01	271.01
Total	297.38	3,286.83	700.21	3,206.19	5,992.35	13,482.99
Derivative financial instruments	-	-	-	-	-	-
Trade payables	-	39.38	-	-	-	39.38
Debt securities	-	42.32	41.44	337.96	85.68	507.40
Borrowings (other than debt securities)	-	499.50	1,250.85	4,857.54	1,619.81	8,227.90
Lease liabilities	-	10.91	12.70	110.68	28.02	162.21
Other financial liabilities	-	97.04	0.01	0.25	0.04	97.34
Total	-	689.55	1,305.00	5,306.33	1,733.35	9,034.23



SEWA Grih Rin Limited
Notes to financial statements for the year ended March 31, 2025
(All amounts are in INR millions, unless otherwise stated)

As at March 31, 2024

Particulars	On Demand	Less than 3 months	3 to 12 Months	1-5 Years	Over 5 Years	Total
Cash and cash equivalents	1,051.73	-	-	-	-	1,051.73
Bank balance other than cash and cash equivalents	-	44.95	79.33	250.42	0.22	374.93
Derivative financial instruments	-	1.98	2.67	47.88	-	52.53
Receivables	-	17.48	-	-	-	17.48
Loans	-	246.12	485.90	2,623.60	7,036.04	10,401.66
Investments	-	-	-	-	-	-
Other Financial Assets	-	26.25	27.67	145.60	2.18	201.71
Total	1,051.73	336.80	605.57	3,067.50	7,038.44	12,100.04
Derivative financial instruments	-	0.02	0.93	0.22	-	1.17
Trade payables	-	41.53	-	-	-	41.53
Debt securities	-	45.37	42.30	340.68	171.31	599.66
Borrowings (other than debt securities)	-	441.04	1,151.69	5,550.57	2,050.02	8,203.32
Lease Liabilities	-	8.53	28.01	75.46	47.63	159.63
Other financial liabilities	-	75.40	-	-	-	75.40
Total	-	611.89	1,222.93	5,971.93	2,274.26	10,081.01

As at April 1, 2023

Particulars	On Demand	Less than 3 months	3 to 12 Months	1-5 Years	Over 5 Years	Total
Cash and cash equivalents	188.35	235.05	-	-	-	423.40
Bank balance other than cash and cash equivalents	-	77.68	89.74	217.77	1.28	366.45
Derivative financial instruments	-	3.36	4.08	18.98	-	26.42
Receivables	-	11.73	-	-	-	11.73
Loans	-	94.33	337.27	1,849.39	3,694.64	5,965.63
Investments	-	99.78	-	-	-	99.78
Other Financial Assets	-	11.76	0.97	11.29	0.55	24.57
Total	188.35	533.67	432.06	2,097.43	3,686.47	6,937.98
Derivative financial instruments	-	-	-	0.15	-	0.15
Trade payables	-	28.07	-	-	-	28.07
Debt securities	-	-	-	-	-	-
Borrowings (other than debt securities)	-	194.40	590.37	2,661.10	1,905.00	5,350.87
Lease Liabilities	-	6.21	21.11	58.51	15.15	100.98
Other financial liabilities	-	31.73	-	-	-	31.73
Total	-	260.41	611.48	2,719.76	1,920.15	5,511.80



d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market factors. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of interest rate risk.

Interest rate risk

The Company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seeks to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervises an interest rate sensitivity report periodically for assessment of interest rate risks.

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on the portion of borrowings affected. With all other variables held constant, the profit before taxes affected through the impact on floating rate borrowings are as follows:

Particulars	Basis Point	Effect on Profit before tax	
		For the year ended March 31, 2025	For the year ended March 31, 2024
Loans			
Increase in basis points	50	37.15	40.09
Decrease in basis points	-50	(37.15)	(40.09)
Borrowings			
Increase in basis points	50	(30.01)	(33.77)
Decrease in basis points	-50	30.01	33.77

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates on foreign currency borrowings including debts. Foreign currency risk arises mainly on account of foreign currency borrowings. The Company manages its foreign currency risk by entering in to cross currency swaps and forward contract. When a derivative is entered in to for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

The carrying amount of Company's foreign currency liability

Particulars	As at March 31, 2025		As at March 31, 2024		As at April 1, 2023	
	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets
Hedged Position	2,418.30	-	-	-	-	-
Unhedged Position	-	-	3,152.22	-	2,235.49	-

Remittances during the year in foreign currency on account of dividends:

Remittance during Financial Year 2024-25

Pertains to Financial Year	Interim/Final	No. of Shareholder	No. of Shares	Amount
2023-24	Dividend on	5	3,64,30,494	0.03
2024-25	preference shares	5	3,64,30,494	0.04



e) Operational Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

f) Credit Risk

Credit risk arises from loans, cash and cash equivalents, bank balance other than cash and cash equivalents, investments and other financial assets. Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company has established various internal risk management processes to provide early identification of possible changes in the creditworthiness of counterparties. The credit quality review process aims to allow the Company to assess the potential loss as a result of the risks to which it is exposed and take corrective actions. The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk arises from loans financing, cash and cash equivalents, investments carried at amortised cost and deposits with banks and financial institutions, as shown below:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Loans	9,853.90	11,005.22	8,455.82
Investments	2,196.91	0.00	99.78
Trade Receivables	8.50	17.48	11.73
Cash and cash equivalents	947.82	1,051.73	423.40
Other bank balances	381.42	374.93	388.45
Other financial assets	278.25	207.38	24.57

The credit risk management policy of the Company seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Maintain an appropriate credit administration and loan
- Establish metrics for portfolio monitoring
- Minimize losses due to defaults or untimely payments by borrowers
- Design appropriate credit risk mitigation techniques

Expected credit loss for loans

In order to mitigate the impact of credit risk in the future profitability, the Company makes reserves basis the expected credit loss (ECL) model for the outstanding loans as balance sheet date. In addition to ECL output, the Company has taken conservative view through specific provisions.

The below discussion describes the Company's approach for assessing impairment as stated in the accounting policies.

Expected credit loss measurement

In determining whether credit risk has increased significantly since initial recognition, the Company uses the days past due data and forecast information to assess deterioration in credit quality of a financial asset for all the portfolios. The Company considers its historical loss experience and adjusts this for current observable data. Ind AS 109 requires the use of macroeconomic factors.



Definition of default

The Company defines a financial instrument as in default, any borrower whose contractual payments are due for more than 90 days is termed as default, which is in line with RBI guidelines.

Probability of Default ("PD")

PD is defined as the probability of whether the borrower will default on their obligation in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 a lifetime PD is required (equivalent to 12-month PD in the given case) while Stage 3 assets are considered to have a 100% PD.

Loss Given Default ("LGD")

Loss given default (LGD) represents estimated financial loss the Company is likely to suffer in the event of default. The Company has taken LGD 22.5% for Housing Loan and 30% for Non-Housing Loans.

Exposure at Default ("EAD")

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.

The Company has considered gross default criteria while computing EAD i.e. if any customer defaults on one active loan then the customer has been marked as default on other loan (if any) as well.

The ECL is computed as a product of PD, LGD and EAD.

Quantitative and qualitative factors considered along with quantification L1 loss rates

Impact of specific risk factors was taken into account while staging of accounts and computation of PD. The forecasted point in time (PIT) PDs have been estimated by establishing a link between through the cycle (TTC) PDs and macroeconomic variables i.e. growth rate prescribed by Index of Industrial Production ("IIP"). The macro-economic variables were regressed using a logical regression against systemic default rate out of the impact of macro-economic variables on the system wide default rates.

As per the guidelines laid under the standard, the company has done probability weighted scenarios to arrive at the final ECL. These scenarios reflect a baseline, upturn and downturn in economic activity basis which ECL requirements could vary. The final ECL has subsequently been discounted.

Credit risk exposure and impairment loss allowance

	As at March 31, 2025		As at March 31, 2024		As at April 1, 2023	
	Exposure	Impairment allowance	Exposure	Impairment allowance	Exposure	Impairment allowance
Credit impaired loan assets (Default event triggered) (Stage 3)	258.03	135.60	211.29	211.29	45.97	45.97
Loan assets having significant increase in credit risk (Stage 2)	792.87	90.34	1268.91	353.74	520.18	419.6
Other loan assets (Stage 1)	8803.00	35.18	9527.02	38.53	5889.67	24.82
Total	9853.90	261.13	11605.22	603.56	6455.82	490.19

An analysis of Expected credit loss rate* :

	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Stage-1	0.41%	0.40%	0.42%
Stage-2	11.39%	27.92%	80.86%
Stage-3	52.55%	100.00%	100.00%
Total weighted average	2.66%	5.48%	7.59%

* Expected credit loss rate is computed ECL divided by EAD



Specific Provision

Company reviews and monitors all cases and based on the recoverability and various other factors like client's situation, legal cases and others, makes provision in addition to ECL by using estimates and judgments in view of the inherent uncertainties and a level of subjectivity involved in measurement of items. As at April 1, 2023, the management based on the industry comparatives and analysis on the overall quality of the Company's loan portfolio has considered one time waiver of Rs. 400 million under ECL.

Reconciliation of gross carrying amount is given below:

Particulars	For the year ended March 31, 2025				For the year ended March 31, 2024			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
Gross carrying amount opening balance	9,527.02	1,264.91	211.29	11,005.22	5,889.97	520.18	45.97	6,455.82
New assets originated	1,614.81	-	-	1,614.81	6,853.08	-	-	6,853.08
Assets repaid (excluding write offs)	(2,187.05)	(213.05)	(74.91)	(2,485.05)	(2,224.15)	(74.75)	(4.78)	(2,303.68)
Transfers from Stage 1	(558.54)	374.02	165.52	-	(1,032.20)	901.29	130.89	-
Transfers from Stage 2	414.11	(635.87)	221.76	-	39.65	(81.73)	42.08	-
Transfers from Stage 3	3.65	0.90	(4.55)	-	1.05	1.92	(2.97)	-
Settlement loss and bad debts written off*	-	-	(281.04)	(281.04)	-	-	-	-
Gross carrying amount closing balance	8,803.90	792.87	258.03	9,853.90	9,527.02	1,264.91	211.29	11,005.22

* Excluding Interest waiver

Reconciliation of ECL balance is given below:

Particulars	For the year ended March 31, 2025				For the year ended March 31, 2024			
	Stage-1	Stage-2	Stage-3	Total	Stage-1	Stage-2	Stage-3	Total
ECL allowance opening balance	38.53	353.74	211.29	603.56	24.42	419.60	45.97	490.19
New assets originated	6.84	-	-	6.84	27.72	-	-	27.72
Assets repaid (excluding write offs)(change in ECL estimate)	(55.78)	(192.96)	(28.00)	(274.74)	(21.75)	(48.61)	156.01	85.65
Transfers from Stage 1	(2.30)	1.54	0.75	-	(4.18)	3.65	0.63	-
Transfers from Stage 2	47.18	(72.45)	25.27	-	11.07	(22.82)	11.75	-
Transfers from Stage 3	1.92	0.47	(2.39)	-	1.05	1.92	(2.97)	-
Settlement loss and bad debts written off	-	-	(73.33)	(73.33)	-	-	-	-
ECL allowance closing balance	36.19	80.34	135.60	262.13	36.53	353.74	211.29	603.56



c) Measurement of Fair Values

Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using Black-Scholes Option pricing model. The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment options granted during the year are as follows:

Plan 1	Tranche 1
Grant Date	28-03-2019
Exercise Price	17.68
Fair Value	
Expected Dividend Yield	0%
Year to expiration	5.5
Risk free rates	5.48%
Expected Volatility	53.10%

Plan 2	Tranche 1
Grant Date	19-06-2020
Exercise Price	18.56
Fair Value	6.37
Expected Dividend Yield	0%
Year to expiration	5.5
Risk free rates	5.48%
Expected Volatility	53.10%

Plan 3	Tranche 1
Grant Date	21-09-2020
Exercise Price	18.56
Fair Value	6.37
Expected Dividend Yield	0%
Year to expiration	5.5
Risk free rates	5.48%
Expected Volatility	53.10%

Plan 4	Tranche 1	Tranche 2	Tranche 3
Grant Date	24-06-2022	24-06-2022	24-06-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.67	22.51	23.79
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.12%	7.24%	7.32%
Expected Volatility	56.46%	55.81%	53.84%

Plan 5	Tranche 1	Tranche 2	Tranche 3
Grant Date	16-08-2022	16-08-2022	16-08-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.67	22.51	23.79
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.12%	7.24%	7.32%
Expected Volatility	56.46%	55.81%	53.84%

Plan 6	Tranche 1	Tranche 2	Tranche 3
Grant Date	01-10-2022	01-10-2022	01-10-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.81	22.45	23.89
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.19%	7.24%	7.26%
Expected Volatility	56.96%	55.51%	54.48%

Plan 7	Tranche 1	Tranche 2	Tranche 3
Grant Date	06-12-2022	06-12-2022	06-12-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.81	22.45	23.89
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.19%	7.24%	7.26%
Expected Volatility	56.96%	55.51%	54.48%



Plan 8	Tranche 1	Tranche 2	Tranche 3
Grant Date	20-12-2022	20-12-2022	20-12-2022
Exercise Price	37.13	37.13	37.13
Fair Value	20.81	22.45	23.88
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.5	6.51
Risk free rates	7.19%	7.24%	7.26%
Expected Volatility	58.96%	55.51%	54.48%

Plan 9	Tranche 1	Tranche 2	Tranche 3
Grant Date	27-09-2023	27-09-2023	27-09-2023
Exercise Price	45.75	45.75	45.75
Fair Value	25.13	27.03	29.88
Expected Dividend Yield	0%	0%	0%
Year to expiration	4.5	5.51	6.51
Risk free rates	7.09%	7.09%	7.10%
Expected Volatility	52.87%	54.41%	53.93%

Plan 10	Tranche 1
Grant Date	27-09-2023
Exercise Price	23.33
Fair Value	
Graded vesting 1	2.29
Graded vesting 2	3.46
Graded vesting 3	4.85
Graded vesting 4	6.01
Graded vesting 5	6.01
Expected Dividend Yield	0%
Year to expiration	2
Risk free rates	6.50%
Expected Volatility	12.97%-15.28%

d) Expense arising from share-based payment transactions

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Employee option plan	(1.27)	7.07
Total expense	(1.27)	7.07

There were no cancellations or modifications to the awards in year ending 31 March 2024 or 31 March 2025.



43 Fair Value Measurement

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 observable or estimated using a valuation technique.

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 between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 Financial Instruments: Those where the inputs used in valuation are adjusted quoted market prices from active markets for identical instruments that the Company can access at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the nature and liquidity of the identical assets or liabilities and when there are binding and executable price quotes available on the balance sheet date.

Level 2 Financial Instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. The Company does not have any financial instruments in Level 2.

Level 3 Financial Instruments: Those that include one or more unobservable input that is significant to the measurement as a whole.

Financial instrument by category & Fair Value of Financial Instruments

Particulars	Measurement Category	Fair Value Hierarchy	As at March 31, 2025		As at March 31, 2024		As at April 1, 2023	
			Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets								
Cash and cash equivalents	Amortised Cost	-	947.93	-	1,051.73	-	423.40	-
Bank balance other than cash and cash equivalents	Amortised Cost	-	381.42	-	374.93	-	386.45	-
Derivative financial instruments	FVTPL	Level 2	105.46	105.46	52.53	52.53	26.42	26.42
Trade receivables	Amortised Cost	-	8.60	-	17.48	-	11.73	-
Loans	Amortised Cost	Level 3	9,591.77	9,591.77	10,401.66	10,401.66	5,965.63	5,965.63
Investments	FVTPL	Level 3	-	-	-	-	99.78	-
Investments	FVTPL	Level 1	2,196.91	2,196.91	-	-	-	-
Other Financial Assets	Amortised Cost	-	271.01	-	203.71	-	24.57	-
Total Financial Assets			13,482.99	11,894.14	12,109.64	10,484.19	6,937.96	5,992.05
Financial liabilities								
Derivative financial instruments	FVTPL	Level 2	-	-	1.17	1.17	1.15	1.15
Trade payables								
Total outstanding dues of micro enterprises and small enterprises	Amortised Cost	-	3.70	-	3.44	-	3.17	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	Amortised Cost	-	35.63	-	38.00	-	34.90	-
Debt securities	Amortised Cost	Level 3	937.40	937.40	599.66	599.66	-	-
Borrowings (other than debt securities)	Amortised Cost	Level 3	9,237.90	9,237.90	9,203.30	8,898.51	5,353.87	5,353.87
Lease liabilities	Amortised Cost	Level 3	182.21	182.21	159.62	159.62	103.96	103.96
Other financial liabilities	Amortised Cost	-	37.34	-	75.40	-	31.73	-
Total Financial Liabilities			9,034.23	8,897.51	10,081.00	9,659.26	5,511.78	5,451.98

*Cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables, other payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Transfer between Level 1, Level 2 & Level 3

There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2025 and March 31, 2024.

Valuation Techniques

Loans

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, foreign exchange risk, probability of default and loss given default estimates. Credit risk for large corporate and a subset of the small business lending, when appropriate, is derived from market observable data. Where such information is not available, the Company uses historical experience and other information used in its collective impairment models. Fair values of consumer lending and mortgage portfolios are calculated using a portfolio-based approach, grouping loans as far as possible into homogeneous groups based on similar characteristics. The Company then calculates and extrapolates the fair value to the entire portfolio, using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given default.

Borrowings

The fair value of certain fixed rate borrowings is determined by discounting expected future contractual cash flows using discount rate that reflects the issuer's borrowing rate at the end of the reporting period. The fair value of floating rate borrowings are deemed to be equivalent to the carrying value.

Debt Securities

The Company uses active market prices when available, or other observable inputs in discounted cash flow models to estimate the corresponding fair value including COS data of the issuer to estimate the relevant credit spreads. Municipal bonds and bonds issued by financial institutions are generally Level 1 and corporate bonds are generally Level 2 instruments as well as convertible bonds where usually there is not sufficient third party trading data to justify Level 1 classification. Level 3 instruments are those where significant inputs cannot be referenced to observable data and, therefore, inputs are adjusted for relative lender and issuer quality.

Lease liabilities

The fair values of lease liability are based on discounted lease payments using a Company's incremental borrowing rate at the date of transition. They are classified as Level 3 Fair Values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, Trade receivables, Contract assets, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amounts have been classified as Level 3 on the basis that no adjustments have been made to the balances in the balance sheet.

Derivative financial instruments

Foreign exchange contracts include foreign exchange forward and swap contracts. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. With the exception of contracts where a directly observable rate is available which are disclosed as Level 1, the Company classifies foreign exchange contracts as Level 2 financial instruments when no unobservable inputs are used for their valuation or the unobservable inputs used are not significant to the measurement as a whole.



44 Leases

(i) Company as a Lessee

The Company's lease asset classes primarily consist of leases for office spaces. The Company has entered into lease transactions mainly for leases of corporate office & branches for a period between 1 and 9 years. The Company assesses whether a contract contains a lease, at inception of a contract.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. For these short-term leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

(ii) Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Balance at the beginning	153.94	154.98	-
Additions during the year / Transition adjustment as at April 1, 2023	40.51	89.58	104.98
Deletions during the year	-	-	-
Depreciation charge for the year	(45.83)	(40.67)	-
Balance at the end	148.62	153.94	104.98

(iii) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Balance at the beginning	159.93	156.98	-
Additions during the year / Transition adjustment as at April 1, 2023	38.57	87.42	100.98
Finance cost accrued on lease liabilities	15.34	14.42	-
Payment of lease liabilities	(51.63)	(42.89)	-
Balance at the end	162.21	159.93	100.98

*The effective interest rate for lease liabilities is 10.7% for the year ended March 31, 2025 and March 31, 2024.

(iv) Maturity analysis of undiscounted lease liability

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Within one year	38.43	50.86	36.15
Later than one year but not later than five years	129.17	95.86	68.12
Later than five years	53.53	60.80	23.72
Total undiscounted lease liabilities	221.13	207.52	127.99

(v) Current / Non-current classification

Particulars	As at March 31, 2025	As at March 31, 2024	As at April 1, 2023
Current	23.61	36.54	27.32
Non-Current	138.60	123.39	73.66
Lease liabilities included in the statement of financial position	162.21	159.93	100.98

(vi) Amounts recognised in the Statement of Profit and Loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on right of use assets	45.83	40.67
Interest expense on lease liability	15.34	14.42
Total	61.17	55.04

(vii) Amounts recognised in the Statement of Cash Flows

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Total Cash Outflow for leases	51.63	42.89
Total	51.63	42.89



NA Grih Rin Limited

Notes to financial statements for the year ended March 31, 2025

(*All amounts are in INR millions, unless otherwise stated)

45 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 local banking supervisor, Reserve Bank of India (RBI) of India. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

Capital management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value.

Regulatory capital

Particulars	As at March 31, 2025
Common Equity Tier1 (CET1) capital	4,377.58
Other Tier 2 capital instruments	36.18
Total capital	4,413.77
Risk weighted assets	8,686.20
CET1 capital ratio	50.40%
Total capital ratio	50.81%

Regulatory capital consists of CET 1 capital, which comprises share capital, share premium, retained earnings including current year profit and non-controlling interests less accrued dividends and goodwill. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is other Tier 2 Capital Instruments, which includes contingent convertible bonds.



45 First-time adoption of Ind AS

The financial statements for the year ended March 31, 2025 is the first financial statements prepared in accordance with Ind AS. For years up to and including the year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with the Companies (Accounting Standards) Rules, 2021 (Indian GAAP or previous GAAP) as amended. Accordingly, the Company has prepared financial statements in accordance with Ind AS applicable for year ending on March 31, 2025, together with the comparative year data as at and for the year ended March 31, 2024, and as at April 1, 2023 (date of transition to Ind AS) as disclosed in the summary of material accounting policies. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements including the Balance sheet as at April 1, 2023 and the financial statements as at and for the year ended March 31, 2024.

Exemptions Applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions/exceptions:

Mandatory exemptions**a Estimates**

The estimates at April 1, 2023 and at March 31, 2024 are consistent with those made for the same dates in accordance with Indian GAAP apart from the following items where application of Indian GAAP did not require estimation:

- Impairment of financial assets based on expected credit loss model
- Determination of discounted value

b Classification and measurement of financial assets

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

c Impairment of financial assets

The Company has applied the exception related impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognized and compared that to the credit risk as at April 1, 2023.

d De-recognition of financial assets and liabilities

The Company has elected to apply the de-recognition provisions of the Ind AS 109 prospectively from the date of transition to Ind AS.

Effect of Ind AS adoption on the balance sheet as at April 1, 2023

Particulars	Notes	IGAAP	Reclassification adjustment	Ind AS Adjustment	Ind AS
Financial Assets					
Cash and cash equivalents	10	803.59	(380.59)	-	423.40
Bank balance other than cash and cash equivalents	10	-	386.45	-	386.45
Derivative financial instruments	2	85.93	-	(59.51)	26.42
Receivables	10	-	11.73	-	11.73
Loans	1	6,472.78	-	(507.15)	5,965.63
Investments		99.78	-	-	99.78
Other Financial Assets	3 & 10	130.93	(48.65)	(65.67)	26.61
Total Financial Assets (A)		7,601.41	(31.10)	(632.33)	6,937.98
Non-financial assets					
Current tax assets (net)		13.84	-	-	13.84
Deferred tax assets (net)	6	10.81	-	120.90	136.81
Property, plant & equipment		71.74	-	-	71.74
Intangible assets under development		21.97	-	-	21.97
Other Intangible assets		1.54	-	(0.06)	1.54
Right of use assets	4	-	-	104.98	104.98
Other non-financial assets	10	16.92	31.10	-	50.02
Total Non-Financial Assets (B)		143.92	31.10	225.88	400.90
Total Assets (A+B)		7,745.33	-	(406.45)	7,338.88
Liabilities					
Financial liabilities					
Derivative financial instruments	2	6.21	-	(5.06)	0.15
Trade payables		-	-	-	-
Total outstanding dues of micro enterprises and small enterprises	10	2.01	0.66	-	3.17
Total outstanding dues of creditors other than micro enterprises and small	10	13.86	11.64	-	24.90
Debt securities		-	-	-	-
Borrowings (other than debt securities)	5	5,369.34	-	(18.47)	5,350.87
Lease Liabilities	4	-	-	100.98	100.98
Other financial liabilities	5	63.62	(111.70)	(10.19)	31.73
Total Financial liabilities (C)		5,445.54	-	66.26	5,511.80
Non-financial liabilities					
Provisions	1	55.05	-	(41.60)	13.45
Other Non-financial liabilities	4	25.95	-	(12.74)	13.22
Total Non-financial liabilities (D)		81.01	-	(54.34)	26.67
Total Liabilities (C+D)		5,526.55	-	11.92	5,538.47
Equity					
Equity Share Capital		657.39	-	-	657.39
Instruments entirely equity in nature		257.02	-	-	257.02
Other Equity		1,324.37	-	(418.37)	906.00
Total Equity		2,238.78	-	(418.37)	1,820.41
Total Liabilities and Equity		7,745.33	-	(406.45)	7,338.88



46 First-time adoption of Ind AS

Equity reconciliation as on March 31, 2024

Particulars	Notes	IGAAP	Reclassification adjustment	Ind AS Adjustment	Ind AS
Financial Assets					
Cash and cash equivalents		1,177.39	(125.61)	-	1,051.73
Bank balance other than cash and cash equivalents		202.03	142.93	-	374.93
Derivative financial instruments	2	51.30	-	1.17	52.53
Receivables		-	17.48	-	17.48
Loans	1	10,537.93	-	(536.27)	10,401.66
Investments		-	-	-	-
Other Financial Assets	3	275.09	(45.87)	(27.51)	201.71
Total Financial assets (A)		12,673.72	(11.07)	(562.61)	12,100.04
Non-financial assets					
Current tax assets (net)		40.73	-	-	40.73
Deferred tax assets (net)	9	4.31	-	145.31	149.62
Property, plant & equipment		134.10	-	0.02	134.12
Intangible assets under development		47.95	-	(0.00)	47.95
Other intangible assets		0.93	-	(0.00)	0.93
Right of use assets	4	-	-	153.94	153.94
Other non-financial assets	10	63.33	11.07	-	74.40
Total Non-Financial assets (B)		291.33	11.07	299.27	601.67
Total Assets (A+B)		12,965.05	-	(263.34)	12,701.71
Liabilities					
Financial liabilities					
Derivative financial instruments		5.07	-	(3.90)	1.17
Trade payables		-	-	-	-
Total outstanding dues of micro enterprises and small enterprises	10	2.60	0.84	-	3.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	10	25.48	12.61	-	38.09
Debt securities	5	630.00	-	(0.34)	599.66
Borrowings (other than debt securities)	5	9,323.64	-	(20.52)	9,293.32
Lease Liabilities	4	-	-	159.93	159.93
Other financial liabilities	10	247.13	(138.38)	(33.35)	75.40
Total Financial liabilities (C)		10,194.12	(124.93)	101.82	10,081.01
Non-financial liabilities					
Provisions	1	118.58	-	(96.75)	22.20
Other Non-financial liabilities	4	35.30	124.93	(18.29)	143.94
Total Non-financial liabilities (D)		154.29	124.93	(113.08)	166.14
Total Liabilities (C+D)		10,258.41	-	(11.26)	10,247.15
Equity					
Equity Share Capital		659.48	-	-	659.48
Instruments with equity in nature		378.88	-	-	378.88
Other Equity		1,868.27	-	(252.08)	1,616.19
Total Equity		2,796.64	-	(252.08)	2,454.56
Total Liabilities and Equity		12,965.05	-	(263.34)	12,701.71



46 First-time adoption of Ind AS

Effect of Ind AS adoption on the statement of Profit and loss for the year ended 31 March 2024

Particulars	Notes	ICGAP	Reclassification adjustment	Ind AS Adjustments	Ind AS
Revenue from operations:					
Interest income	1 & 3	1,541.36	-	14.08	1,555.44
Fees and commission income	3	257.21	-	(132.72)	124.49
Net gain on fair value changes	2	152.21	-	(108.74)	42.47
Income on derecognised (assigned) loans		-	-	175.95	175.95
Total revenue from operations		1,950.78	-	(51.43)	1,899.35
Other income	3	0.73	-	1.45	2.20
Total income (I)		1,951.53	-	(49.98)	1,901.55
Expenses:					
Finance costs	4 & 5	776.12	-	(20.79)	755.33
Impairment on financial instruments	1	69.48	-	64.35	133.83
Employee benefits expenses	1, 7 & 8	707.10	-	(21.54)	685.56
Depreciation and amortisation expense	4	31.31	-	40.62	71.93
Other expenses	1 & 4	205.17	-	(65.60)	139.57
Total expenses (II)		1,569.24	-	(23.99)	1,545.25
Profit before tax (III) = (I) - (II)		42.29	-	(26.02)	16.27
Tax expenses:					
- Current Tax		-	-	-	-
- Prior Period Tax		2.63	-	-	2.63
- Deferred Tax	4	11.59	-	(24.20)	(12.61)
Total tax expenses (IV)		14.22	-	(24.20)	(9.98)
Profit for the year (V) = (III) - (IV)		28.07	-	(1.02)	26.95
Other Comprehensive Income					
Items that will not be reclassified to profit or loss					
Re-measurement gains/ (losses) on defined benefit plans	8	-	-	(0.78)	(0.78)
Tax impacts on above	8	-	-	0.29	0.29
Other comprehensive income (VI)		-	-	(0.58)	(0.58)
Total Comprehensive Income for the period (V+VI)		28.07	-	(2.40)	25.67

Reconciliation of total equity as at April 1, 2023 and March 31, 2024:

Particulars	Notes to first-time adoption	March 31, 2024	April 1, 2023
Total Equity as per previous GAAP		2,706.64	2,218.78
Recognition of ROU asset and lease liability (net)	4	-	-
Recognition of ECL net of reversal of provision under IGAAP	1	(894.76)	(448.60)
Depreciation on right of use assets	4	(40.62)	-
Interest expense on lease liabilities	4	(14.42)	-
Reversal of rent equalisation reserve	4	16.28	12.74
Valuation of derivative instruments	2	(65.74)	(63.45)
EIF impact on loans	1	(226.66)	(71.39)
EIF impact on borrowings	5	57.44	28.69
Excess Interest Spread income recognition (net of provision) & Service liability	3	168.21	-
Reversal of foreign currency translation reserve	6	169.60	7.78
Impact of valuation of ESOs	9	11.13	4.26
Recognition / (Reversal) of accrued receivable	8	17.03	(17.03)
Unwinding of interest on security deposit	3	1.74	-
Reversal of rent expense	4	46.44	-
Deferred tax impact on above items	6	145.31	120.90
Others		(1.07)	(2.28)
Total Equity as per Ind AS		2,454.56	1,889.41

Impact of Ind AS adoption on the statement of cash flows for the year ended March 31, 2024

Particulars	March 31, 2024		
	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(3,779.39)	15.47	(3,763.92)
Net cash flow from investing activities	3.90	28.19	32.12
Net cash flow from financing activities	4,406.95	(45.82)	4,361.13
Net decrease in cash and cash equivalent	630.49	(2.16)	628.33
Cash and cash equivalent as at the beginning of the year	424.97	(1.67)	423.40
Effect of exchange fluctuation	-	-	-
Cash and cash equivalent as at the end of the year	1,055.46	(3.73)	1,051.73

Footnotes to the reconciliation of equity as at 1 April 2023 and 31 March 2024 and profit or loss for the year ended 31 March 2024

1 Loans and Advances

a Under Indian GAAP, the Company has created provision for loans and advances based on the prudential norms prescribed by Reserve Bank of India. Under Ind AS, impairment allowance has been determined based on Expected Loss model (ECL). Due to ECL model, the Company impaired its loans and advances by Rs. 113.37 for the year ended March 31, 2024 (Rs. 400.12 as on April 1, 2023) as against provision made during the year under Indian GAAP Rs. 57.37 for the year ended March 31, 2024 (Rs. 44.05 as on April 1, 2023). As at April 1, 2023, the management based on the industry comparatives and analysis on the overall quality of the Company's loan portfolio has considered one time overlay of Rs. 400 million under ECL.

Provision on Undisbursed loan is also recognised at Rs. 4.63 as on March 31, 2024 (Rs. 2.46 as on April 1, 2023).



46. First-time adoption of Ind AS

b. Under Indian GAAP, processing fees, documentation charges & other transaction costs charged to customers was recognised upfront in Profit & Loss account while under Ind AS, such costs are included in the initial recognition amount of financial asset and recognised as interest income using the effective interest method. Consequently loan to customers on the date of transition have decreased and interest income has also decreased for the year ended March 31, 2024. Additionally, sales incentive expenses (included under employee benefit expenses) has decreased by Rs. 27.62 and other expenses have decreased by Rs. 39.62 for the year ended March 31, 2024 (As on April 1, 2023 Rs 65.61).

2. Derivative Financial Instruments

Under Ind AS derivative contracts are accounted applying mark to market approach where as under previous GAAP, the accounting was being done based on the guidance available in AS-11 also Guidance note on Accounting for Derivative Contracts issued by the Institute of Chartered Accountants of India ("ICAI"). The corresponding impact has been adjusted in the statement of profit and loss under net gain on fair value changes.

3. Other financial assets

As on transition date, accrual collection charges amounting to INR 17.03 million were reversed and re-recognised in Statement of Profit & Loss A/c for the year ended March 31, 2024.

b. Prepaid Lease Rentals were adjusted from Other Financial Assets and included in computation of RCU Asset. Security deposit has been considered at present value with interest recognised on yearly basis.

c. **Sale on de-recognition of assets sold under direct assignment transactions.** Under Ind AS, present value of access interest spread receivable on derecognised assets by discounting net cash flows from such accounting pools with respective pool IRR. Under previous GAAP, such spread is recognised as and when received in cash. Consequently, EIS amounting to Rs. 174.02 and associated liability of Rs. 0.14 is recognised as on March 31, 2024 and the difference is recognised in gain on de-recognition of asset in the Statement of Profit & Loss A/c for the year ended March 31, 2024. Further, Company has also recognised an impairment of INR 5.67 million for the year ended March 31, 2024.

4. Leases

Under Indian GAAP, a lease is classified as a finance lease or an operating lease. Operating lease payments are recognised as an operating expense in the statement of profit or loss on a straight-line basis over the lease term. Under Ind AS, a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets and recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At the date of transition to Ind AS, the Company applied the transitional provision and measured lease liabilities at Rs. 100.58 i.e., at present value of the remaining lease payments (including security deposit), discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. Right-of-use assets were measured at the Rs. 104.58 i.e., an amount equal to the lease liabilities adjusted by the amount of any prepaid/accrued lease payments and any liability associated with dismantling of the underlying asset. Interest on lease liabilities of Rs. 14.42 and amortisation on RCU Asset of Rs. 40.82 is recognised in Statement of Profit & Loss for the year ended March 31, 2024.

Rental expense of INR 46.14 million recognised under IGAAP is also reversed and the same is adjusted from lease liabilities for the year ended March 31, 2024. The Company has also reversed the lease equalisation reserve created under IGAAP of Rs. 16.29 as on March 31, 2024 (Rs. 12.74 as on April 1, 2023).

5. Borrowings

Under Indian GAAP, transaction costs incurred on borrowings was charged to statement of profit and loss upfront while under Ind AS, such costs are included in the initial recognition amount of financial liabilities and recognised as interest expense using the effective interest method. Consequently borrowings on date of transition rate have decreased by Rs. 28.69 (including interest accrued Rs. 10.22) and interest expense for the year ended March 31, 2024 has decreased by Rs. 28.75. Further, under Indian GAAP, the Company has opted for treatment specified under para 48 of Accounting Standard-11 on 'Effect of changes in foreign exchange rates' and accounted for the foreign exchange gain / loss on long term foreign currency borrowings under foreign currency translation reserve. However, under Ind AS the same has been charged to the statement of profit and loss.

6. Deferred tax

Indian GAAP requires deferred tax accounting using the statement of profit and loss approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax asset on April 1, 2023 and March 31, 2024 on new temporary differences which was not required under Indian GAAP.

7. Share based payment reserve

Share based payment reserve has been accounted by considering the fair value of option on the grant whereas under previous GAAP same has been accounted by considering the fair value of the shares. The correction adjustment made while transitioning.

8. FCTMR (borrowings)

Indian GAAP required exchange differences arising on a monetary item that, in substance, forms part of an enterprise's net investment in a non-integral foreign operation should be accumulated in a foreign currency translation reserve in the enterprise's financial statements until the disposal of the net investment. Under Ind AS, exchange differences on the settlement or retranslation of monetary

9. Remeasurements of post employment benefit plans

Under Ind AS, remeasurements i.e., actuarial gain and losses on the net defined liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these measurements were forming part of the profit or loss for the year. Though there is no impact on the total equity as at March 31, 2024.

10. Reclassification adjustment

Reclassification adjustment from other current/non-current assets, loans & advances and other current / non-current liabilities in the previous GAAP to other financial current/non-current assets and other financial current/non-current liabilities in Ind AS.



47 Income Tax

The components of income tax expense for the years ended March 31, 2025 and 2024 are:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current Tax		
Current Tax on Profit for the Year	-	-
Tax adjustment relating to prior years	(0.38)	2.63
	(0.38)	2.63
Deferred Tax		
Deferred tax charge / (credit)	18.19	(12.61)
	18.19	(12.61)

Reconciliation of the total tax charge

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax (A)	23.96	16.27
Applicable Income Tax Rate	25.17%	25.17%
Expected Income Tax Expense (B)	6.03	4.10
Differences:		
Recognition of deferred tax (asset) on losses	(86.28)	(9.87)
Recognition of deferred tax (asset)/liabilities on other temporary differences	(6.14)	(6.84)
Reversal of deferred tax asset on other temporary differences (ECL, FV gain, etc.)	104.58	-
Income tax expense/(credit) reported in the statement of profit and loss	18.19	(12.61)



- 45 Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.PM.HFC.CC.No.13042.10.136/2020-21, 17 February, 2021 & Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023.

Current year numbers are not comparable to comparative numbers as current year financials are prepared on the basis of Ind-AS as compared to previous year numbers were prepared as IGAAP. Comparative numbers in these disclosures have been provided as per the audited financial statements as at and for the year ended 31 March, 2024.

45.1 Principal Business Criteria (PBC)

	As at March 31, 2025	As at March 31, 2024
Total assets	14,077.54	12,985.05
Less: Intangible assets	(551.50)	(77.73)
Total assets (net of intangible assets)	13,464.88	12,887.82
Total Housing loans	6,873.51	7,752.90
Total Housing loans as a % of total assets (net of intangible assets)	51.05%	60.16%
Total Individual Housing loans	6,873.51	7,752.90
Total Individual Housing loans as a % of total assets (net of intangible assets)	51.05%	60.16%

45.2 Disclosures

45.2.1 Capital

Particulars	As at March 31, 2025	As at March 31, 2024
(i) CRAR (%)	50.81%	54.74%
(ii) CRAR – Tier I Capital (%)	40.48%	34.11%
(iii) CRAR – Tier II Capital (%)	0.42%	0.57%
(iv) Amount of subordinated debt issued as Tier – II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

45.2.2 Reserve Funds 29C of NBFI Act, 1987

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	45.30	78.65
b) Amount of Special Reserve u/s 30(1)(iii) of Income Tax Act, 1961 taken into account for the year	-	-
Additions / Appropriations / Withdrawals during the year		
Add:		
a) Amount transferred u/s 29C of the NBFI Act, 1987	1.21	5.62
b) Amount of Special Reserve u/s 30(1)(iii) of Income Tax Act, 1961 taken into account for the year	-	-
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NBFI Act	-	-
b) Amount withdrawn from the Special Reserve u/s 30(1)(iii) of Income Tax Act, 1961 which has been taken into account for the year	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	45.51	41.30
b) Amount of Special Reserve u/s 30(1)(iii) of Income Tax Act, 1961 taken into account for the year	-	-
Total	45.51	41.30

Statutory reserve is the reserve created by transferring the sum not less than 20% of its profit in terms of Section 29C of the National Housing Bank Act, 1987.

45.2.3 Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Value of Investments		
Gross value of investments		
(i) In India	2,196.91	-
(ii) Outside India	-	-
Provision for Depreciation		
(i) In India	-	-
(ii) Outside India	-	-
Net value of investments		
(i) In India	2,196.91	-
(ii) Outside India	-	-
Movement of provisions held towards Depreciation on Investments		
Opening balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off / Withdrawal of excess provisions during the year	-	-
Closing balance	-	-



482.4 Derivatives	As at March 31, 2025	As at March 31, 2024
Particulars		
Forward Rate Agreement (FRA) / Interest Rate Swap (IRS):		
(i) The notional principal of Forward rate agreements/Interest Rate Swap*	2,336.03	2,770.03
(ii) Loans which would be incurred if counterparties failed to fulfil their obligations under the agreements*	105.46	52.11
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps **	2,461.49	2,822.14
(v) The fair value of the swap book	105.46	52.11

* The loans which would be incurred if the counterparties failed to fulfil their obligations under the agreements would depend on the future rate of USD at which the Company shall purchase USD from an authorized dealer for fulfilling its obligation.

**Concentration arising from swaps is with banks

§ Forward Contracts includes Principal only swap and cross currency swap.

Exchange Traded Interest Rate (IR) Derivatives

(i) Notional principal amount of exchange traded IR derivatives outstanding	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
(iii) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

Disclosures on Risk Exposure to Derivatives

A. Qualitative Disclosures: The Company does not have any Exchange Traded Interest Rate (IR) Derivative and Interest Rate Swap (IRS). The Company has Forward Rate Agreement-Principal only swap/cross currency swap for the External Commercial Borrowings.

B. Quantitative Disclosures	Currency Derivatives	Interest Rates Derivatives
(i) Derivatives (Notional Principal Amount)		
For Hedging:	2,336.03	-
(ii) Market-to-Market Positions		
(a) Assets (+)	105.46	-
(b) Liability (-)	-	-
(iii) Credit Exposure†	2,418.90	-
(iv) Unhedged exposures	-	-

†The credit exposure refers to the principal outstanding of the Foreign Currency Loans.

482.5 Asset Liability Management Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2025

Particulars	Over 1 days to 7 days	Over 8 days to 14 days	Over 15 to 30 days	Over 1 month upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years to 5 years	Over 5 years to 5 years	Total
Deposits:											
Advances (Housing & Property Loans)	-	132.65	13.23	99.14	99.36	122.35	103.92	1,331.55	1,906.19	5,986.18	9,591.17
Investments	2,196.91	-	-	-	-	-	-	-	-	-	2,196.91
Borrowings†	39.87	-	69.14	122.14	162.92	977.49	788.61	2,695.97	1,179.88	571.35	6,516.40
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	118.15	42.80	94.12	542.76	467.87	1,133.94	2,410.90

Asset Liability Management Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2024

Particulars	Over 1 days to 7 days	Over 8 days to 14 days	Over 15 to 30 days	Over 1 month upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years to 5 years	Over 5 years to 5 years	Total
Deposits:											
Advances (Housing & Property Loans)†	36.08	-	-	48.34	48.93	149.38	505.73	1,512.18	1,444.57	7,522.18	10,937.03
Investments	-	-	-	-	-	-	-	-	-	-	-
Borrowings‡	28.21	-	53.80	105.24	147.29	345.84	715.49	2,800.19	2,026.18	496.11	5,215.36
Foreign Currency assets	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	116.77	41.78	85.41	531.79	358.91	1,276.00	2,010.40

* Advances includes principal outstanding and excludes advances to employees, advance income tax and TDS/ent of provision for Income Tax, prepaid expenses, balance with Govt. authorities and other

† Borrowing includes bank and market borrowings.



48.2.6 Exposure

48.2.6.1 Exposure to Real Estate Sector

Category	As at March 31, 2025	As at March 31, 2024
a) Direct Exposure		
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is	9,853.90	10,057.93
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estate (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or ware house space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB)	-	-
(iii) Investments in mortgage Backed Securities (MBS) and other structured exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposure on MBS and HFCs	-	-
Total Exposure to Real Estate sector	9,853.90	10,057.93

48.2.6.2 Exposure to Capital Market

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii) Advances against shares / bonds / debentures or on clean basis to individuals for investment in shares (including IPOs / GDRs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully secure the advances;	-	-
(v) Issuance and unsecured advances to stockbrokers and guarantor issued on behalf of stockbrokers and market makers;	-	-
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting government's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) Bridge loans to corporates against expected equity flows / issues;	-	-
(viii) Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
(ix) Financing to stockbrokers for margin trading	-	-
(x) All exposures to Venture Capital Funds both registered and unregistered	-	-
(a) Category I	-	-
(b) Category II	-	-
(c) Category III	-	-
Total Exposure to Capital Market	-	-

48.2.6.3 Sectoral exposure

Sectors	As at March 31, 2025			As at March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture & allied activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal loans						
(i) Home Loans	7,586.49	148.58	1.96%	8,378.27	113.26	1.34%
(ii) Loans against property	2,268.34	106.47	3.78%	3,236.63	86.95	2.70%
5. Others	-	-	-	-	-	-
Total	10,484.83	255.05	2.46%	11,614.90	200.21	1.75%

48.2.6.3 Details of financing of Parent Company products: Nil

48.2.6.4 Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by HFC: The Company has not exceeded Single Borrower Limit (SBL) / Group Borrower Limit (GBL) during the financial year.



Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured Advances	-	8.17

48.2.6.6 Exposure to group companies engaged in real estate business: Nil

48.2.6.7 Intra-group exposures

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Total amount of intra-group exposures	-	-
(ii) Total amount of top 20 intra-group exposures	-	-
(iii) Percentage of intra-group exposures to total exposure of the IFCI on domestic customers	-	-

48.2.6.8 Unhedged foreign currency exposure

The Company does not have unhedged foreign currency exposure as at March 31st, 2025. Company manage the currency (foreign) risk as defined in Foreign Exchange and Risk Management policy of Company. Revised as below:

Hedge principles

- SRWA Gilt Ris Limited (SGRL) will engage in hedging of foreign exchange risk on an ongoing basis.
- For the purpose of risk management, SGRL will exercise a mix of judgement and discipline.
- SGRL will evaluate all scenarios of currency and interest rate movements while making decisions.
- SGRL will judiciously use a right combination of approved hedge instruments to protect it from the effects of INR depreciation and at the same time, attempt to minimize hedge cost. Similarly, SGRL will endeavor to protect itself from the risk of rise in interest rate while trying to minimize the cost of such hedging.
- If SGRL agrees to a transaction specific hedge arrangement with any lender, then these arrangements will get priority over hedge conditions provided in this policy. However such transaction specific hedge arrangements need to be approved by the board.

Hedge Instruments

Following hedge instruments can be used for hedging. Detailed descriptions of the products are provided in the below:

- Currency Forward & Futures
- Vanilla Call options
- Vanilla Call spread options
- USDTRS - Interest Rate Swap to hedge LIBOR
- Principal only swap
- Cross currency swap

48.3 Related Party Disclosure

Particulars	As at March 31, 2025				As at March 31, 2024			
	Relatives of Key Management	Parent/Associate/Joint Ventures	Key Management	Directors other than KMP	Relatives of Key Management	Parent/Associate/Joint Ventures	Key Management	Directors other than KMP
Balances at the end of year								
Borrowings	-	-	-	-	-	-	-	-
Borrowings - Maximum outstanding during the year	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Deposits - Maximum outstanding during the year	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-
Placement of deposits - Maximum outstanding during the year	-	-	-	-	-	-	-	-
Advances given	-	-	-	-	-	-	2.94	-
Advances given - Maximum outstanding during the year	-	-	2.19	-	-	-	4.17	-
Investments	-	-	-	-	-	-	-	-
Investments - Maximum outstanding during the year	-	-	-	-	-	-	-	-
Salary (includes pensioning)	-	-	0.03	-	-	-	-	-
Transactions during the year								
Sale of fixed/other assets	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-
Others - Remuneration	-	-	25.00	-	-	-	25.27	-
Others - Selling fees	-	-	-	1.90	-	-	-	0.92

48.4 Miscellaneous:

48.4.1 Registration obtained from other financial sector regulators:

- From NRIE - vide registration number - 01/0115/19
- From IRDAI - vide registration number - CA1021
- From Ministry of Corporate Affairs - CIN-465820DL2019PLC222449

48.4.2 Group Structure: NA

48.4.3 Rating:

CRISIL, Limited (CRISIL) have assigned ratings for the various facilities availed by the Company, details of which are given below:

Facility	As at March 31, 2025	As at March 31, 2024
	CRISIL	CRISIL
Fixed-based facilities-Long term	BBB+ - Stable	BBB+ - Stable
Fixed-based facilities-Short term	A2+	A2+
Non-Convertible Debentures	BBB+ - Stable	BBB+ - Stable



48.4.4 Net Profit or Loss for the period, prior period items and changes in accounting policies:
Refer note no.46 read with note no. 1 & 2.

48.4.5 Revenue Recognition

During the year, there have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

48.4.6 Consolidated Financial Statement (CFS)

The Company does not have any subsidiary/ joint venture Associates as on 31 March, 2025. CFS not applicable to us.

48.5 Additional Disclosures

48.5.1 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account

Particulars	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Provisions made towards Income tax/deductible tax and adjustment of earlier years			18.29	14.75
Provisions against standard assets			176.57	9.87
Provisions against NPA			175.60	48.32
Provisions for employee benefits			44.73	48.54
Other provisions & contingencies			45.93	23.45

Break up of loans and advances and provision thereon

Particulars	Floating		Non-floating	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Standard Assets				
Total outstanding amount	6,262.39	7,833.09	2,733.48	3,086.80
Provision made	68.36	24.49	88.16	15.88
Sub - Standard Assets				
Total outstanding amount	118.93	98.02	161.04	73.80
Provision made	10.88	28.27	66.32	19.30
Doubtful Assets - Category - I				
Total outstanding amount	3.67	0.70	2.44	8.28
Provision made	1.79	3.37	1.58	3.94
Doubtful Assets - Category - II				
Total outstanding amount	9.91	4.30	5.73	6.48
Provision made	2.75	2.35	3.54	3.32
Doubtful Assets - Category - III				
Total outstanding amount	0.64	1.38	0.15	0.28
Provision made	0.50	1.38	0.10	0.28
Loss assets				
Total outstanding amount	1.35	-	0.11	1.17
Provision made	0.66	-	0.05	1.17
Total Amount				
Total outstanding amount	7,816.97	7,766.62	2,842.93	3,197.98
Provision made	97.45	48.81	126.67	43.81

48.5.1 A Divergence in Asset Classification and Provisioning

Below two conditions are not satisfied hence the details of divergence are not required to be disclosed

- No additional provisions have been issued by NHB exceeding 1 percent of the reported profit before tax and impairment loss on financial
- NHB has not identified additional GNPA's exceeding 1 percent of reported GNPA's for the year ended 31 March, 2025 and 31 March, 2024

48.5.2 Draw Down from Reserve: Nil

48.5.3 Concentration of Deposits, Advances, Exposures and NPAs

48.5.3.1 Concentration of Deposits (for deposit taking HFCs): Not Applicable, As the Company is Non-deposit HFC

Particulars	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Total Deposits of twenty largest Depositors	-	-	-	-
Percentage of Deposits of twenty largest depositors in Total Deposits of the HFC	-	-	-	-



SEWA Grih Rtn Limited
Notes to financial statements for the year ended March 31, 2025

48.5.3.2 Concentration of Loans & Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers / Customers	58.26	59.59
Percentage of Advances to twenty largest borrowers to Total Advances of the HFC	0.81%	0.50%

48.5.3.3 Concentration of all Exposures (including off-balance sheet exposures)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers / Customers	71.13	59.74
Percentage of Exposure to twenty largest borrowers / Customers to Total Exposure of the HFC on borrowers / customers	0.71%	0.31%

48.5.3.4 Concentration of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to top three NPA accounts	4.15	10.49

48.5.3.5 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2025	As at March 31, 2024
A. Housing Loans :		
1. Individuals	3.12%	1.48%
2. Builders / Project Loans	-	-
3. Corporate	-	-
4. Others	-	-
B. Non-Housing Loans :		
1. Individuals	3.89%	2.82%
2. Builders / Project Loans	-	-
3. Corporate	-	-
4. Others	-	-

48.5.4 Movement of NPAs

Sl. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	Net NPAs to Net Advances (%)	1.26%	1.31%
(ii)	Movement of NPAs (₹ Crores)		
(a)	Opening balance	114.38	45.97
(b)	Additions during the year	407.28	164.64
(c)	Reductions during the year	560.34	23.30
(d)	Closing balance	258.63	209.31
(iii)	Movement of Net NPAs		
(a)	Opening balance	-	33.23
(b)	Additions during the year	581.23	146.19
(c)	Reductions during the year	259.82	16.96
(d)	Closing balance	122.41	162.46
(iv)	Movement of provisions for NPAs (including provisions on standard assets)		
(a)	Opening balance	211.29	12.74
(b)	Provisions made during the year	26.03	57.27
(c)	Write-off/write-back of income provisions	161.72	0.96
(d)	Closing balance	135.60	61.05

48.5.5 Overdue Assets (for those with Joint Ventures and Subsidiaries abroad):

The Company does not have overdue assets for the year ended March 31, 2025 and March 31, 2024.

48.5.6 Off-balance Sheet STVs sponsored: Nil, there are no such balances.

48.6 Disclosure of Complaints

48.6.1 Summary information on complaints received by the HFCs from customers and from the Office of Ombudsman

Particulars	As at March 31, 2025	As at March 31, 2024
Complaints received by the HFC from its customers		
(a) No. of complaints pending at the beginning of the year	8	2
(b) No. of complaints received during the year	965	108
(c) No. of complaints redressed during the year	788	162
(d) Of which, number of complaints redressed by HFC	-	-
(e) No. of complaints pending at the end of the year	185	8
(i) Unsubstantiated complaints from Office of Ombudsman		
Number of unsubstantiated complaints received from Office of Ombudsman	Nil	Nil
Of 1, number of complaints resolved in favour of the HFC by Office of Ombudsman	Nil	Nil
Of 1, number of complaints resolved through mediation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
Of 1, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	Nil	Nil
Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

Note: Unsubstantiated complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (hereinafter 'The Ombudsman Scheme for Non-Banking Financial Companies, 2019') and covered within the ambit of the Scheme.



8A.2 Top five grounds of complaints received by RDC 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	DTL, number of complaints pending beyond 30 days
For the year ended March 31, 2023					
Ground - 1 (Service Related)	700	360.00	108%	43.00	21
Ground - 2 (Disbursement: Terms And Conditions)	130	138.00	90%	7.00	1
Ground - 3 (Loan Repayment/Processing Fees)	-	-	0%	-	N/A
Ground - 4 (Recovery Action: Unfair Practices)	-	-	0%	-	N/A
Ground - 5 (Adverse Harassment Etc.)	1	-	0%	-	N/A
Ground - 6 (Others)	1	247.00	440%	57.00	11
For the year ended March 31, 2024					
Ground - 1 (Service Related)	1	30.00	175%	7.00	4
Ground - 2 (Disbursement: Terms And Conditions)	130	95.00	183%	1.00	N/A
Ground - 3 (Loan Repayment/Processing Fees)	-	-	0%	-	N/A
Ground - 4 (Recovery Action: Unfair Practices)	-	-	0%	-	N/A
Ground - 5 (Adverse Harassment Etc.)	1	-	0%	-	N/A
Ground - 6 (Others)	130	63.00	132%	-	N/A

8A.7 Corporate governance

Disclosures in relation to corporate governance is disclosed in corporate governance section of Director's report.

8A.8 Breach of covenant

The Company has not breach any covenant of loan or debt securities issued during the year ended March 31, 2023 and March 31, 2024.

8A.9 No penalty has been imposed by NHB/BIH during the current year and previous year.

8A.10 The Company has not granted any loans against collateral of gold jewellery in current year and previous year.

8A.14 Disclosure pursuant to Reserve Bank of India notification DCR (NEFC) CC/PD No.106/22, 18/106/2019/20 dated 17 March 2020 pertaining to Asset Classification as per RBI Norms

Asset Classification as per RBI Norms (i)	Asset classification as per Ind AS 109 (ii)	Gross Carrying Amount as per Ind AS (iii)	Loss Allowance (Provisions) as required under Ind AS 109 (iv)	Net Carrying Amount (v) = (iii)-(iv)	Provisions required as per IRAC norms (vi)	Difference between Ind AS 109 provisions and IRAC norms (v)-(vi)-(iii)
As at March 31, 2023						
Performing Assets						
Standard	Stage 1	1,369.00	3.18	1,365.82	25.04	18.24
	Stage 2	792.67	98.54	704.13	2.31	13.63
Subtotal		2,161.67	131.72	2,029.95	27.35	31.87
Non-Performing Assets (NPA)						
Substandard	Stage 3	237.97	121.00	116.97	24.70	92.27
Doubtful - up to 1 year	Stage 3	6.11	1.20	4.91	1.53	1.37
1 to 3 years	Stage 3	11.62	6.29	5.33	4.65	1.68
More than 3 years	Stage 3	0.79	0.40	0.39	0.79	(0.39)
Subtotal for doubtful		18.52	8.89	9.63	6.97	2.66
Loss Assets	Stage 3	1.54	0.71	0.83	1.52	(0.69)
Subtotal of NPAs		258.03	131.60	126.43	33.79	131.64
Other items such as provision, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Ind AS Provisions: Asset Classification and Provisioning (IRAC) norms						
	Stage 1	616.46	1.76	614.70	-	1.76
	Stage 2	3.19	0.28	2.91	-	0.28
	Stage 3	0.17	2.12	2.05	-	2.12
Subtotal		620.82	4.16	616.66	-	4.16
Total	Stage 1	1,985.46	37.94	1,947.52	27.94	17.90
	Stage 2	796.06	98.82	697.24	2.31	38.11
	Stage 3	267.38	131.77	135.61	34.30	101.31
Total		2,048.90	268.53	1,780.37	64.55	217.52



As at March 31, 2024

Performing Assets <i>Standard</i>	Stage 1	8,577.81	18.43	8,688.48	26.02	10.52
	Stage 2	1,268.91	353.74	953.15	4.02	949.72
Subtotal		9,846.72	562.17	10,401.66	32.04	960.23
Non-Performing Assets (NPA) <i>Substandard</i>	Stage 1	174.51	174.51	-	26.18	148.33
	Stage 2	20.95	20.95	-	5.23	15.70
Doubtful - up to 1 year	Stage 3	12.45	12.45	-	4.98	7.47
More than 1 year	Stage 3	2.22	2.22	-	2.22	0.00
Subtotal for doubtful		35.62	35.62	-	12.43	23.17
Loss Assets	Stage 3	1.18	1.18	-	1.18	-
Subtotal of NPA		211.26	211.26	-	34.79	171.46
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	629.49	0.99	628.49	-	0.99
	Stage 2	15.96	1.40	34.46	-	1.40
	Stage 3	9.81	3.34	7.87	-	2.24
Subtotal		655.26	4.63	670.82	-	4.63
Total	Stage 1	10,196.99	19.53	10,116.98	26.02	11.51
	Stage 2	1,502.78	353.14	947.64	4.02	951.11
	Stage 3	221.18	213.52	7.87	30.76	173.34
	Total	11,920.95	666.19	11,072.49	71.82	536.16

48.12 Disclosure pursuant to Reserve Bank of India notification RBI/2021-22/30 BGR,STR,BEC,11/21.04.048/2021-22 dated 5 May 2021 read with Notification no.RBI/2020-21/3108OR,Ns,RP,BC/3/21.04.048/2020-21 dated 6 August 2020.

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of September 30, 2024 (A)	Of (A), aggregate of resolution plan - Position as at the end of NPA during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of March 31, 2025
Personal Loans	68.31	3.40	1.13	3.68	67.30
Corporate persons	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	68.31	3.40	1.13	3.68	67.30

49 Disclosures on liquidity risk as required by Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (as amended):

(a) Funding Concentration based on significant country/region (borrowings)

Particulars	As at March 31, 2025	As at March 31, 2024
Number of significant counterparties	20	18
Amount	9,457.50	9,296.99
Percentage of funding concentration to total deposits	NA	NA
Percentage of funding concentration to total liabilities	80.12%	90.61%

(b) Top 20 large deposits

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of top 20 large deposits	NA	NA
Percentage of amount of top 20 large deposits to total deposits	NA	NA



ix) Top 10 borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of top 10 borrowings (in Rs.)	6,473.46	7,134.15
Percentage of amount of top 10 borrowings to total borrowings	73.13%	74.70%

x) Funding Concentration based on significant instrument/product

Particulars	As at March 31, 2025	As at March 31, 2024
Term loan		
Amount	8,227.66	8,223.44
% of total liabilities	91.55%	89.91%
Debtors		
Amount	907.40	681.08
% of total liabilities	9.98%	6.99%

xi) Stock Ratio

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Commercial paper to Total Liabilities	N/A	N/A
(ii) Commercial paper to Total Assets	N/A	N/A
(iii) Commercial paper to Public Funds	N/A	N/A
(iv) NCD (secured maturity < 1 yrs) to Total Liabilities	N/A	N/A
(v) NCD (secured maturity < 1 yrs) to Total Assets	N/A	N/A
(vi) NCD (secured maturity < 1 yrs) to Public Funds	N/A	N/A
(vii) Other Short Term Liabilities to Total Liabilities	22.49%	19.89%
(viii) Other Short Term Liabilities to Total Assets	14.91%	15.14%
(ix) Other Short Term Liabilities to Public Funds	N/A	N/A

* Total liabilities = Total Assets - Equity

xii) Institutional setup for liquidity risk management:

The Company has in place a detailed "Asset Liability Management Policy", "Liquidity Policy" and "Foreign Exchange and Interest Rate Risk Management Policy" and "Contingency Funding plan". The policies provide a framework for risk identification, risk measurement, risk mitigation, risk monitoring and ensuring regulatory as well as internal compliance. The liquidity risk is reviewed at periodic intervals by ALCO through statement of structural liquidity, statement of short-term dynamic liquidity and statement of interest rate sensitivity for better financial planning. The ALCO reports to the RMC (Risk management committee) and meetings of RMC are organized at regular intervals to review various risks associated with Company's operation.

xiii) Disclosure of frauds reported during the year vide DNIN.FPD/01/06/13/001/2019-17 dated September 29, 2019

During the year ended March 31, 2025, There were 5 instances of fraud identified in the company, details of which are as under:

S. No	Classification	Gross amount	Recovery	Net Loss to the company
1	Cheating & Forgery	9.83	2.24	7.59

During the year ended March 31, 2024, There were 8 instances of fraud identified in the company, details of which are as under:

S. No	Classification	Gross amount	Recovery	Net Loss to the company
1	Misappropriation and criminal breach of trust	0.14	0.02	0.12
2	Misappropriation and criminal breach of trust	0.11	-	0.11
3	Misappropriation and criminal breach of trust	0.37	0.37	-
4	Misappropriation and criminal breach of trust	0.15	-	0.15
5	Misappropriation and criminal breach of trust	2.83	2.45	-
6	Misappropriation and criminal breach of trust	0.98	0.88	-
7	Negligence and cash Shortage	2.94	-	2.94
8	Misappropriation and criminal breach of trust*	11.94	8.77	3.17

*Based on the fact finding review report of the professional firm engaged by the company.

xiv) Disclosure pursuant to RBI circular RBI/DOR/2021-22/60, DOR/STR/REC/51/21,34,848/2021-22 for loan transferred/acquired under the Master Direction - RBI (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021 are given below

xv) Details of transfer through assignment in respect of loans not in default

Particulars	As at March 31, 2025	As at March 31, 2024
Count of loan accounts assigned	335	1,422
Amount of loan accounts assigned	475.86	568.59
Duration of transferred economic interest (TEI)	10%	19%
Weighted Average residual tenure of the loans transferred in months	138.11	101.01
Weighted Average holding period in months	39.31	24.91
Coverage of Tangible security	100%	100%
Number of Transaction	2	2
Rating zone distribution of total loans	Unrated	Unrated



b) Details of loans (not in default) acquired through assignment from HFC

Particulars	As at March 31, 2025	As at March 31, 2024
Count of loan accounts acquired	-	816
Amount of loan accounts acquired	-	241.63
Booked economic interest acquired	-	100%
Weighted Average residual tenure of the loans acquired in months	-	61.36
Weighted Average holding period in months	-	38.89
Coverage of Tangible assets	-	100%
Number of Transactions	-	2
Rating risk distribution of rated loans	-	Unrated

c) The Company has not acquired any loan in default during the year ended March 31st, 2025 and March 31st, 2024

d) Details of stressed loans transferred/stressed loan transferred during the year to Asset Reconstruction Company (ARC)

Particulars	As at March 31, 2025	As at March 31, 2024
Count of loan accounts assigned	603	-
Aggregate principal outstanding of loans transferred	279.28	-
Weighted Average residual tenure of the loans transferred in months	155.12	-
Net book value of loans transferred (at the time of transfer)	229.37	-
Aggregate consideration	113.51	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-

52 Liquidity coverage ratio (LCR) - LCR ratios are not applicable to the Company as the assets are less than Rs. 50,000 million.



53 Balance Sheet disclosures as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 (as amended) issued by the Reserve Bank of India

Schedule to the Balance Sheet of a HFC

Particulars	As at March 31, 2025		As at March 31, 2024	
	Amount	Amount overdue outstanding	Amount outstanding	Amount overdue
Liabilities side				
I Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
a) Debentures - Secured	-	-	-	-
Unsecured	207.40	-	577.05	-
b) Deferred Credits	-	-	-	-
c) Term Loans	8,227.90	-	9,343.37	-
d) Inter-corporate loans and borrowing	-	-	-	-
e) Commercial Paper	-	-	-	-
f) Public Deposits	-	-	-	-
g) Other Loans (specify nature)	-	-	-	-
II Break-up of (I)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
a)	-	-	-	-
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	-	-	-	-
Assets side				
			As at March 31, 2025	As at March 31, 2024
III Break-up of Loans and Advances including bills receivables (other than those included in (IV) below):				
a) Secured			9,853.90	10,964.87
b) Unsecured			-	8.17
IV Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities				
(i) Lease assets including lease rentals under sundry debtors:				
a) Financial lease			-	-
b) Operating lease			-	-
(ii) Stock on hire including hire charges under sundry debtors				
a) Assets on hire			-	-
b) Repossessed Assets			-	-
(iii) Other loans counting towards asset financing activities				
a) Loans where assets have been repossessed			-	-
b) Loans other than (a) above			-	-
V Break-up of Investments				
Current Investments				
Quoted				
i) Shares			-	-
a) Equity			-	-
b) Preference			-	-
ii) Debentures and Bonds			-	-
iii) Units of mutual funds			-	-
iv) Government Securities			-	-
v) Others (please specify) - Commercial paper			-	-
Unquoted				
i) Shares			-	-
a) Equity			-	-
b) Preference			-	-
ii) Debentures and Bonds			-	-
iii) Units of mutual funds			2,196.91	-
iv) Government Securities			-	-
v) Others (please specify)			-	-
Quoted				
i) Shares			-	-
a) Equity			-	-
b) Preference			-	-
ii) Debentures and Bonds			-	-
iii) Units of mutual funds			-	-
iv) Government Securities			-	-
v) Others (please specify)			-	-
Unquoted				
i) Shares			-	-
a) Equity			-	-
b) Preference			-	-
ii) Debentures and Bonds			-	-
iii) Units of mutual funds			-	-
iv) Government Securities			-	-
v) Others (please specify)			-	-



- 53 Balance Sheet disclosures as required under Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 (as amended) issued by the Reserve Bank of India

VI Borrower group-wise classification of assets financed as in (III) and (IV) above:

Category	As at March 31, 2025			As at March 31, 2024		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total
i) Related Parties	-	-	-	-	-	-
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	-	-
ii) Other than related parties	9,591.77	-	9,591.77	10,863.15	-	10,863.15

VII Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at March 31, 2025		As at March 31, 2024	
	Market Value / Book Value (Net of Provisions)		Market Value / Book Value (Net of Provisions)	
	Break up or fair value or NAV	Break up or fair value or NAV	Break up or fair value or NAV	Break up or fair value or NAV
i) Related Parties	-	-	-	-
a) Subsidiaries	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
ii) Other than related parties	2,196.91	2,196.91	-	-

VIII Other information

Particulars	As at March 31, 2025	As at March 31, 2024
	Amount	Amount
	Amount	Amount
i) Gross Non-Performing Assets	258.03	205.51
a) Related parties	-	-
b) Other than related parties	258.03	205.51
ii) Net Non-Performing Assets	122.43	142.46
a) Related parties	-	-
b) Other than related parties	122.43	142.46
iii) Assets acquired in satisfaction of debt	-	-



54 Additional Disclosure including disclosure in compliance with amendment in Schedule III (Division III) to the companies act, 2013 dated 24th March 2021

- (i) The Company has not entered any transactions with companies that were struck off under section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- (ii) The Company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017
- (iii) The Company does not have any transactions which were not recorded in the books of accounts, but offered as income during the year in the income tax assessment.
- (iv) The Company has not traded or invested in crypto currency or Virtual Currency during the financial year.
- (v) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender during the year.
- (vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (viii) The Company does not have any charges which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (ix) Ratios - for ratios refer note 48.2.1
- (x) The Company has not granted any loans or advances in the nature of loans to promoters, Directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are:
 - (a) repayable on demand or
 - (b) without specifying any terms or period of repayment
- (xi) Disclosure pertaining to stock statement filed with banks or financial institutions- The Company has availed of the facilities (secured borrowings) from the lenders inter alia on the condition that, the Company shall provide or create or arrange to provide or have created, security interest by way of a first pari passu charge of the loans. Security interest is created by charge creation towards security.
- (xii) At the year end, the Company did not have any long-term contracts except derivative contracts for which there were any material foreseeable losses need to be provided as required under any law / accounting standards.
- (xiii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



SEWA Grih Rin Limited

Notes to financial statements for the year ended March 31, 2025

(All amounts are in INR millions, unless otherwise stated)

- 55 During the current year, based on the whistle blower complaint, the board of directors has identified that the financial irregularity had taken place on the Company during the year ended March 31, 2024. The above financial irregularity was carried by senior officials of the Company in collusion with a collection and recovery agency, wherein certain fictitious receipts were recorded against delinquent customers.

The Company has carried out an internal investigation involving a professional firm in the above matter and terminated the services of the above employees and discontinued the business with the collection and recovery agency. The agency has also identified other areas like employee salary & travel advance, imprest and branch cash being used by the above officials for manipulating the collections from customers.

Subsequent to year ended March 31, 2024 and post completion of above investigation, the Company has taken the necessary remedial steps like recovery from the officials, removal of officials & agency, strengthening of internal controls and processes and reporting to NHB. The overall impact of the above transaction on the Company has been estimated to around Rs. 18.05. The Company has been able to recover Rs. 12.27 on the above matter and the balance of Rs. 5.80 has been charged to the statement of profit and loss in the year March 31, 2024.

An additional amount of Rs. 2.24 has been recovered from the salary of the senior official involved which has been netted off with corresponding expense in the statement of profit and loss for the year ended March 31, 2025.

- 56 Previous period figures have been regrouped or reclassified wherever necessary to correspond with current period figures read with note 46.

For S.N. Dhawan & CO LLP

Chartered Accountants

Firm Registration Number: 000050N/N500045

Rahul Singh

Partner

Membership Number: 096670

Place: Gurugram

Date: May 9, 2025



For and on behalf of Board of Directors

SEWA Grih Rin Limited

Ajesh Appukuttan

Managing Director & CEO

DIN: 10988270

Place: Mumbai

Date: May 9, 2025

Vishal Visani Thakkar

Director & CFO

DIN: 10646734

Place: Mumbai

Date: May 9, 2025

Ayush Jindal

Company Secretary

Place: Gurugram

Date: May 9, 2025

