

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PNB HOUSING FINANCE LIMITED

## Report on the Audit of Consolidated Financial Statements

### Opinion

We have audited the accompanying Consolidated Financial Statements of **PNB Housing Finance Limited** ("the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (herein after referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of the subsidiary referred to in the Other Matters section below, the aforesaid Consolidated Financial Statement give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Group as at 31<sup>st</sup> March 2025, their consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2025. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1.	<b>Assessment of impairment loss allowance of expected losses (ECL) on loans</b>	<b>Audit Approach</b>
	<p>The Holding Company has reported total gross loans of ₹75,764.68 crore and ₹1,119.36 crore of allowance for expected credit loss as on 31<sup>st</sup> March 2025 (Refer Note 6).</p> <p>The allowance for ECL on loan assets is a significant area of judgement and estimation in the Holding Company's consolidated financial statements.</p> <p>The determination of ECL under Ind AS 109 – Financial Instruments – involves the application of complex models and key assumptions, and requires significant management judgement.</p> <p>The Key aspects of ECL estimation include:</p> <ul style="list-style-type: none"> <li>» The application of the ECL model, which requires extensive and accurate data inputs</li> <li>» The use of judgemental models to estimate Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD). PD and LGD, being the primary drivers of ECL estimates, are considered to be the most complex and judgemental areas of the Holding Company's modelling approach.</li> </ul>	<p>Our Audit approach to assess the allowance for Expected credit loss on loan assets included a combination of Controls and Substantive procedures as below:</p> <p>Understanding and evaluating the internal control environment</p> <ul style="list-style-type: none"> <li>» Testing key controls over the completeness and accuracy of data and assumptions used in the ECL model.</li> <li>» Assessing controls over the staging of loans, including the identification of significant increase in credit risk and default events.</li> <li>» Evaluating controls around model validation, governance, and approval processes.</li> </ul> <p>In addition to the above, we have performed the following procedures:</p> <ul style="list-style-type: none"> <li>» Obtaining an understanding of the methodology used by the Holding Company for ECL computation and evaluating its compliance with the requirements of Ind AS 109.</li> </ul>

Sr. No	Key Audit Matter	Auditor's Response
	<ul style="list-style-type: none"> <li>» The staging of loan assets based on qualitative and quantitative factors to assess significant increases in credit risk.</li> <li>» The incorporation of forward-looking information, including macroeconomic forecasts and scenario-based modelling, requires management to apply significant judgement in selecting scenarios and determining their probability weightings.</li> </ul> <p>Given the high degree of estimation uncertainty, reliance on judgement, and the material impact of the ECL allowance on the standalone financial statements, this area has been identified as a key audit matter.</p>	<ul style="list-style-type: none"> <li>» Evaluation of the design and implementation of the model used by management for computing Expected Credit Loss (ECL) by assessing whether the programme logic aligns with the approved ECL methodology, including key assumptions.</li> <li>» Assessing the reasonableness of key assumptions such as Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD)</li> <li>» Evaluating the appropriateness of the loan staging criteria and verifying staging for selected loan samples, including review of qualitative and quantitative triggers used by management of the Holding Company.</li> <li>» Reperformance of the model calculations on a test basis, for testing the key inputs, assumptions, and validating the mathematical accuracy of the ECL</li> <li>» Testing management controls over authorisation of management overlays, if any</li> <li>» Assessing the incorporation of forward-looking information, including the evaluation of macroeconomic variables, scenario selection and weighting, and the overall reasonableness of the impact on ECL.</li> </ul> <p>Our procedures also included evaluating the adequacy of related disclosures in the financial statements in accordance with the requirements of Ind AS 107 and Ind AS 109.</p>
2.	<p><b>Information Technology (IT) systems and controls over financial reporting</b></p> <ul style="list-style-type: none"> <li>» The Holding Company's financial reporting processes are highly dependent on its Enterprise Resource Planning (ERP) system, which interfaces with other operational systems that process key transactions related to loans, deposits, and borrowings. A significant portion of the Company's financial accounting and reporting is automated and relies on the effective functioning of these IT systems and controls</li> <li>» Given the complexity of the IT environment and the pervasive use of technology in processing and recording financial information, the integrity of financial data is highly reliant on the effectiveness of general IT controls (GITCs) and application-level controls.</li> <li>» If there are deficiencies in the IT control environment, there is a risk that errors or unauthorised changes could occur and not be detected, potentially leading to material misstatements in the consolidated financial statements.</li> </ul> <p>Accordingly, due to the critical role of IT systems in financial reporting and the associated risk of material misstatement arising from IT control failures, the assessment of the design and operating effectiveness of general IT controls and relevant application controls has been identified as a key audit matter.</p>	<p><b>Audit Approach</b></p> <p>Our key audit procedures in this area included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>» Obtain an understanding of the Holding Company's information processing environment, including the IT General Controls (ITGCs) and automated application controls related to systems, databases, and operating platforms relevant to financial reporting.</li> <li>» Obtained an understanding of significant changes made to key IT applications and systems during the audit period that could impact financial accounting and reporting processes.</li> <li>» Performed the following procedures: <ul style="list-style-type: none"> <li>i. Tested IT General Controls related to User access management (including controls over privileged access, including provisioning, de-provisioning, and access review, change management processes for application and infrastructure changes, segregation of duties around program development, back up management and disaster recovery and audit trail relating to key financial accounting and reporting processes.</li> <li>ii. Evaluated the Holding Company's periodic access rights reviews, including inspection of approvals for system access changes and role assignments.</li> <li>iii. Tested key automated and business logic for key controls relevant to the audit; including testing of compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would materially impact control or completeness or accuracy of the Financial Statements.</li> <li>iv. We have relied on IS and other technology audits conducted during the year.</li> </ul> </li> </ul>

### Information other than the consolidated financial statements and Auditors report thereon

The Holding Company's Management and Board of Directors are responsible for other information. The other information comprises the information included in the Holding Company's Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 "The Auditor's responsibilities Relating to Other Information"

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

The Holding Company's Management and the Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India. The respective management and the board of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose

of preparation of the Consolidated financial statements by the Management and the Board of Directors of the Holding Company as aforesaid.

In preparing the Consolidated financial statements, the respective Management and Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Management and the Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the group.

### Auditor's Responsibilities for the Audit of Consolidated Financial Statements

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

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

- » Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

Obtain an understanding of internal financial controls 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 Companies in the group have adequate internal financial controls system with reference to consolidated financial statements in place and the operating effectiveness of such controls;

- » Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management and Board of Directors;

- » Conclude on the appropriateness of Holding Company's Management's and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- » Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- » Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities, included in the consolidated financial statements which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in "Other Matters" paragraph below.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our audit work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of consolidated financial statements of the financial year ended 31<sup>st</sup> March 2025 and are therefore the Key Audit Matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosures about the matters or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters:

These consolidated financial statements include audited financial statements of one subsidiary which reflect total assets (before consolidation adjustments) of ₹ 182.55 crore as at 31<sup>st</sup> March 2025, total revenues (before consolidation adjustments) of ₹ 244.78 crore, total net profit after tax (before consolidation adjustments) of ₹ 12.98 crore, and total comprehensive profit (before consolidation adjustments) of ₹ 13.14 crore for year ended 31<sup>st</sup> March 2025, and net cash inflow (before consolidation adjustments) of ₹ 62.53 crore for the year ended on 31<sup>st</sup> March 2025, as considered in the consolidated financial statements. These financial statements of the subsidiary have been audited by other auditor whose report have been furnished to us by the Management of Holding Company. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) of section 143 of the Companies Act, 2013 in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements above and our report on the "Other Legal and Regulatory Requirements" below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors

These Consolidated Financial Statements include the figures for the previous year ended 31<sup>st</sup> March 2024 which were audited by predecessor auditors who expressed an unmodified opinion as relevant on those Consolidated Financial Statements vide their report dated 29<sup>th</sup> April 2024. Our opinion on the Consolidated Financial Statements is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary as noted in 'Other matters' paragraph, 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 of the aforesaid Consolidated Financial Statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the group so far as it appears from our examination of those books and reports of the other auditors, except for the matters stated in paragraph 1(h)(vi) below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended) ("the Rules").
- (c) The Consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Statement of changes in equity and Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS prescribed under Section 133 of the Act, read with the relevant rules issued thereunder.
- (e) On the basis of the written representations received from the directors of the Holding Company taken on records by the Board of Directors and based on the reports of the statutory auditor of its subsidiary, none of the directors of the Group companies is disqualified as on 31<sup>st</sup> March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to the Consolidated Financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on auditors' report of the Holding Company and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of those companies.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended
- In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's report of the subsidiary company incorporated in India, the remuneration paid by the Holding Company and subsidiary company incorporated in India to its directors during the year is in accordance with the provisions of Section 197 read with schedule V of the Act; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate financial statements and other financial information of the subsidiary, as noted in 'Other matters' paragraph:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements – Refer Note 40 to the consolidated financial statements.
  - ii. The Group has recognised provision as on 31<sup>st</sup> March 2025 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer Note 15 to the Consolidated financial statements;
  - iii. The Holding Company was regular in depositing the amounts required to be transferred to the Investor Education and Protection Fund except for the instances as reported in the Note 45.4 to the Consolidated Financial Statements. Based on the report of the other auditor, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary company.
  - iv. a. The respective Managements of the Holding Company and its subsidiary whose financial statements have been audited under the Act have represented us and the other auditor of such subsidiary respectively that to the best of their knowledge and belief, as disclosed in Note 49 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or by the subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf

- of the Holding Company and such subsidiary (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b. The respective Managements of the Holding Company and its Subsidiary whose financial statements have been audited under the Act have represented to us and to the other auditor of such subsidiary that to the best of their knowledge and belief, as disclosed in Note 49 to the consolidated financial statements no funds have been received by the Holding Company, its subsidiary from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary,; nothing has come to our or other auditor’s attention to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;
- v. The Group has not paid any dividend during the year. Further, as stated in Note 24.9 to the Consolidated Financial Statements, the Board of Directors of the Holding company has proposed final dividend for the year which is subject to approval of the members of the ensuing Annual General Meeting. Such dividend proposed is in accordance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, and based on the auditor’s report of its subsidiary company whose financial statements have been audited under the Act, the Holding Company and its subsidiary company has used various accounting softwares for maintaining books of accounts which has feature of recording audit trail (edit log) facility and has been operated throughout the year for all relevant transactions recorded in the respective softwares, except that:
- a. At database level audit trail was not enabled in three software for the entire year and was enabled for part of the year in three software.
- b. In one accounting software which is hosted on third party service provider location independent service auditor’s report made available to us does not contain any reporting reference with regards to audit trail feature at the database level to log any direct data changes. Hence, we are unable to comment whether database level audit trail was enabled or not in respect of such software.
- Further, other than as mentioned above, during the course of our examination, we did not come across any instance of audit trail feature being tampered with.
- c. The Audit trail where ever applicable has been maintained by the Holding as well as subsidiary Company as per the statutory requirements for records retention as per Proviso to Rule 3 (1) of the Companies (Accounts Rules) 2014
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditor of subsidiary company included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that there are no qualifications or adverse remarks by the auditor in the CARO reports of the said company included in the consolidated financial statements except for reporting on holding company under clause (v) where there was a delay in deposit to Investor Education and Protection Fund as is reported Note 45.4 of Consolidated financial statements.

For **M M Nissim & Co LLP**  
Chartered Accountants  
Firm Registration No. 107122W/  
W100672

**Navin Kumar Jain**  
Partner  
Membership No. 090847  
UDIN: 25090847BMIJGP3872  
Place: Gurugram  
Date: 28<sup>th</sup> April, 2025

For **C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No.  
101961W/W-100036

**Hiren Shah**  
Partner  
Membership No. 100052  
UDIN: 25100052BMHUNR9890  
Place: Gurugram  
Date: 28<sup>th</sup> April, 2025

## ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

**Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**  
(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

We have audited the internal financial controls over financial reporting of **PNB Housing Finance Limited** (“the Holding Company”) and its subsidiary company wherein such audit of internal financial controls over financial reporting was carried out by other auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as of 31<sup>st</sup> March 2025 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

### Management’s and Board of Directors Responsibilities for Internal Financial Controls

The respective Management and the Board of Directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statement based on criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (“Guidance Note”) issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to Consolidated financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to policies of the Holding company and the subsidiary respectively, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial Reporting of the Holding Company and its subsidiary with reference to consolidated 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 and the Standards on Auditing issued by ICAI prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls with reference to consolidated financial statements, 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 consolidated financial statements of the Group 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors of the subsidiary company in terms of their reports referred to in the ‘Other Matters’ paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting with reference to financial statement 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below the Holding company and its subsidiary company have in all material respects, internal financial controls with reference to consolidated financial statements of the company and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2025; based on the internal control over financial reporting criteria established by

such companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to Consolidated financial statements in so far as it relates to the subsidiary company, is based solely on the corresponding report of the auditor of such company.

Our opinion is not modified in respect of above matters.

For **M M Nissim & Co LLP**  
Chartered Accountants  
Firm Registration No.  
107122W/W100672

**Navin Kumar Jain**  
Partner  
Membership No. 090847  
UDIN: 25090847BMIJGP3872  
Place: Gurugram  
Date: 28<sup>th</sup> April, 2025

For **C N K & Associates LLP**  
Chartered Accountants  
Firm Registration No.  
101961W/W-100036

**Hiren Shah**  
Partner  
Membership No. 100052  
UDIN: 25100052BMHUNR9890  
Place: Gurugram  
Date: 28<sup>th</sup> April, 2025

# CONSOLIDATED BALANCE SHEET

as at 31<sup>st</sup> March 2025

Particulars	Notes	(₹ in crore)	
		As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	3	2,160.38	2,142.20
Bank balance other than cash and cash equivalents	4	1,439.75	464.73
Derivative financial instruments	15	-	135.01
Receivables	5		
Trade receivables		49.56	51.45
Other receivables		0.41	0.08
Loans	6	74,645.32	64,108.24
Investments	7	3,380.92	4,346.01
Other financial assets	8	346.55	569.80
		<b>82,022.89</b>	<b>71,817.52</b>
<b>Non-financial assets</b>			
Current tax assets (net)	9	7.48	185.17
Deferred tax assets (net)	10	171.16	127.69
Investment property	11	0.51	0.51
Property, plant and equipment	12	81.84	66.56
Right of use assets	12	132.63	123.14
Capital work-in-progress	12.1	4.67	5.43
Intangible assets under development	12.2	11.47	9.82
Other Intangible assets	13	24.20	16.57
Other non-financial assets	14	63.51	52.44
		<b>497.47</b>	<b>587.33</b>
<b>Total Assets</b>		<b>82,520.36</b>	<b>72,404.85</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	15	50.12	-
Payables			
Trade payables	16		
Total outstanding dues of micro enterprises and small enterprises		1.27	2.12
Total outstanding dues of creditors other than micro enterprises and small enterprises		16.27	17.62
Other payable			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Debt securities	17	8,573.45	7,851.93
Borrowings (other than debt securities)	18	35,555.02	28,666.95
Deposits	19	17,641.55	17,758.22
Subordinated liabilities	20	539.59	739.49
Other financial liabilities	21	3,024.19	2,179.86
		<b>65,401.46</b>	<b>57,216.19</b>
<b>Non-financial liabilities</b>			
Provisions	22	21.96	20.23
Other non-financial liabilities	23	233.81	193.99
		<b>255.77</b>	<b>214.22</b>
<b>Equity</b>			
Equity share capital	24	259.93	259.72
Other equity	25	16,603.20	14,714.72
<b>Total equity</b>		<b>16,863.13</b>	<b>14,974.44</b>
<b>Total Liabilities and Equity</b>		<b>82,520.36</b>	<b>72,404.85</b>
Corporate and other information along with material accounting policies.	18&2		
The accompanying notes are an integral part of the consolidated financial statements.			

In terms of our report of even date

**For M M Nissim & Co LLP**  
Chartered Accountants  
FR No.: 107122W/W100672

**Navin Kumar Jain**  
Partner  
M. No.: 090847  
Place: Gurugram

**For C N K & Associates LLP**  
Chartered Accountants  
FR No.: 101961W/W-100036

**Hiren Shah**  
Partner  
M. No.: 100052  
Place: Gurugram

Date: 28<sup>th</sup> April, 2025

For and on behalf of the Board of Directors

**Girish Kousgi**  
Managing Director & CEO  
DIN: 08524205  
Place: Gurugram

**Tejendra Mohan Bhasin**  
Director  
DIN: 03091429  
Place: Jim Corbett

**Vinay Gupta**  
Chief Financial Officer  
ACA: 500609  
Place: Gurugram

**Veena Kamath**  
Company Secretary  
ACS: 23788  
Place: Gurugram

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

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

Particulars	Notes	(₹ in crore)	
		Current Year	Previous Year
<b>Revenue from operations</b>			
Interest income	26	7,273.73	6,742.21
Fees and commission income	27	364.32	272.89
Net gain on fair value changes	28	27.30	34.98
<b>Total revenue from operations</b>		<b>7,665.35</b>	<b>7,050.08</b>
Other income	29	26.28	7.01
<b>Total income</b>		<b>7,691.63</b>	<b>7,057.09</b>
<b>Expenses</b>			
Finance costs	30	4,551.40	4,261.12
Impairment on financial instruments and write offs	31	(158.53)	171.12
Employee benefits expenses	32	421.47	337.34
Fees and commission expenses		13.82	12.34
Depreciation, amortisation and impairment		55.89	51.19
Others expenses	33	321.81	270.08
<b>Total expenses</b>		<b>5,205.86</b>	<b>5,103.19</b>
<b>Profit before exceptional items &amp; tax</b>		<b>2,485.77</b>	<b>1,953.90</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>2,485.77</b>	<b>1,953.90</b>
<b>Tax expense/(credit)</b>			
Current tax	34	569.83	422.67
Deferred tax (credit)/charge	34	(20.20)	23.22
<b>Profit for the year</b>		<b>1,936.14</b>	<b>1,508.01</b>
<b>Other comprehensive (loss)/income</b>			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement (loss)/gain on defined benefit plan		(0.44)	(0.64)
(ii) Tax relating to items that will not be reclassified to profit or loss		0.11	0.16
<b>Subtotal (A)</b>		<b>(0.33)</b>	<b>(0.48)</b>
B (i) Items that will be reclassified to profit or loss			
Cash flow hedge		(92.65)	(21.07)
(ii) Tax relating to items that will be reclassified to profit or loss		23.32	5.30
<b>Subtotal (B)</b>		<b>(69.33)</b>	<b>(15.77)</b>
<b>Other comprehensive (loss)/income (A + B)</b>		<b>(69.66)</b>	<b>(16.25)</b>
<b>Total comprehensive income for the year</b>		<b>1,866.48</b>	<b>1,491.76</b>
<b>Profit for the year, net of tax attributable to</b>			
Owners of the parent		1,936.14	1,508.01
Non-controlling interest		-	-
<b>Other comprehensive income/(loss) for the year, net of tax attributable to</b>			
Owners of the parent		(69.66)	(16.25)
Non-controlling interest		-	-
<b>Total comprehensive income for the year, net of tax attributable to</b>			
Owners of the parent		1,866.48	1,491.76
Non-controlling interest		-	-
<b>Earnings per equity share (Face value of ₹10/- each fully paid up)</b>			
Basic (₹)	35	74.52	58.37
Diluted (₹)	35	74.25	58.20
Corporate and other information alongwith material accounting policies.	1&2		
The accompanying notes are an integral part of the consolidated financial statements.			

In terms of our report of even date

**For M M Nissim & Co LLP**  
Chartered Accountants  
FR No.: 107122W/W100672

**Navin Kumar Jain**  
Partner  
M. No.: 090847  
Place: Gurugram

**For C N K & Associates LLP**  
Chartered Accountants  
FR No.: 101961W/W-100036

**Hiren Shah**  
Partner  
M. No.: 100052  
Place: Gurugram

Date: 28<sup>th</sup> April, 2025

For and on behalf of the Board of Directors

**Girish Kousgi**  
Managing Director & CEO  
DIN: 08524205  
Place: Gurugram

**Vinay Gupta**  
Chief Financial Officer  
ACA: 500609  
Place: Gurugram

**Tejendra Mohan Bhasin**  
Director  
DIN: 03091429  
Place: Jim Corbett

**Veena Kamath**  
Company Secretary  
ACS: 23788  
Place: Gurugram

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

## A. Equity share capital\*

As at 31<sup>st</sup> March 2025

(₹ in crore)

Particular	Balance as at 1 <sup>st</sup> April, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2024	Changes in equity share capital during the current year	Balance as at 31 <sup>st</sup> March 2025
Equity share capital	259.72	-	259.72	0.21	259.93

As at 31<sup>st</sup> March 2024

(₹ in crore)

Particular	Balance as at 1 <sup>st</sup> April, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at 1 <sup>st</sup> April, 2023	Changes in equity share capital during the previous year	Balance as at 31 <sup>st</sup> March 2024
Equity share capital	168.86	-	168.86	90.86	259.72

\*Refer note 24.

## B. Other equity\*

(₹ in crore)

Particular	Share application money pending allotment	Reserves and surplus					Retained earnings	Other comprehensive income	Total other equity
		Securities premium	Special reserve	Statutory reserve	General reserve	Share option outstanding account			
Balances as at 1 <sup>st</sup> April, 2023	0.20	4,072.48	1,179.76	334.97	-	50.01	5,250.41	(42.83)	10,845.00
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	0.20	4,072.48	1,179.76	334.97	-	50.01	5,250.41	(42.83)	10,845.00
Profit for the year	-	-	-	-	-	-	1,508.01	-	1,508.01
Fair value changes on derivatives	-	-	-	-	-	-	-	(15.77)	(15.77)
Remeasurement of net defined benefit liabilities/assets	-	-	-	-	-	-	(0.48)	-	(0.48)
Total comprehensive income for the year	-	-	-	-	-	-	1,507.53	(15.77)	1,491.76
Transfer to special reserve <sup>#</sup>	-	-	236.00	-	-	-	(236.00)	-	-
Transfer to statutory reserve <sup>##</sup>	-	-	-	70.00	-	-	(70.00)	-	-
Share allotted against share application money during the year	(0.20)	-	-	-	-	-	-	-	(0.20)
Premium on shares issued during the year	-	2,377.78	-	-	-	-	-	-	2,377.78
Employee stock option exercised during the year (Refer Note 24.8)	-	3.00	-	-	-	(3.00)	-	-	-
Share based payment to employees (Refer Note 24.8 (iv))	-	-	-	-	-	14.46	-	-	14.46
Transfer on account of stock option lapsed/ expired (net of taxes)	-	-	-	-	-	(14.92)	0.84	-	(14.08)
Balances as at 31 <sup>st</sup> March 2024	-	6,453.26	1,415.76	404.97	-	46.55	6,452.78	(58.60)	14,714.72

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

(₹ in crore)

Particular	Share application money pending allotment	Reserves and surplus					Retained earnings	Other comprehensive income	Total other equity
		Securities premium	Special reserve	Statutory reserve	General reserve	Share option outstanding account		Effective portion of cash flow hedges	
Changes in accounting policy/ prior period errors	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the year	-	6,453.26	1,415.76	404.97	-	46.55	6,452.78	(58.60)	14,714.72
Profit for the year	-	-	-	-	-	-	1,936.14	-	1,936.14
Fair value changes on derivatives	-	-	-	-	-	-	-	(69.33)	(69.33)
Remeasurement of net defined benefit liabilities/assets	-	-	-	-	-	-	(0.33)	-	(0.33)
Total comprehensive income for the year	-	-	-	-	-	-	1,935.81	(69.33)	1,866.48
Transfer to special reserve <sup>#</sup>	-	-	345.00	-	-	-	(345.00)	-	-
Transfer to statutory reserve <sup>##</sup>	-	-	-	45.00	-	-	(45.00)	-	-
Share allotted against share application money during the year	-	-	-	-	-	-	-	-	-
Premium on shares issued during the year	-	6.76	-	-	-	-	-	-	6.76
Employee stock option exercised during the year (Refer Note 24.8)	-	3.61	-	-	-	(3.61)	-	-	-
Share based payment to employees (Refer Note 24.8 (iv))	-	-	-	-	-	17.68	-	-	17.68
Transfer on account of stock option lapsed/ expired (net of taxes)	-	-	-	-	-	(9.68)	7.24	-	(2.44)
<b>Balances as at 31<sup>st</sup> March 2025</b>	-	<b>6,463.63</b>	<b>1,760.76</b>	<b>449.97</b>	-	<b>50.94</b>	<b>8,005.83</b>	<b>(127.93)</b>	<b>16,603.20</b>

\*Refer Note 25 for nature and the purpose of reserves.

<sup>#</sup>As per Section 29C(i) of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. For this purpose any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. The Company has transferred an amount of ₹345.00 crore (Previous year ₹236.00 crore) to Special Reserve in terms of Section 36(1) (viii) of the Income Tax Act, 1961.

<sup>##</sup>The Company has transferred an amount of ₹45.00 crore (Previous year ₹70.00 crore) to Statutory Reserve u/s 29C of the National Housing Bank Act, 1987.

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

In terms of our report of even date

**For M M Nissim & Co LLP**  
Chartered Accountants  
FR No.: 107122W/W100672

**Navin Kumar Jain**  
Partner  
M. No.: 090847  
Place: Gurugram

**For C N K & Associates LLP**  
Chartered Accountants  
FR No.: 101961W/W-100036

**Hiren Shah**  
Partner  
M. No.: 100052  
Place: Gurugram

Date: 28<sup>th</sup> April, 2025

For and on behalf of the Board of Directors

**Girish Kousgi**  
Managing Director & CEO  
DIN: 08524205  
Place: Gurugram

**Vinay Gupta**  
Chief Financial Officer  
ACA: 500609  
Place: Gurugram

**Tejendra Mohan Bhasin**  
Director  
DIN: 03091429  
Place: Jim Corbett

**Veena Kamath**  
Company Secretary  
ACS: 23788  
Place: Gurugram

# CONSOLIDATED STATEMENT OF CASH FLOW

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

(₹ in crore)

Particulars	Current Year	Previous Year
<b>Cash flow from operating activities</b>		
Profit before tax	2,485.77	1,953.90
<b>Adjustment to reconcile profit before tax to net cash flows:</b>		
Depreciation, amortisation and impairment	55.89	51.19
Net (gain)/loss on sale of property, plant and equipment	(0.00)	0.25
Impairment on financial instruments	34.87	(182.61)
Assets held for sale written off	0.28	-
Net (gain) on financial asset at fair value through profit and loss	(13.44)	(16.12)
Share based payment expense	17.68	14.46
Impact of effective interest rate on financial assets	(145.82)	(42.90)
Impact of effective interest rate on financial liabilities	(3.49)	32.57
Interest expenses	4,541.15	4,253.90
Unwinding on derecognised (assigned) loans	210.95	177.76
Loss on restructured financial assets	24.30	9.81
Interest on leases including modification gain/(loss)	9.61	6.46
Bad debts written-off	253.77	452.61
	<b>4,985.75</b>	<b>4,757.38</b>
Operating profits before changes in working capital	7,471.52	6,711.28
<b>Working Capital changes</b>		
(Decrease)/increase in trade payables	(2.20)	(10.51)
Increase/(decrease) in provisions	1.73	1.87
Increase/(decrease) in other financial liabilities	808.60	75.54
Increase/(decrease) in non- financial liabilities	39.82	(33.35)
(Increase)/decrease in loans at amortised cost	(10,530.52)	(6,491.11)
Decrease/(increase) in receivables	1.27	(38.87)
Decrease/(increase) in other financial assets	11.86	6.51
(Increase)/decrease in other non-financial assets	(11.51)	2.26
Proceeds from sale of asset held for sale	(0.28)	-
(Increase)/decrease in bank balance other than cash and cash equivalents	(975.02)	(346.35)
	<b>(10,656.25)</b>	<b>(6,834.01)</b>
<b>Cash (used in) / generated from operations before adjustments for interest and taxes paid</b>	<b>(3,184.73)</b>	<b>(122.73)</b>
Interest Paid	(4,478.18)	(4,181.12)
Taxes paid (net of refunds)	(394.42)	(357.66)
<b>Net cash (used in) / generated from operating activities</b>	<b>(8,057.33)</b>	<b>(4,661.51)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment and other intangible assets including Capital work-in-progress and intangible assets under development	(49.05)	(39.29)
Proceeds from sale of property, plant and equipment and other intangible assets	0.57	0.28
Investments (net)	805.58	(1,147.07)
<b>Net cash generated/(used in) from investing activities</b>	<b>757.10</b>	<b>(1,186.08)</b>

# CONSOLIDATED STATEMENT OF CASH FLOW

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

(₹ in crore)

Particulars	Current Year	Previous Year
<b>Cash flow from financing activities*</b>		
<b>Proceeds from</b>		
Debt securities and subordinated liabilities	2,230.01	1,451.00
Borrowings from banks	35,667.87	21,885.45
Commercial paper	15,044.37	10,054.70
<b>Repayment of</b>		
Debt securities and subordinated liabilities	(1,605.00)	(1,399.00)
Borrowings from banks	(28,590.94)	(24,043.72)
Commercial paper	(15,150.00)	(6,750.00)
Deposits (net)	(161.82)	545.01
Lease Liability	(37.60)	(33.25)
Proceeds from issue of share capital including securities premium	6.97	2,468.44
<b>Net cash generated from / (used in) financing activities</b>	<b>7,403.86</b>	<b>4,178.63</b>
<b>Net changes in cash &amp; cash equivalents</b>	<b>103.63</b>	<b>(1,668.96)</b>
Cash or cash equivalents at the beginning of the year	1,958.87	3,627.83
Cash or cash equivalents at the end the of the year	2,062.50	1,958.87
<b>Net increase/(decrease) of cash &amp; cash equivalents during the year</b>	<b>103.63</b>	<b>(1,668.96)</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	1.43	1.77
Balances with banks in current accounts	1,193.95	360.28
Bank deposit with maturity of less than 3 months	665.32	540.55
Certificate of deposits with maturity of less than 3 months	299.68	1,239.60
Stamps on hand	0.00	0.00
Less: Overdraft facility against term deposits (as per note 18 to the financial statements)	(97.88)	(183.33)
<b>Cash or cash equivalents at the end the of the year</b>	<b>2,062.50</b>	<b>1,958.87</b>

\*Refer Note no 45 for change in liabilities arising from financing activities.

Note : Figures in bracket denotes application of cash.

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

In terms of our report of even date

**For M M Nissim & Co LLP**  
Chartered Accountants  
FR No.: 107122W/W100672

**Navin Kumar Jain**  
Partner  
M. No.: 090847  
Place: Gurugram

**For C N K & Associates LLP**  
Chartered Accountants  
FR No.: 101961W/W-100036

**Hiren Shah**  
Partner  
M. No.: 100052  
Place: Gurugram

Date: 28<sup>th</sup> April, 2025

For and on behalf of the Board of Directors

**Girish Kousgi**  
Managing Director & CEO  
DIN: 08524205  
Place: Gurugram

**Vinay Gupta**  
Chief Financial Officer  
ACA: 500609  
Place: Gurugram

**Tejendra Mohan Bhasin**  
Director  
DIN: 03091429  
Place: Jim Corbett

**Veena Kamath**  
Company Secretary  
ACS: 23788  
Place: Gurugram

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## 1. Corporate and other information and principles of consolidation

### 1.1. Corporate Overview

PNB Housing Finance Limited ('PNBHFL', 'the Company') was incorporated on 11<sup>th</sup> November, 1988. The Company is primarily engaged in the business of providing loans to individuals and corporate bodies for purchase, construction, repair and up-gradation of houses. It also provides loans for commercial space, loan against property and loan for purchase of residential plots. The Company is deposit taking Housing Finance Company registered with National Housing Bank (NHB) under Section 29A of the National Housing Bank Act, 1987. The Company is listed on BSE Limited and National Stock Exchange of India Limited. The Company's registered office is at 9<sup>th</sup> floor, Antriksh Bhawan, 22, K.G. Marg, New Delhi -110001.

PHFL Home and Loans Services Limited wholly owned subsidiary of the Company is primarily engaged in the business of rendering of professional /consultancy services including sourcing, marketing, promoting, publicising, advertising, soliciting, distributing any kind of financial instruments or classes of insurance product, syndicated credit products, investment products and wealth products.

These consolidated financial statements are approved and adopted by the Board of Directors of the Company in their meeting held on 28<sup>th</sup> April, 2025. However, the shareholders have the power to amend the financial statements after issue.

### 1.2. Statement of compliance and basis of preparation and presentation

The consolidated financial statements are prepared in accordance with provision contained in Section 129 of the Companies Act, 2013, read with Division III of Schedule III as amended from time to time. The Statement of Cash Flows has been prepared and presented as per Ind AS 7 "Statement of Cash Flows".

The consolidated financial statements have been prepared under the historical cost convention on accrual basis except where quantum of accruals cannot be ascertained with reasonable certainty. Following are measured on each reporting date:

- » Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- » Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.
- » Financial instrument - measured at fair value.

The consolidated financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) as

per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, notified under section 133 of the Companies Act, 2013 and the relevant provisions of the National Housing Bank Act, 1987 as amended from time to time and the Non-Banking Financial Company–Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI Directions') as amended from time to time and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19<sup>th</sup> October, 2023 as amended from time to time.

The consolidated financial statements relate to the Company and its wholly owned subsidiary Companies (herewith referred to as "Company") incorporated in India.

The consolidated financial statements are presented in Indian Rupees (₹) which is the functional and presentation currency of the Company and all values are rounded to the nearest crore with two decimals, except when otherwise indicated.

Balance sheet analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 46.

Accounting policies have been consistently applied except where a newly issued Ind AS is initially adopted or a revision to an existing Ind AS requires a change in the accounting policy hitherto in use.

### 1.3. Principles of consolidation

The Company consolidates an entity only when it has a control over the entity and has a right to receive variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Company financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

The financial statement of the Company and its subsidiary are consolidated on line-by-line basis, by combining the like items of assets, liabilities, income, expense, cash flow and after eliminating the carrying amount of the parent's investment in subsidiary and the parent's portion of equity of subsidiary, the intra company balances and transactions resulting in unrealised profits or losses.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Profit or loss and each component of OCI are attributed to the equity holders of the parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The financial statements of all Companies used for the purpose of consolidation are drawn up to same reporting date as that of the holding Company. (i.e. year ended and as at 31<sup>st</sup> March).

The subsidiary considered in consolidated financial statement is as under:

Name of the entity	Proportion of ownership*	Country of incorporation	Date of incorporation	Principal activities
PHFL Home Loans and Services Limited	100%	India	22 <sup>nd</sup> August, 2017	Professional, consultancy and advisory services

The subsidiary not considered in consolidated financial statement is as under:

Name of the entity	Proportion of ownership*	Country of incorporation	Date of incorporation	Principal activities
Pehel Foundation	100%	India	14 <sup>th</sup> October, 2019	Charitable activities

Pehel Foundation is registered as a charitable organisation under Section 8 of the Companies Act, 2013 and it is prohibited to give any right over its profits to any of its members. Since PNBHFL does not have any right over any kind of returns from Pehel Foundation hence it does not meet the criteria of consolidation of financial statements laid down under Ind AS 110.

\*Including nominee shareholders

## 2. Material accounting policies

### 2.1. Use of estimates, judgements and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are known or materialised.

Some of the judgements, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are:

#### a) Business model assessment

Classification and measurement of financial assets depends on the results of the solely payments of principal and interest (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 measured, the risks that affect the performance of the assets and how these are being managed. The Company monitors financial assets on a continuous basis to assess whether the business model for which the 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 the assets.

#### b) Fair value of financial instruments

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

#### c) Effective Interest Rate (EIR) method

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 behavioral 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, penalty interest and charges).

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This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, as well as expected changes to interest rates and other fee income/expense that are integral parts of the instrument.

## d) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances (Refer note 2.21).

## e) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. Cases where Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows probable, it recognises a provision against the same. Where the probability of outflow is considered remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed for the same.

## f) Defined benefit plans

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## g) Deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

## h) Useful life of property, plant and equipment (PPE) and Intangible assets

The Company reviews its estimate of the useful life of PPE and intangible assets at each reporting date,

based on the expected utility of the PPE and intangible assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of PPE and intangible assets. In case of a revision of useful life, the unamortised depreciable amount is charged over the remaining useful life of the PPE and intangible assets.

## i) Share-based payments

The Company measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

## 2.2 Cash and cash equivalents

Cash and cash equivalent comprises cash/ stamp on hand, demand deposits and time deposits with original maturity of less than three months from the date of acquisition, highly liquid investments that are readily convertible in the known amounts of cash and which are subject to insignificant risk of change in value, debit balance in cash credit account.

Deposits held with bank, with original maturity of more than three months but less than twelve months is a part of bank balance other than cash and cash equivalents.

For the purpose of the statement of cash flow, cash and cash equivalents consists of cash at banks and on hand and short term deposits, as defined above.

## 2.3 Revenue recognition

### a) Interest and related income

Interest income for all financial instruments measured either at amortised cost or at fair value through other comprehensive income, is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. The calculation takes into account all contractual terms of the financial instrument (for example- prepayment options) and includes any discount or premium on acquisition, fees or incremental costs that are directly

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attributable and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the EIR on net amount (i.e. gross carrying amount less allowance for expected credit loss). If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

Interest income on all trading assets measured at fair value through profit and loss (FVTPL) is recognised using the contractual interest rate under interest income and the fair value impact is recognised in net gain / loss on fair value changes.

## b) Dividend income

Dividend income is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

## c) Profit on derecognition of financial assets

When the Company transfers the financial asset in a transfer that qualifies for derecognition in its entirety then whole of the interest spread and net servicing fees (over the expected life of the asset) is recognised at present value on the date of derecognition itself as interest-only strip / net servicing fees receivable and correspondingly recognised as profit on derecognition of financial asset.

## d) Fees and commission income

Fees and commissions income i.e. login fee, penal interest on defaults, pre-payment / other charges, fees on corporate agency, fees for advertising in offices / website etc. (other than for those items to which Ind AS 109 Financial Instruments are applicable) is recognised in accordance with the terms of the relevant contracts / agreements and when it is probable that the Company will collect the consideration.

## e) Other income

Income from operating leases are recognised in the statement of profit and loss as per the contractual rentals.

Interest on tax refunds and other claims where quantum of accruals cannot be ascertained with reasonable certainty, are recognised as income only when revenue is virtually certain which generally coincides with receipts.

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

## 2.4 Property, plant and equipment (PPE) and Intangible assets

### a) PPE

PPE are stated at cost (including directly attributable expenses) less accumulated depreciation and impairment losses, if any. Cost includes deemed cost which represents the carrying value of PPE recognised as at 1<sup>st</sup> April, 2017 measured as per the previous Generally Accepted Accounting Principles (GAAP). The cost of PPE comprises the purchase price (excluding tax credits availed, if any) and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Capital work in progress includes assets which are not ready for the intended use at the end of the reporting year and is carried at cost including directly attributable expenses.

### b) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost (excluding tax credits availed, if any) and are capitalised only when it is probable that future economic benefits associated with these

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will flow to the Company and the cost of item can be measured reliably. Cost comprises the purchase price (excluding tax credits availed, if any) and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to Intangible assets are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses (if any).

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible assets which are not ready for the intended use at the end of the reporting year are disclosed as Intangible assets under development.

## 2.5 Depreciation and amortisation

### a) Depreciation

Depreciation on PPE is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for networking equipment and mobile phone instruments that are depreciated over a period of five years and three years respectively based on technical evaluation. Leasehold improvements are amortised over the period of five years however, where the lease term is less than five years amortisation is restricted to the underlying lease term.

All PPE individually costing ₹5,000/- or less are fully depreciated in the year of purchase.

Depreciation on additions to PPE is provided on a pro-rata basis from the date the asset is available for use. Depreciation on sale / derecognition of PPE is provided for up to the date of sale / derecognition, as the case may be.

The residual values, useful lives and methods of depreciation of PPE are reviewed at each financial year-end and changes (if any) are then treated as changes in accounting estimates.

### b) Amortisation

Intangible assets are amortised over a period of five years or less on straight-line method except website development costs, which are amortised over a period of three years on a straight-line basis from the date when the assets are available for use or the life whichever is less.

The amortisation period and the amortisation method for these Intangibles with a finite useful life are reviewed at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates.

## 2.6 Investment property

Investment property comprises freehold properties that are held to earn rentals or for capital appreciation or both.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefit associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Investment properties are depreciated using the straight-line method over their estimated useful lives prescribed in Schedule II of the Companies Act, 2013.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by a registered independent valuer.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

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## 2.7 Foreign currency

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss except for differences arising on cash flow hedges.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of initial recognition.

## 2.8 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

**Right-of-use assets** - The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

**Lease liability** - At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease

term. The lease payments include fixed payments less any lease incentives receivable. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets - The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense.

### Company as a lessor

The Company as an intermediate lessor, accounts for the head lease and the sublease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

## 2.9 Borrowing costs

Borrowing costs consists of interest and other cost that the Company incurred in connection with the borrowing of funds. Borrowing costs charged to the Statement of Profit and Loss on the basis of effective interest rate method.

## 2.10 Impairment of non-financial assets

The carrying amount of assets is reviewed at each reporting date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount.

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

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If at the reporting date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

## 2.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

## 2.12 Contingent liabilities, contingent assets and commitments

The Company does not recognise a contingent liability but discloses its existence in the financial statements.

### a) Contingent liability is disclosed in case of –

- » A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- » A present obligation arising from past events, when no reliable estimate is possible.
- » A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are reviewed at each balance sheet date.

### b) Contingent assets are not recognised in the financial statements.

### c) Commitments are future liabilities for contractual expenditure and is disclosed in case of –

- » Estimated amount of contracts remaining to be executed on capital account and not provided for;
- » Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

## 2.13 Employee benefits

### ✓ Retirement and other employee benefits

#### Defined contribution plan

Retirement benefit in the form of provident fund and Employee State Insurance Scheme is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident

fund and Employee State Insurance scheme. The Company recognises contribution payable to the provident fund and Employee State Insurance scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid.

#### Defined benefit plan

The Company has defined benefit plans as compensated absences and gratuity for all eligible employees, the liability for which is determined based on actuarial valuation at each year-end using projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability, the effect of the asset ceiling, and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in the statement of profit and loss on the earlier of:

- » The date of the plan amendment or curtailment, and
- » The date that the Company recognises related restructuring costs.

The Company recognises the following changes in the net defined benefit obligation as an employee benefits expense in the statement of profit and loss:

- » Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- » Net interest expense or income

### ✓ Short term and other long term employee benefits

A liability is recognised for benefits to employees in respect of wages and salaries, annual leave, sick leave and short-term employee benefits in the year the related service is rendered. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated

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absences, which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## ✓ Share based payments

The Company operates a number of Employee Stock Option Scheme/ Restricted stock units ('the Scheme') which provides for the grant of options to acquire equity shares of the Company to its employees. The options granted to employees vest in a graded manner and these may be exercised by the employees within a specified period. These equity-settled share based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (Share option outstanding account). The fair value of options is estimated using valuation techniques, which incorporate exercise price, term, risk-free interest rates, the current share price, its expected volatility etc.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in statement of profit and loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the share option outstanding account.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## 2.14 Taxes

### Taxes on income

#### Tax expense comprises current and deferred tax.

#### a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to

the taxation authorities in accordance with Income Tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax relating to items recognised outside profit and loss is recognised outside profit and 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.

Current tax assets and liabilities are offset if a legally enforceable right exists to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### b) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

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

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Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity.

## Goods and Services Input Tax Credit

Goods and Services tax input credit is recognised in the period in which the supply of goods or service received is recognised and the conditions to avail the credit are fulfilled as per the underlying law.

## 2.15 Earnings per share

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

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the result would be antidilutive.

## 2.16 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### a) Financial assets

#### ✓ Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e. the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial assets at initial recognition depends on their purpose, characteristics and the intention of the management's while acquiring the same. All financial assets measured at fair value through profit or loss (FVTPL) are recognised initially at fair value. Financial assets measured at amortised cost or at fair value through other comprehensive income (FVTOCI) is recorded at fair

value plus transaction costs that are attributable to the acquisition of that financial asset. Trade receivable that does not contain a significant financing component are measured at transaction price.

#### ✓ Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- » Financial asset at amortised cost
- » Financial asset (debt instruments) at FVTOCI
- » Financial asset at FVTPL

#### Financial asset at amortised costs

Financial asset is measured at the amortised cost if both the following conditions are met:

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment (if any). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees received and the costs incurred on acquisition of financial asset. The EIR amortisation is included in interest income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

#### Financial assets (debt instruments) at FVTOCI

Financial asset (debt instruments) is classified as at the FVTOCI if both of the following criteria are met:

- i) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- ii) The asset's contractual cash flows represent SPPI.

Financial assets included within the above category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised

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in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses or reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### Financial asset at FVTPL

Financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets classified under FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

### b) Financial liabilities

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition to be measured at FVTPL. All financial liabilities, other than classified at FVTPL, are classified at amortised cost in which case they are initially measured at fair value, net of transaction costs and subsequently at amortised cost using effective interest rate.

Amortised cost is calculated by taking into account any fees, commission / brokerage and ancillary costs incurred in relation to the financial liability.

### c) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at the face value and proceeds received in excess of the face value are recognised as share premium.

### Offsetting a financial asset and a financial liability

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

### 2.17 Derivative financial instruments

A derivative is a financial instrument or other contract with all three of the following characteristics:

- » Its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided that, in the case of a non-financial variable, it is not specific to a party to the contract (i.e. the 'underlying').
- » It requires no initial net investment or an initial net investment that is smaller than what would be required for other types of contracts expected to have a similar response to changes in market factors.
- » It is settled at a future date.

The Company holds derivative to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for such contracts are generally banks.

Derivatives are recorded at fair value and carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are included in net gain on fair value changes unless hedge accounting is applied.

### 2.18 Hedge accounting

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

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For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time remains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

## 2.19 Reclassification of financial assets and liabilities

The Company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Further, whenever there is a change in the business model the underlying affected financial asset are reclassified. Financial liabilities has not been reclassified.

## 2.20 Derecognition of financial assets and liabilities

### a) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognised the financial asset if it has transferred the financial asset and the transfer qualifies for derecognition.

The Company has transferred the financial asset if and only if, either:

- » It has transferred its contractual rights to receive cash flows from the financial asset

Or

- » It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full or in part without material delay to a third party under a 'pass-through' arrangement

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- » The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset
- » The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- » The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

**A transfer only qualifies for derecognition if either:**

- » The Company has transferred substantially all the risks and rewards of the asset

Or

- » The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### b) Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in the statement of profit and loss.

### 2.21 Measurement of Expected Credit Loss (ECL)

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL together with the financial guarantee contracts. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk (SICR) since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

#### Default

Classification of default is based on the regulatory definition of Non-Performing Assets (NPA). Our regulator i.e. Reserve Bank of India defines NPA in Paragraph 8.3.5 in its Master Directions – Non Banking Financial Company – Housing Finance (Reserve Bank) Directions, 2021 as exposures where interest or principal is in arrears for a period of more than ninety days.

The Company will maintain the definition of default in line with any amendments made by the regulator from time to time through its circulars and through its Master Circular published from time to time.

#### Staging

The Company while assessing whether there has been a SICR of an exposure since origination, it compares the risk of a default occurring over the expected life of the financial instrument as at the reporting date with the risk of default as at the date of initial recognition. The Company classifies the accounts into three stages.

The mechanics and key inputs for classifying the stages and computing the ECL are defined below:

Stage Definition	Details	Classification
Stage 1	Low credit risk Days Past Due (DPD) 0-30	Financial instruments are treated as Stage 1 which are not credit impaired and for which the credit risk has not increased significantly since initial recognition. The Company calculates the 12 month ECL allowance.
Stage 2	DPD 31-90 Qualitative indicators of SICR	Financial instruments having SICR since initial recognition (origination of facilities) are classified under (if not impaired) Stage 2. The Company calculates the lifetime ECL allowance.
Stage 3	90+ / NPA	Remaining financial instruments which are credit impaired are treated as Stage 3. The Company uses regulatory definition as a consistent measure for default across all product classes. The Company records an allowance for the LTECLs.

#### Key components for computation of Expected Credit Loss are:

##### » Probability of default (PD)

Probability of Default (PD) is one of the three risk components needed to estimate ECL under Ind AS 109. PD is defined as the probability that a borrower will be unable to meet their debt obligations over a stipulated time. The PD estimate incorporates information relevant for assessing the borrower's ability and willingness to repay its debts, as well as information about the economic environment in which the borrower operates.

The Company uses 12-month PD for stage 1 assets and lifetime PD for stage 2 and Stage 3 assets.

##### » Loss given default (LGD)

The Loss given default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the expected cash flows, including from the realisation of available collateral.

##### » Exposure at default (EAD)

Exposure at default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and future interests.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

The Company has adopted the following methodology for ECL computation:

Particulars	PD	LGD
Retail loans	Multinomial logistic regression	Workout Method
Corporate loans	Pluto-Tasche	Asset coverage based / Expected Collateral Realisation (ECR)

Broadly, the Company has grouped the portfolio into retail and corporate category. ECL computation is based on collective approach except for a few large exposure of corporate finance portfolio where loss estimation is based on ECR. Further, given the characteristics and inherent risks of the various sub categories of the portfolio the Company has used appropriate PD / LGD computation techniques which are detailed below:

## Retail loans

### Probability of default

The retail portfolio is segregated into homogenous pools at the product level and occupational level.

For ECL computation, basis risk emergence curve movement, the Company has adopted statistical techniques of multinomial logistic regression observed default rate based on customer classification etc using behaviour and credit variables. For life time PDs computation, the Company has used survival analysis using Kaplan-Meier technique.

Previous year(s) portfolio behaviour of homogenous pools is considered for PD estimation. The Company has further stressed the PDs for such selective group of customers who are falling in early warning signal pool like customers who have had experienced delinquency with other financial institutions but remained good with us, customers showing very early signs of stress in emerging delinquencies.

### Loss given default

The LGD for the retail portfolio is modelled through a workout approach. Historical NPA data of last few years has been used to arrive at behavioral LGD. Loss estimation have been done either basis distressed value or actual/expected recoveries, depending on resolution strategies already materialised or in the process of materialisation. Multiple factors are considered for determining the LGD including time taken for resolutions, geographies, collection feedback, underlying security etc.

## Exposure at default

EAD is the sum of the outstanding principle, interest outstanding and future interest receivables for the expected life of the asset, computed basis the behavioral analysis of the Company's historical experience.

## Corporate loans

### Probability of default

PDs for the corporate portfolio are determined by using external ratings as cohorts along with ever default behavior of an account in last 12 months (basis external ratings based statistical technique of Pluto-Tasche). PDs are further stressed basis operational variables like construction variance, sales velocity, resolution team feedback etc. For life time PDs computation, the Company has used survival analysis using Kaplan-Meier technique.

### Loss given default

For LGD estimates, the Company has used ECR approach and have applied business logic based on security coverage ratio of existing portfolio. Sensitivity analysis, resolution feedbacks are applied on probability weighted scenarios to compute loss given default.

## Exposure at default

EAD is the sum of the outstanding principle, interest outstanding and future interest receivables for the expected life of the asset, computed basis the behavioral analysis of the Company's historical experience.

## Significant increase in credit risk (SICR)

The Company monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk in the assets falling in stage 1 then the Company measures the loss allowance over the lifetime of the loan instead of 12 month ECL.

### Retail loans:

The qualitative criteria for triggering SICR in retail exposure is:

- Those stage 1 loan assets where underlying property is under construction and expected construction progress is likely to remain slow based on historical data / market feedback.
- Those stage 1 assets which are restructured under RBI OTR scheme of Aug 2020 and May 2021 and have

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

shown higher degree of risk basis their performance with us and/or with other financial institutions.

## Corporate loans:

The Company has its own qualitative assessment criteria comprising various operational and repayment variables like construction variance, historical delinquency rates, sales velocity, asset coverage ratio, resolution team feedback etc. Basis the review and management overlay, the Company identifies assets where likelihood of deterioration in credit quality is high and for such assets SICR has been triggered.

## Incorporation of forward looking information

Ind AS 109 requires entities to model their ECL and apply forward looking macro-economic scenarios taking into consideration possibility of favorable, neutral, adverse and stressed economic conditions. Multiple scenarios are required to be applied to the ECL and a probability weighted ECL is then computed. In order to compute probability weighted ECL considering the impact of COVID-19 several macro-economic variables such as GDP at constant prices, Housing Price Index (HPI) inflation, Gross national savings, unemployment rate etc. were considered from the International Monetary Fund (IMF), NHB and RBI websites and the Company's historical data were analysed.

A model was then built, and forecasts were generated, and scenario creation carried out to finally arrive at the final macro-economic overlay. Identification of relevant macro economic variables was done combining statistical analysis (correlation) and business intuition (sign of correlation). The selected model incorporates the variables like Inflation, end of period consumer prices quarter on quarter change, general government revenue etc.

The macro-economic variables (MEVs) of the final model were used to generate multiple simulations for forecasting under different probabilistic scenarios, i.e., favorable, neutral, adverse and stress scenarios. Under each scenario, based on the independent variable forecasts, the forecasted default rates are obtained using the final model relationship between the default rates and macro-economic variables. The scenarios are identified based on the probability of occurrence, i.e. expected probability of the future economic state. An anchor variable (GDP) analysis was performed in order to select a particular scenario for future quarters. Accordingly, the probability weighted ECL is computed using the likelihood as weights.

## Trade receivables, other receivables and other financial assets

The Company records allowance for expected credit losses on trade receivables, other receivables and other financial assets, The allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk (SICR) since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

## 2.22 ECL on financial guarantee contracts

ECL on financial guarantee contracts has been computed basis the methodologies defined under note 2.21.

## 2.23 Write offs

The Company undertakes write off on a loan, in full or in part, when the amount is construed as irrecoverable after enforcement of available means of resolution. The authority of write off is vested with committee of senior officials of the Company. In case the company writes off an asset, the recoveries resulting from the write off activity may result in impairment gains.

## 2.24 Collateral

The Company is in business of secured lending and all loans are adequately covered by either residential collateral or commercial collateral. The collaterals are assessed at the time of origination and are being re-assessed as and when required.

The illustrative factors considered while evaluation of collateral are liquidity, enforceability, marketability, ease and efficiency in custody and settlement. The Company complies with local by-laws and relevant jurisdictions to ensure that the collaterals are free from all encumbrances.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

The assessment of collateral is undertaken by empanelled team of independent and qualified technical / legal agencies.

The Company has specified the maximum loan-to-value ratio for various types of asset to be accepted as collateral. Such ratios commensurate with the relative risk of the assets as prescribed by RBI and provides an adequate buffer against potential losses.

On case-to-case basis, the Company may ask for additional security, which may in the form of guarantee or financial assets or any other real estate assets.

The Company may take actions as provided in the SARFAESI Act which enables it to enforce the underlying collateral of stage 3 assets without court intervention.

## 2.25 Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the Shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

## 2.26 Unclaimed deposits

Deposits, which has become overdue but have not been presented for payment or renewal, are transferred to unclaimed deposits. Deposit remaining unclaimed for more than seven years have been transferred to the Investor Education and Protection Fund (IEPF). Interest for the period from last maturity date to the date of renewal of unclaimed deposits is accounted for during the year of its renewal.

## 2.27 Securities premium

### Securities premium is credited:

- » when shares are issued at premium;

- » with the fair value of the stock options which are treated as expense (if any), in respect of shares allotted pursuant to Employee Stock Options Scheme

Securities premium can be utilised only for limited purposes such as issuance of bonus shares or adjustment of share issue expenses, net of tax, as permissible under Section 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the statement of profit and loss, as incurred.

## 2.28 Assets held for sale

The Company repossess properties or other assets to settle outstanding recoverable and the surplus (if any) post auction is refunded to the obligors. These assets acquired by the company under SARFAESI Act, 2002 has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the company is committed to sell these assets and they are measured at the lower of their carrying amount and the fair value less costs of disposal.

## 2.29 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Company and makes strategic decision. Company's main business is to provide loans against/for purchase, construction, repairs & renovations of houses/flats/commercial properties etc. All other activities of the Company revolve around the main business. As such, there are no separate reportable segment, as per the Operating Segments (Ind AS 108), notified by the Companies (Accounting Standard) Rules, 2015 as amended from time to time.

## 2.30 Investment in subsidiaries

Investments in subsidiaries are measured at cost as per Ind AS 27 – Separate Financial Statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 3 Cash and cash equivalents

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Cash on hand	1.43	1.77
Balance with banks in current accounts	1,193.95	360.28
Bank deposit with maturity of less than 3 months (Refer Note 3.1)	665.32	540.55
Certificate of deposits with maturity of less than 3 months (Refer Note 3.1)	299.68	1,239.60
Stamps on hand [₹10,190 (Previous year ₹10,190)]	0.00	0.00
<b>Total</b>	<b>2,160.38</b>	<b>2,142.20</b>

**Note 3.1:** Short-term deposits and certificate of deposits earn interest at the respective deposit rates.

### Note 4 Bank balance other than cash and cash equivalents

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Bank Deposits (More than 3 months & up to 12 months) (Refer Note 4.1)	1,438.86	464.05
Earmarked balances with bank (Refer Note 4.2)	0.89	0.68
<b>Total</b>	<b>1,439.75</b>	<b>464.73</b>

**Note 4.1:** Bank deposit amounting to ₹Nil (Previous Year ₹25.00 crore) has been pledged against the bank guarantee issued for Rights Issue of the Company.

**Note 4.2:** Earmarked balances with bank represents unclaimed dividend on equity shares and unspent amount of CSR activities.

### Note 5 Receivables

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Trade receivables (a)</b>		
Receivable considered good- Secured	-	-
Receivable considered good- Unsecured	44.49	44.02
Receivables from related parties- Unsecured (Refer Note 5.2)	5.52	7.54
Receivables which have significant increase in credit risk	-	-
Receivables – credit impaired	-	-
	<b>50.01</b>	<b>51.56</b>
<b>Other receivables (b)</b>		
Receivable considered good- Unsecured (Refer Note 5.2)	0.32	0.08
Receivables which have significant increase in credit risk	0.09	-
	<b>0.41</b>	<b>0.08</b>
<b>Total (a+b)</b>	<b>50.42</b>	<b>51.64</b>
Less : Provision for impairment	0.45	0.11
<b>Total (net)</b>	<b>49.97</b>	<b>51.53</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 5.1: Trade and other receivables ageing (excluding provision for impairment)

(₹ in crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		As at 31 <sup>st</sup> March 2025					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade and other receivables – considered good	-	13.60	-	-	-	-	13.60
Undisputed trade and other receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade and other receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade and other receivables– considered good	-	-	-	-	-	-	-
Disputed trade and other receivables – which have significant increase in credit risk	-	0.02	0.02	0.04	0.01	-	0.09
Disputed trade and other receivables – credit impaired	-	-	-	-	-	-	-
Unbilled trade and other receivables	36.73	-	-	-	-	-	36.73
<b>Total</b>	<b>36.73</b>	<b>13.62</b>	<b>0.02</b>	<b>0.04</b>	<b>0.01</b>	<b>-</b>	<b>50.42</b>

(₹ in crore)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		As at 31 <sup>st</sup> March 2024					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade and other receivables – considered good	-	25.06	0.02	0.01	-	-	25.09
Undisputed trade and other receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade and other receivables – credit impaired	-	-	-	-	-	-	-
Disputed trade and other receivables– considered good	-	-	-	-	-	-	-
Disputed trade and other receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade and other receivables – credit impaired	-	-	-	-	-	-	-
Unbilled trade and other receivables	26.55	-	-	-	-	-	26.55
<b>Total</b>	<b>26.55</b>	<b>25.06</b>	<b>0.02</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>51.64</b>

**Note 5.2:** No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, director or member.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 6 Loans (at Amortised Cost)

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Term Loans	75,764.68	65,357.81
<b>Total Gross</b>	<b>75,764.68</b>	<b>65,357.81</b>
Less: Impairment loss allowance	1,119.36	1,249.57
<b>Total Net</b>	<b>74,645.32</b>	<b>64,108.24</b>
Secured by tangible assets	75,764.68	65,357.81
<b>Total Gross</b>	<b>75,764.68</b>	<b>65,357.81</b>
Less: Impairment loss allowance	1,119.36	1,249.57
<b>Total Net</b>	<b>74,645.32</b>	<b>64,108.24</b>
<b>Loans in India</b>		
Public Sector	-	-
Others	75,764.68	65,357.81
<b>Total Gross</b>	<b>75,764.68</b>	<b>65,357.81</b>
Less: Impairment loss allowance	1,119.36	1,249.57
<b>Total Net (a)</b>	<b>74,645.32</b>	<b>64,108.24</b>
<b>Loans outside India</b>		
Less: Impairment loss allowance	-	-
<b>Total Net (b)</b>	<b>-</b>	<b>-</b>
<b>Total Net (a+b)</b>	<b>74,645.32</b>	<b>64,108.24</b>

**Note 6.1:** Detail of loans & advances sanctioned out of which outstanding balance to Directors/KMP/Senior officers/Related Parties

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
KMP/Senior Officers and their relatives	5.47	5.23
<b>Total</b>	<b>5.47</b>	<b>5.23</b>

### Note 6.2: Loans - Staging Analysis<sup>#</sup>

Analysis of change in gross carrying amount of loans is as follows:

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	Stage 1 <sup>^</sup>	Stage 2	Stage 3	Total	Stage 1 <sup>^</sup>	Stage 2	Stage 3	Total
	Opening gross carrying amount	62,430.19	1,944.11	983.51	65,357.81	54,999.46	2,003.10	2,270.07
Increase in EAD - new asset originated or purchased / further increase in existing asset (net)	21,844.60	31.78	25.27	21,901.65	17,541.74	12.71	39.23	17,593.68
Asset paid in part or full (excluding write off) (net)	(10,665.99)	(392.88)	(209.36)	(11,268.23)	(9,677.16)	(397.40)	(200.53)	(10,275.09)
Stressed loans transferred to ARC	-	-	-	-	-	-	(784.06)	(784.06)
Asset derecognised/co-lending	-	-	-	-	-	-	-	-
Asset written off	(6.60)	(0.21)	(219.74)	(226.55)	(7.65)	(21.30)	(420.40)	(449.35)
Transfer to stage 1	501.16	(438.98)	(62.18)	-	586.69	(501.23)	(85.46)	-
Transfer to stage 2	(803.73)	845.07	(41.34)	-	(895.58)	980.06	(84.48)	-
Transfer to stage 3	(168.00)	(171.46)	339.46	-	(117.31)	(131.83)	249.14	-
<b>Closing gross carrying amount</b>	<b>73,131.63</b>	<b>1,817.43</b>	<b>815.62</b>	<b>75,764.68</b>	<b>62,430.19</b>	<b>1,944.11</b>	<b>983.51</b>	<b>65,357.81</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	Stage 1^	Stage 2	Stage 3	Total	Stage 1^	Stage 2	Stage 3	Total
Retail Loans	72,183.74	1,802.77	815.62	74,802.13	60,572.53	1,817.75	915.54	63,305.82
<b>Total</b>	<b>72,183.74</b>	<b>1,802.77</b>	<b>815.62</b>	<b>74,802.13</b>	<b>60,572.53</b>	<b>1,817.75</b>	<b>915.54</b>	<b>63,305.82</b>
<b>% of total</b>	<b>96.50%</b>	<b>2.41%</b>	<b>1.09%</b>	<b>100.00%</b>	<b>95.68%</b>	<b>2.87%</b>	<b>1.45%</b>	<b>100.00%</b>

Movement (in %) of loan assets is as follows:

	Current Year	Previous Year
a) Movement of Stage 1:		
i) % of loan assets moved out of books by year end	11.33%	16.70%
ii) Residual portfolio either remained in stage 1 or had forward flows		
b) Movement of Stage 2:		
i) % of loan assets moved out of books by year end	12.58%	17.10%
ii) Residual portfolio either remained in stage 2 or had forward or backward flows		
c) Movement of Stage 3:		
i) % of loan assets moved out of books by year end	32.91%	44.15%
ii) Residual portfolio either remained in stage 3 or had backward flows		

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	Stage 1^	Stage 2	Stage 3	Total	Stage 1^	Stage 2	Stage 3	Total
Corporate Loans	947.89	14.66	-	962.55	1,857.66	126.36	67.97	2,051.99
<b>Total</b>	<b>947.89</b>	<b>14.66</b>	<b>-</b>	<b>962.55</b>	<b>1,857.66</b>	<b>126.36</b>	<b>67.97</b>	<b>2,051.99</b>
<b>% of total</b>	<b>98.48%</b>	<b>1.52%</b>	<b>0.00%</b>	<b>100.00%</b>	<b>90.53%</b>	<b>6.16%</b>	<b>3.31%</b>	<b>100.00%</b>

Movement (in %) of loan assets is as follows:

	Current Year	Previous Year
a) Movement of Stage 1:		
i) % of loan assets moved out of books by year end	20.09%	33.67%
ii) Residual portfolio either remained in stage 1 or had forward flows		
b) Movement of Stage 2:		
i) % of loan assets moved out of books by year end	83.55%	0.00%
ii) Residual portfolio either remained in stage 2 or had forward or backward flows		
c) Movement of Stage 3:		
i) % of loan assets moved out of books by year end	100.00%	91.75%
ii) Residual portfolio either remained in stage 3 or had backward flows		

## Note 6.3: Expected Credit Loss (ECL) - Staging analysis<sup>#</sup>

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	Stage 1^	Stage 2	Stage 3	Total	Stage 1^	Stage 2	Stage 3	Total
Retail Loans	286.67	284.81	294.44	865.92	259.73	251.97	322.01	833.71
<b>Total</b>	<b>286.67</b>	<b>284.81</b>	<b>294.44</b>	<b>865.92</b>	<b>259.73</b>	<b>251.97</b>	<b>322.01</b>	<b>833.71</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### ECL movement as on 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2025

- Overall ECL % POS have decreased by 16 bps on accounts improvement in portfolio quality.
- ECL % POS has increased by 1.94% as on 31<sup>st</sup> March 2025 in stage 2.
- The loan assets in stage 2 were 2.41% as on 31<sup>st</sup> March 2025 as against 2.87% as on 31<sup>st</sup> March 2024. The Company has applied qualitative SICR criteria owing to which stage 1 assets of ₹356.31 crore has moved to stage 2 assets. Pre SICR, the stage 2 loan assets as on 31<sup>st</sup> March 2025 would be 1.93% against 2.13% as on 31<sup>st</sup> March 2024.
- Stage 3 ECL % POS have increased to 36.10% as on 31<sup>st</sup> March 2025 as against 35.17% as on 31<sup>st</sup> March 2024.

### ECL movement as on 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2024

- Overall ECL % POS have decreased by 42 bps on accounts improvement in portfolio quality.
- ECL % POS has increased by 1.15% as on 31<sup>st</sup> March 2024 in stage 2.
- The loan assets in stage 2 were 2.87% as on 31<sup>st</sup> March 2024 as against 3.61% as on 31<sup>st</sup> March 2023. The Company has applied qualitative SICR criteria owing to which stage 1 assets of ₹468.70 crore has moved to stage 2 assets. Pre SICR, the stage 2 loan assets as on 31<sup>st</sup> March 2024 would be 2.13% against 2.56% as on 31<sup>st</sup> March 2023.
- Stage 3 ECL % POS have increased to 35.17% as on 31<sup>st</sup> March 2024 as against 32.77% as on 31<sup>st</sup> March 2023.

(₹in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	Stage 1 <sup>^</sup>	Stage 2	Stage 3	Total	Stage 1 <sup>^</sup>	Stage 2	Stage 3	Total
Corporate Loans	250.77	2.67	-	253.44	304.97	65.10	45.79	415.86
<b>Total</b>	<b>250.77</b>	<b>2.67</b>	<b>-</b>	<b>253.44</b>	<b>304.97</b>	<b>65.10</b>	<b>45.79</b>	<b>415.86</b>

### ECL movement as on 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2025

- Stage 1 ECL % of POS increased from 16.42% to 26.46%.
- The loan assets in stage 2 were reduced to 1.52% as on 31<sup>st</sup> March 2025 from 6.16% as on 31<sup>st</sup> March 2024 majorly due to shift of stage 2 asset to stage 1.
- The Company's stage 3 asset ratio has reduced to 0.00% as on 31<sup>st</sup> March 2025 from 3.31% as on 31<sup>st</sup> March 2024

### ECL movement as on 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2024

- Stage 1 ECL % of POS increased from 9.47% to 16.42%.
- The loan assets in stage 2 were increased to 6.16% as on 31<sup>st</sup> March 2024 from 0.00% as on 31<sup>st</sup> March 2023 majorly due to shift of stage 1 asset to stage 2.
- The Company's stage 3 asset ratio has decreased from 22.25% as on 31<sup>st</sup> March 2023 to 3.31% as on 31<sup>st</sup> March 2024.

<sup>^</sup>The restructuring was done for Stage 1 accounts, total restructured assets were ₹585.26 crore (previous year ₹695.54 crore), against which provision of ₹75.44 crore (Previous year ₹94 crore) is held.

<sup>#</sup>Refer Note 2.21, 2.22, 2.23 and 47.1

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 6.4:** Loans due from borrowers are secured wholly or partly by any one or all of the below as applicable:

### Tangible securities

- i) Equitable / Simple / English Mortgage of immovable property;
- ii) Mortgage of Development Rights / FSI / any other benefit flowing from the immovable property;
- iii) Hypothecation of rent receivables, cash flow of the project, debt service reserve account, fixed deposit, current and escrow accounts;

### Intangible securities

- i) Demand Promissory Note;
- ii) Post dated cheques towards the repayment of the debt;
- iii) Personal / Corporate Guarantees;
- iv) Undertaking to create a security;
- v) Letter of Continuity.

## Note 7 Investments

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025			Total
	Amortised cost	At fair value through profit or loss	Others*	
<b>Investments in India (a)</b>				
Mutual funds	-	0.41	-	0.41
Government securities^ (Refer Note 36.31)	2,427.78	-	-	2,427.78
Debt securities	-	952.68	-	952.68
Subsidiaries (Wholly owned)				
50,000 (31 <sup>st</sup> March 2024 : 50,000) equity shares of face value of ₹10 each of PEHEL Foundation	-	-	0.05	0.05
16,89,478 (31 <sup>st</sup> March 2024 : Nil) 0.1% Non-Cumulative, Non-Convertible, Non-Participating and Redeemable Preference Shares of face value of ₹10 each of Ornate Spaces Private Limited	-	0.00	-	0.00
Security Receipts -ACRE-122 -Trust	-	0.00	-	0.00
Security Receipts -CFMARC-140 -Trust	-	0.00	-	0.00
<b>Total (a)</b>	<b>2,427.78</b>	<b>953.09</b>	<b>0.05</b>	<b>3,380.92</b>
Investments outside India (b)	-	-	-	-
<b>Total (a+b)</b>	<b>2,427.78</b>	<b>953.09</b>	<b>0.05</b>	<b>3,380.92</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2024			Total
	Amortised cost	At fair value through profit or loss	Others*	
<b>Investments in India (a)</b>				
Mutual funds	-	1.00	-	1.00
Government securities^ (Refer Note 36.31)	2,338.29	-	-	2,338.29
Other approved securities^	50.66	-	-	50.66
Debt securities	-	1,915.56	-	1,915.56
Subsidiaries (Wholly owned)				
50,000 (31 <sup>st</sup> March 2023 : 50,000) equity shares of face value of ₹10 each of PEHEL Foundation	-	-	0.05	0.05
Security Receipts - ACRE-122 -Trust	-	40.45	-	40.45
<b>Total (a)</b>	<b>2,388.95</b>	<b>1,957.01</b>	<b>0.05</b>	<b>4,346.01</b>
Investments outside India (b)	-	-	-	-
<b>Total (a+b)</b>	<b>2,388.95</b>	<b>1,957.01</b>	<b>0.05</b>	<b>4,346.01</b>

(₹ in crore)

Name of Subsidiaries	Principle place of business	Ownership interest (including nominees)	
		As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
PEHEL Foundation	India	100.00%	100.00%

\*Others include investment in subsidiaries which have been carried at cost.

^Expected credit loss provision has not been recognised on investments made in government securities and other approved securities.

### Note 8 Other financial assets

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Receivable considered good- Unsecured</b>		
Receivables on assignment and co-lending of loans (Refer Note 8.1, 8.2 and 8.3)	324.84	544.88
Security deposits	21.47	25.53
Other Receivables (Refer Note 8.4)	2.77	1.73
Security deposits - credit impaired	0.75	0.54
<b>Total gross (a)</b>	<b>349.83</b>	<b>572.68</b>
Less: Impairment loss allowance (b)	3.28	2.88
<b>Total net (a-b)</b>	<b>346.55</b>	<b>569.80</b>

**Note 8.1:** During the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024, the Company had not sold any loans and advances measured at amortised cost. As per the terms of deal, the de-recognition criteria as per Ind AS 109, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer is met and the assets have been derecognised.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

The table below summarises the carrying amount of the derecognised financial assets:

Loans and advances measured at amortised cost	(₹in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Carrying amount of derecognised financial assets	4,631.88	5,884.77

Since the Company transferred the above financial asset in a transfer that qualified for derecognition in its entirety, therefore the whole of the interest spread and net servicing fees (over the expected life of the assets) is recognised at present value on the date of derecognition as interest-only strip / net servicing fees receivable ("Receivables on assignment of loan") and correspondingly recognised as profit on derecognition of financial assets.

**Note 8.2:** Includes receivable from related party ₹0.52 crore (Previous year ₹1.92 crore.)

**Note 8.3:** Disclosure pursuant to RBI Notification dated 24<sup>th</sup> September, 2021 on "Transfer of Loan Exposures" are given below:

- The Company has not acquired any stressed loans or loans not in default during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.
- The Company has not transferred any loans not in default during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.
- Details of stressed loans transferred:

Particulars	(₹in crore)	
	To Asset Reconstruction Companies (ARC) - NPA- Corporate	
	Current Year <sup>#</sup>	Previous Year <sup>*</sup>
Number of accounts	1	1
Aggregate principal outstanding of loan transferred	258.96	784.06
Weighted average residual tenor of the loans transferred (years)	NA	2
Net book value of loans transferred (at the time of transfer)	177.00	584.74
Aggregate consideration	-	828.00
Additional consideration realised in respect of accounts transferred in earlier years	-	-
Excess provisions reversed to the profit and loss account on account of sale	-	199.32

\* Security Receipts are rated as IVR RR3 (Previous year IVR RR2).

<sup>#</sup>The Company has sold written off assets to eligible transferee for a consideration of ₹177.00 crore comprising of cash consideration of ₹53.10 crore and security receipts amounting to ₹123.90 crore against which 100% impairment provision/fair value change has been recorded in the books of accounts.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 8.4:** Includes amount receivable from related party ₹0.05 crore (Previous year Nil).

### Note 9 Current tax (net)

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Net current tax asset / (liability) at the beginning (a)	185.17	264.03
Current tax expense (b)	571.25	422.72
Current tax expense on OCI (c)	(0.17)	(0.16)
Tax on ESOPs/RSU (d)	2.45	14.08
Current tax paid (e)	573.29	438.47
Current tax refund (f)	178.87	80.81
Tax related to earlier years (g)	(1.42)	(0.12)
<b>Net current tax asset / (liability) at the end (a-b-c-d+e-f-g)</b>	<b>7.48</b>	<b>185.17</b>

### Note 10 Deferred tax assets (net)

As at 31<sup>st</sup> March 2025

	(₹ in crore)			
	Deferred Tax Asset	Deferred Tax Liabilities	(Charged)/ credit during the year	Other comprehensive income
Depreciation on property, plant and equipment and amortisation of Other Intangible assets	10.92	-	(1.31)	-
Provision for employee benefits	5.54	-	0.45	-
Impairment allowance for financial assets	343.15	-	8.64	-
Derivative instruments in cash flow hedge	43.02	-	-	23.32
Expenses paid in advance (net of income received in advance)	-	146.96	(45.34)	-
Interest spread on assigned loans	-	77.02	53.09	-
Fair valuation of financial instruments held for trading	-	2.18	(2.41)	-
Others temporary differences	4.04	9.35	7.08	-
<b>Total</b>	<b>406.67</b>	<b>235.51</b>	<b>20.20</b>	<b>23.32</b>

As at 31<sup>st</sup> March 2024

	(₹ in crore)			
	Deferred Tax Asset	Deferred Tax Liabilities	(Charged)/ credit during the year	Other comprehensive income
Depreciation on property, plant and equipment and amortisation of Other Intangible assets	12.23	-	(0.11)	-
Provision for employee benefits	5.09	-	0.69	(0.06)
Impairment allowance for financial assets	334.51	-	(45.88)	-
Derivative instruments in cash flow hedge	19.70	-	-	5.30
Expenses paid in advance (net of income received in advance)	-	101.62	(21.18)	-
Interest spread on assigned loans	-	130.11	44.74	-
Fair valuation of financial instruments held for trading	0.22	-	(4.07)	-
Others temporary differences	3.18	15.51	2.59	-
<b>Total</b>	<b>374.93</b>	<b>247.24</b>	<b>(23.22)</b>	<b>5.24</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	Gross carrying value			Depreciation			Net carrying value		
	As at 1 <sup>st</sup> April, 2024	As at 31 <sup>st</sup> March 2025	Adjustments/ Deductions during the year	For the year	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Buildings	0.58	0.58	-	0.00	0.07	0.07	-	0.51	0.51
<b>Total</b>	<b>0.58</b>	<b>0.58</b>	<b>-</b>	<b>0.00</b>	<b>0.07</b>	<b>0.07</b>	<b>-</b>	<b>0.51</b>	<b>0.51</b>

Particulars	Gross carrying value			Depreciation			Net carrying value		
	As at 1 <sup>st</sup> April, 2023	As at 31 <sup>st</sup> March 2024	Adjustments/ Deductions during the year	For the year	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Buildings	0.58	0.58	-	0.01	0.06	0.07	-	0.51	0.52
<b>Total</b>	<b>0.58</b>	<b>0.58</b>	<b>-</b>	<b>0.01</b>	<b>0.06</b>	<b>0.07</b>	<b>-</b>	<b>0.51</b>	<b>0.52</b>

**Note 11.1:** The Company has leased out its investments properties and same has been classified as operating leases on account that there was no transfer of substantial risk and rewards incidental to the ownership of the assets. Recognition of income and related expenses in profit or loss for investment properties are tabulated below:

Particulars	Current Year	Previous Year
Rental Income	0.13	0.13
<b>Profit from investment properties before depreciation</b>	<b>0.13</b>	<b>0.13</b>
Depreciation	(0.00)	(0.01)
<b>Profit from investment properties</b>	<b>0.13</b>	<b>0.12</b>

**Note 11.2:** Investment properties are leased to tenants under long term operating leases with rentals receivable on monthly basis. Minimum undiscounted lease payments receivable under non-cancellable leases of investment properties after the reporting period:

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Within one year	0.08	0.12
Later than one year but not later than five year	-	0.08
Later than five years	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 11.3:** The fair value of the investment property has been determined on the basis of valuation carried out at the reporting date by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value measurement for investment property has been categorised as Level 2 based on the valuation techniques used and inputs applied. The main inputs considered by the valuer are government rates, property location, market research, contracted rentals, discount rates and comparable values, as appropriate. The best estimate of fair value is current prices in an active market for similar properties. Fair value are as follows:

## Reconciliation of fair value

Particulars	As at		As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Opening balance			5.64	5.64
Addition during the year			1.18	-
Deletion during the year			-	-
Fair value difference			-	-
<b>Closing balance</b>			<b>6.82</b>	<b>5.64</b>

## Note 12 Property plant and equipment

Particulars	Gross carrying value			Depreciation			Net carrying value		
	As at 1 <sup>st</sup> April, 2024	As at 31 <sup>st</sup> March 2025	As at 1 <sup>st</sup> April, 2024	For the year	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	
Buildings	37.72	37.72	5.21	1.21	6.42	31.30	6.42	32.51	
Furniture & Fixtures	19.18	20.71	12.47	2.45	13.51	7.20	13.51	6.71	
Computers	53.31	66.22	33.58	9.86	42.69	23.53	42.69	19.73	
Office Equipment & Others	33.72	37.64	27.64	2.26	28.46	9.18	28.46	6.08	
Leasehold Improvements	34.44	41.14	32.91	1.50	30.51	10.63	30.51	1.53	
<b>Total</b>	<b>178.37</b>	<b>203.43</b>	<b>111.81</b>	<b>17.28</b>	<b>121.59</b>	<b>81.84</b>	<b>121.59</b>	<b>66.56</b>	

Particulars	Gross carrying value			Depreciation			Net carrying value		
	As at 1 <sup>st</sup> April, 2023	As at 31 <sup>st</sup> March 2024	As at 1 <sup>st</sup> April, 2023	For the year	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	
Buildings	37.72	37.72	4.01	1.20	5.21	32.51	5.21	33.71	
Furniture & Fixtures	19.13	19.18	11.16	1.88	12.47	6.71	12.47	7.97	
Computers	41.31	53.31	26.31	7.29	33.58	19.73	33.58	15.00	
Office Equipment & Others	31.74	33.72	26.21	2.49	27.64	6.08	27.64	5.53	
Leasehold Improvements	39.58	34.44	35.60	3.15	32.91	1.53	32.91	3.98	
<b>Total</b>	<b>169.48</b>	<b>178.37</b>	<b>103.29</b>	<b>16.01</b>	<b>111.81</b>	<b>66.56</b>	<b>111.81</b>	<b>66.19</b>	

- (i) There were no revaluation carried out by the Company during the years reported above.  
(ii) Title deeds of immovable property are held in the name of the Company.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## Right of use

Particulars	Gross carrying value			Depreciation			Net carrying value			
	As at 1 <sup>st</sup> April, 2024	Addition during the year	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2025	As at 1 <sup>st</sup> April, 2024	For the year	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2024
Building	189.79	43.13	33.61	199.31	66.92	31.11	31.18	66.85	132.46	122.87
Vehicle	0.31	-	-	0.31	0.04	0.10	-	0.14	0.17	0.27
<b>Total</b>	<b>190.10</b>	<b>43.13</b>	<b>33.61</b>	<b>199.62</b>	<b>66.96</b>	<b>31.21</b>	<b>31.18</b>	<b>66.99</b>	<b>132.63</b>	<b>123.14</b>

Particulars	Gross carrying value			Depreciation			Net carrying value			
	As at 1 <sup>st</sup> April, 2023	Addition during the year	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2024	As at 1 <sup>st</sup> April, 2023	For the year	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2023
Building	169.87	91.13	71.21	189.79	104.28	27.40	64.76	66.92	122.87	65.59
Vehicle	-	0.31	-	0.31	-	0.04	-	0.04	0.27	-
<b>Total</b>	<b>169.87</b>	<b>91.44</b>	<b>71.21</b>	<b>190.10</b>	<b>104.28</b>	<b>27.44</b>	<b>64.76</b>	<b>66.96</b>	<b>123.14</b>	<b>65.59</b>

## Note 12.1: Capital-Work-in Progress

### (a) Capital-Work-in Progress ageing

Particulars	As at 31 <sup>st</sup> March 2025			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	4.30	0.36	0.01	-
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>4.30</b>	<b>0.36</b>	<b>0.01</b>	<b>4.67</b>

Particulars	As at 31 <sup>st</sup> March 2024			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	5.42	0.01	-	-
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>5.43</b>	<b>-</b>	<b>-</b>	<b>5.43</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## (b) For capital-work-in progress, where completion is overdue or has exceeded its cost compared to its original plan

Particulars	As at 31 <sup>st</sup> March 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Projects	1.48	-	-	-	1.48
(₹ in crore)					
Particulars	As at 31 <sup>st</sup> March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Projects	0.09	-	-	-	0.09
(₹ in crore)					

## Note 12.2: Intangible assets under development

### (a) Intangible assets under development ageing

Particulars	As at 31 <sup>st</sup> March 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	7.90	3.25	0.32	-	11.47
Projects temporarily suspended	-	-	-	-	-
(₹ in crore)					
Particulars	As at 31 <sup>st</sup> March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	8.05	1.77	-	-	9.82
Projects temporarily suspended	-	-	-	-	-
(₹ in crore)					

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(b) For Intangible assets under development, where completion is overdue or has exceeded its cost compared to its original plan

Particulars	As at 31 <sup>st</sup> March 2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Projects	11.02	-	-	-	11.02
(₹ in crore)					
Particulars	As at 31 <sup>st</sup> March 2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Overdue Projects	4.25	-	-	-	4.25
(₹ in crore)					

## Note 13 Other Intangible Assets

Particulars	Gross carrying value				Amortisation				Net carrying value			
	As at 1 <sup>st</sup> April, 2024	Addition during the year	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2025	For the year	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Software	71.95	15.03	-	86.98	7.40	-	62.78	62.78	24.20	24.20	16.57	16.57
Total	71.95	15.03	-	86.98	7.40	-	62.78	62.78	24.20	24.20	16.57	16.57
(₹ in crore)												

Particulars	Gross carrying value				Amortisation				Net carrying value			
	As at 1 <sup>st</sup> April, 2023	Addition during the year	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2024	For the year	Adjustments/ Deductions during the year	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
Software	61.70	10.29	0.04	71.95	7.73	0.04	55.38	55.38	16.57	16.57	14.01	14.01
Total	61.70	10.29	0.04	71.95	7.73	0.04	55.38	55.38	16.57	16.57	14.01	14.01
(₹ in crore)												

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 14 Other non-financial assets

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Unsecured considered good		
Prepaid expenses	13.66	12.77
GST input credit	30.07	28.98
Others	19.78	10.69
<b>Total</b>	<b>63.51</b>	<b>52.44</b>

### Note 15 Derivative financial instruments\*

Particulars	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	Notional amounts	Fair value assets	Fair value liabilities	Notional amounts	Fair value assets	Fair value liabilities
<b>Currency derivatives:</b>						
Spot and forwards	1,490.16	4.73	53.88	816.40	-	55.35
Currency swaps	3,637.21	24.68	61.87	1,459.04	190.36	-
(i)	<b>5,127.37</b>	<b>29.41</b>	<b>115.75</b>	<b>2,275.44</b>	<b>190.36</b>	<b>55.35</b>
<b>Interest rate derivatives:</b>						
Forward rate agreements and interest rate swaps	1,000.00	-	-	1,000.00	-	-
(ii)	<b>1,000.00</b>	<b>-</b>	<b>-</b>	<b>1,000.00</b>	<b>-</b>	<b>-</b>
<b>Margin money received from/(paid to) counter party bank</b>						
Currency derivatives	-	15.10	-	-	-	-
Interest rate derivatives	-	21.12	-	-	-	-
(iii)	<b>-</b>	<b>36.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total derivative financial instruments (i)+(ii)+(iii)</b>	<b>6,127.37</b>	<b>65.63</b>	<b>115.75</b>	<b>3,275.44</b>	<b>190.36</b>	<b>55.35</b>
<b>Included in above are derivatives held for hedging and risk management purposes as follows:</b>						
<b>Cash flow hedging:</b>						
Currency derivatives	5,127.37	44.51	115.75	2,275.44	190.36	55.35
Interest rate derivatives	1,000.00	21.12	-	1,000.00	-	-
<b>Total derivative financial instruments</b>	<b>6,127.37</b>	<b>65.63</b>	<b>115.75</b>	<b>3,275.44</b>	<b>190.36</b>	<b>55.35</b>

\* Refer Note 18.3, 43 and 46.2

### Note 16 Trade payables

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Total outstanding dues of micro enterprises and small enterprises	1.27	2.12
Total outstanding dues of creditors other than micro enterprises and small enterprises	16.27	17.62
Due to related parties	-	-
<b>Total</b>	<b>17.54</b>	<b>19.74</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 16.1: Trade Payables ageing

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment					
	As at 31 <sup>st</sup> March 2025					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	1.27	0.00	-	-	-	1.27
(ii) Others	15.79	0.40	0.08	-	-	16.27
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
<b>Total</b>	<b>17.06</b>	<b>0.40</b>	<b>0.08</b>	<b>-</b>	<b>-</b>	<b>17.54</b>

Particulars	Outstanding for following periods from due date of payment					
	As at 31 <sup>st</sup> March 2024					
	Unbilled	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	2.07	0.05	-	-	-	2.12
(ii) Others	16.77	0.85	-	-	0.00	17.62
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
<b>Total</b>	<b>18.84</b>	<b>0.90</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>19.74</b>

**Note 16.2:** The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) has been determined to the extent such parties have been identified on the basis of Information available with the Company. The amount of principal and interest outstanding during the year is as follows:

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
1. Principal amount due and remaining unpaid	0.00	0.05
2. Interest due on (1) above and the unpaid interest	-	-
3. Interest paid on all delayed payment under the MSMED Act	0.01	0.04
4. Payment made beyond the appointed day during the year	3.12	4.68
5. Interest due and payable for the period of delay other than (3) above	0.01	-
6. Interest accrued and remaining unpaid	0.01	0.02
7. Amount of further interest remaining due and payable in succeeding years	-	-
<b>Total</b>	<b>3.15</b>	<b>4.79</b>

### Note 17 Debt securities

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>Secured</b>								
Redeemable non convertible bonds	2,493.59	-	-	2,493.59	2,946.84	-	-	2,946.84
Redeemable non convertible debentures	2,880.85	-	-	2,880.85	1,600.39	-	-	1,600.39

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>Unsecured</b>								
Commercial papers	3,199.01	-	-	3,199.01	3,304.70	-	-	3,304.70
<b>Total</b>	<b>8,573.45</b>	<b>-</b>	<b>-</b>	<b>8,573.45</b>	<b>7,851.93</b>	<b>-</b>	<b>-</b>	<b>7,851.93</b>
Debt securities in India	8,573.45	-	-	8,573.45	7,851.93	-	-	7,851.93
Debt securities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>8,573.45</b>	<b>-</b>	<b>-</b>	<b>8,573.45</b>	<b>7,851.93</b>	<b>-</b>	<b>-</b>	<b>7,851.93</b>

### Note 17.1: Nature of security and terms of repayment:

#### a) Nature of security

Redeemable non-convertible bonds and debentures are secured by hypothecation of specific book debts to the extent of 1.00 to 1.25 times of outstanding amount.

#### b) Terms of repayment

(₹in crore)

Maturities	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years
<b>Bonds</b>								
Rate of interest								
6.01% - 8.00%	-	-	-	-	455.00	-	-	-
8.01% - 9.00%	500.00	1,000.00	1,000.00	-	-	1,000.00	1,000.00	500.00
<b>Debentures</b>								
Rate of interest								
8.01% - 9.00%	-	1,552.00	1,300.00	29.00	950.00	222.00	400.00	29.00
	500.00	2,552.00	2,300.00	29.00	1,405.00	1,222.00	1,400.00	529.00

**Note 17.2:** The rate of interest and amount of repayment appearing in note 17.1(b) are as per the term of the debt instruments (i.e. excluding impact of effective interest rate). Further, refer note 45.1, 45.2 and 45.3 for compliance in relation to the utilisation of the borrowed fund and submission of underlying returns/statements.

### Note 18 Borrowings (other than debt securities)

(₹in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>Secured</b>								
<b>Term loans</b>								
National housing bank	8,449.78	-	-	8,449.78	5,090.33	-	-	5,090.33
Banks	16,564.13	-	-	16,564.13	17,313.02	-	-	17,313.02
Financial Institution	522.49	-	-	522.49	157.49	-	-	157.49
External commercial borrowing	3,620.75	-	-	3,620.75	1,456.15	-	-	1,456.15
Bank overdraft	97.88	-	-	97.88	160.00	-	-	160.00
Loans from related party	5,149.99	-	-	5,149.99	2,691.63	-	-	2,691.63

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>Unsecured</b>								
<b>Term loans</b>								
Banks	1,150.00	-	-	1,150.00	1,775.00	-	-	1,775.00
Bank overdraft	-	-	-	-	23.33	-	-	23.33
<b>Total</b>	<b>35,555.02</b>	<b>-</b>	<b>-</b>	<b>35,555.02</b>	<b>28,666.95</b>	<b>-</b>	<b>-</b>	<b>28,666.95</b>
Borrowings in India	31,934.27	-	-	31,934.27	27,210.80	-	-	27,210.80
Borrowings outside India	3,620.75	-	-	3,620.75	1,456.15	-	-	1,456.15
<b>Total</b>	<b>35,555.02</b>	<b>-</b>	<b>-</b>	<b>35,555.02</b>	<b>28,666.95</b>	<b>-</b>	<b>-</b>	<b>28,666.95</b>

## Note 18.1: Refinance from National Housing Bank (NHB):

### a) Nature of security

- All the present and outstanding refinancing from NHB are secured by hypothecation of specific loans/ book debts to the extent of 1.0 to 1.20 times of outstanding amount.
- During FY25, the Company has availed ₹5,000.00 crore (Previous year ₹3,000.00 crores) under Liberalised Refinance Scheme ₹3,751.00 crore and Affordable Housing Finance ₹1,249.00 crore to provide refinance assistance in respect of eligible individual Housing loans.

### b) Terms of repayment

(₹ in crore)

Maturities	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years
4.50% - 5.50%	283.04	592.87	584.78	352.15	215.85	327.26	222.39	211.82
8.01% - 8.50%	843.63	1,940.74	1,417.88	2,434.69	643.50	1,376.13	931.57	1,161.81
	<b>1,126.67</b>	<b>2,533.61</b>	<b>2,002.66</b>	<b>2,786.84</b>	<b>859.35</b>	<b>1,703.39</b>	<b>1,153.96</b>	<b>1,373.63</b>

## Note 18.2: Term loan from Banks and Financial Institutions:

### a) Nature of security

- Term loan from Punjab National Bank (related party) are secured by hypothecation by way of exclusive charge on specific standard book debts of the Company with minimum asset cover of 1.10 times to be maintained at all times.
- Term loans from banks other than Punjab National Bank and financial institution are secured by hypothecation of specific book debts to the extent of 1.0 to 1.12 times of outstanding amount.

### b) Terms of repayment

(₹ in crore)

Maturities	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years
<b>from related party:</b>								
7.01% - 8.00%	1,500.00	200.00	100.00	-	1,200.00	-	-	-
8.01% - 9.00%	685.71	1,371.43	971.42	321.43	551.66	569.97	370.00	-
<b>from others:</b>								
7.01% - 8.00%	1,961.74	629.95	141.25	-	2,235.00	-	-	-
8.01% - 9.00%	6,555.65	6,605.10	2,232.05	118.61	5,703.98	8,042.23	3,013.97	260.70
	<b>10,703.10</b>	<b>8,806.48</b>	<b>3,444.72</b>	<b>440.04</b>	<b>9,690.64</b>	<b>8,612.20</b>	<b>3,383.97</b>	<b>260.70</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 18.3: External commercial borrowing:

#### a) Nature of security

- i) The ECB borrowings are secured against eligible housing loans/book debts and are hedged through currency swaps, interest rate swaps and forward contracts as per the applicable RBI guidelines.
- ii) The derivative contracts are initially recognised at fair value on the date of the transaction and all outstanding derivative transactions, on the date of balance sheet, are subsequently measured at fair value on that date. Where cash flow hedge accounting is used, fair value changes of the derivative contracts are recognised through the cash flow hedge reserve (through other comprehensive income) which is reclassified to profit and loss account as the hedged item effects profit and loss. Premium paid / discount received in advance ( if any ) on the derivative contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts, if such contracts relate to monetary items as at the balance sheet date.
- iii) As at 31<sup>st</sup> March 2025, the Company has outstanding ECB of USD 425.00 million (equivalent to ₹3,637.21 crore) (31<sup>st</sup> March 2024 USD 175.00 million (equivalent to ₹1,459.04 crore)). The Company has undertaken cross currency swaps and principal only swaps to hedge the foreign currency risk of the ECB principal. Whereas the Company has entered floating to fixed coupon only swaps to hedge the floating interest and foreign currency risk of the coupon payments. All the derivative instruments are purely for hedging the underlying ECB transactions as per applicable RBI guidelines and not for any speculative purpose.

#### b) Terms of repayment

(₹in crore)

Maturities	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years
SOFR + 120 - 140 bps	-	2,995.35	-	-	-	-	-	-
SOFR + 140 - 200 bps	641.86	-	-	-	833.74	625.30	-	-
	641.86	2,995.35	-	-	833.74	625.30	-	-

### Note 18.4: Bank overdraft:

#### a) Nature of security

Overdraft facilities are secured by hypothecation of specific book debts to the extent of 1.0 to 1.12 times of outstanding amount.

#### b) Terms of Repayment

(₹in crore)

Maturities	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years
<b>Secured</b>								
7.50% -8.50%	49.98	-	-	-	160.00	-	-	-
8.51% -9.50%	47.90	-	-	-	-	-	-	-
<b>Unsecured</b>								
7.50% -8.50%	-	-	-	-	23.33	-	-	-

**Note 18.5:** The rate of interest and amount of repayment appearing in note 18.1(b), 18.2(b) and 18.3(b) are as per the term of the respective instruments (i.e. excluding impact of effective interest rate). Further, refer note 45.1, 45.2 and 45.3 for compliance in relation to the utilisation of the borrowed fund and submission of underlying returns/statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## Note 19 Deposits

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>Unsecured Deposits</b>								
(i) From public* (Refer Note 19.2)	15,416.48	-	-	15,416.48	15,677.51	-	-	15,677.51
(ii) From banks (Refer Note 19.3)	296.40	-	-	296.40	295.75	-	-	295.75
(iii) From others	1,928.67	-	-	1,928.67	1,784.96	-	-	1,784.96
<b>Total</b>	<b>17,641.55</b>	<b>-</b>	<b>-</b>	<b>17,641.55</b>	<b>17,758.22</b>	<b>-</b>	<b>-</b>	<b>17,758.22</b>

\* Refer note 36.31

**Note 19.1:** Refer note 45 for compliance in relation to the utilisation of the borrowed fund and submission of underlying returns/statements.

**Note 19.2:** Includes amount payable to related party ₹0.11 crore (Previous year Nil).

**Note 19.3:** Includes amount payable to related party ₹249.13 crore (Previous year ₹124.38 crore).

## Note 20 Subordinated liabilities

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total	At amortised cost	At fair value through profit or loss	Designated at fair value through profit or loss	Total
<b>Unsecured</b>								
Redeemable non-convertible bonds	539.59	-	-	539.59	739.49	-	-	739.49
<b>Total</b>	<b>539.59</b>	<b>-</b>	<b>-</b>	<b>539.59</b>	<b>739.49</b>	<b>-</b>	<b>-</b>	<b>739.49</b>
Subordinated liabilities in India	539.59	-	-	539.59	739.49	-	-	739.49
Subordinated liabilities outside India	-	-	-	-	-	-	-	-
<b>Total</b>	<b>539.59</b>	<b>-</b>	<b>-</b>	<b>539.59</b>	<b>739.49</b>	<b>-</b>	<b>-</b>	<b>739.49</b>

**Note 20.1: Nature of security and terms of repayment:**

### a) Nature of security

Redeemable non-convertible subordinated bonds are subordinated debt to present and future senior indebtedness of the Company and based on the balance term to maturity as at 31<sup>st</sup> March 2025, ₹81.82 crore (31<sup>st</sup> March 2024 ₹189.76 crore) qualify as Tier II Capital under regulatory guidelines for assessing capital adequacy.

### b) Terms of repayment

(₹ in crore)

Maturities	As at 31 <sup>st</sup> March 2025				As at 31 <sup>st</sup> March 2024			
	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years	≤ 1 year	1 - 3 years	3 - 5 years	> 5 years
Rate of interest								
8.01% - 9.00%	210.00	290.00	-	-	200.00	500.00	-	-
9.01% - 10.00%	-	-	39.70	-	-	-	39.70	-
	<b>210.00</b>	<b>290.00</b>	<b>39.70</b>	<b>-</b>	<b>200.00</b>	<b>500.00</b>	<b>39.70</b>	<b>-</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 20.2:** The rate of interest and amount of repayment appearing in note 20.1(b) are as per the term of the debt instruments.(i.e. excluding impact of effective interest rate). Further, refer note 45.1, 45.2 and 45.3 for compliance in relation to the utilisation of the borrowed fund and submission underlying returns/statements.

### Note 21 Other financial liabilities

Particulars	(₹in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Interest accrued but not due on deposits	0.24	4.33
Interest accrued but not due on borrowings (Refer Note 21.1)	401.69	334.63
Unpaid matured deposits and interest accrued thereon	0.18	40.13
Amount payable under assignments (Refer Note 21.2)	110.34	156.49
Book overdraft	1,821.39	1,166.61
Unpaid dividends	0.04	0.07
Other liabilities (Refer Note 21.3)	544.62	344.63
Lease liabilities (Refer Note 37)	145.69	132.97
<b>Total</b>	<b>3,024.19</b>	<b>2,179.86</b>

**Note 21.1:** Includes amount payable to related party ₹1.15 crore (previous year ₹0.99 crore).

**Note 21.2:** Includes amount payable to related party ₹54.67 crore (previous year ₹73.39 crore).

**Note 21.3:** Includes amount payable to related party ₹61.12 crore (previous year ₹27.21 crore).

### Note 22 Provisions

Particulars	(₹in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Retirement benefits	21.96	20.23
<b>Total</b>	<b>21.96</b>	<b>20.23</b>

### Note 23 Other non-financial liabilities

Particulars	(₹in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Advance received from customers	87.01	72.77
Statutory dues Payable	101.55	87.99
Other liabilities	45.25	33.23
<b>Total</b>	<b>233.81</b>	<b>193.99</b>

### Note 24 Equity Share capital

Particulars	(₹in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Authorised</b>		
50,00,00,000 equity shares of ₹10/- each (31 <sup>st</sup> March 2024: 50,00,00,000)	500.00	500.00
<b>Total</b>	<b>500.00</b>	<b>500.00</b>
<b>Issued, subscribed and paid-up</b>		
25,99,25,043 equity shares of ₹10/- each fully paid up (31 <sup>st</sup> March 2024: 25,97,23,886)	259.93	259.72
<b>Total</b>	<b>259.93</b>	<b>259.72</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 24.1:** Reconciliation of number of shares outstanding and the amount of share capital at the beginning and end of the year:

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	No. of shares	₹ in crore	No. of shares	₹ in crore
At the beginning of the year	259,723,886	259.72	168,855,818	168.86
Add: Share allotted pursuant to Rights Issue <sup>^</sup>	-	-	90,681,828	90.68
Add: Share allotted pursuant to exercise of stock option	201,157	0.21	186,240	0.18
<b>Outstanding at the end of the year</b>	<b>259,925,043</b>	<b>259.93</b>	<b>259,723,886</b>	<b>259.72</b>

**Note 24.2:** Detail of equity shareholding of Promoter

Promoter name	As at 31 <sup>st</sup> March 2025		
	No. of shares	% of total shares	% Change during the year*
Punjab National Bank	73,051,205	28.10%	(0.03%)

Promoter name	As at 31 <sup>st</sup> March 2024		
	No. of shares	% of total shares	% Change during the year*
Punjab National Bank	73,051,205	28.13%	(4.39%)

\*Change during the year was on account of exercise of ESOPs by employees however previous year change was on account of Right issues and exercise of ESOPs by employees

<sup>^</sup>During the previous year (4<sup>th</sup> May, 2023) the Company had allotted 9,06,81,828 fully paid-up equity shares at a price of ₹275 per equity share (including premium of ₹265/- per equity share) aggregating to ₹2,493.76 crore to the eligible shareholders, as on the record date (5<sup>th</sup> April, 2023). The offer was in the ratio of 29 rights equity shares for every 54 equity shares held by the eligible equity shareholders on the said record date. The expenses in relation to the Rights Issue was ₹37.62 crore (excluding GST). The Rights Issue proceeds were utilised in accordance with the objects of the issue as stated in the offer document.

**Note 24.3:** Details of shareholders holding more than 5% of equity shares in the Company:

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	No. of shares	% of Holding	No. of shares	% of Holding
Punjab National Bank	73,051,205	28.10	73,051,205	28.13
Quality Investments Holdings Pcc	27,124,311	10.44	84,884,311	32.68
Government Of Singapore	19,478,930	7.49	-	-
Asia Opportunities V (Mauritius) Limited	-	-	25,650,006	9.88
General Atlantic Singapore FII Pte. Limited	-	-	25,504,424	9.82

**Note 24.4:** Terms / Rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in ₹ per share basis. Dividend distribution is for all equity shareholders who are eligible for dividend as on record date. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Note 24.5:** The Company has not allotted any share pursuant to contracts without payment being received in cash nor it has issued any bonus shares or bought back any shares, during the period of five years immediately preceding the reporting date.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 24.6:** The Company has not:

- i. Issued any securities convertible into equity / preference shares.
- ii. Issued any shares where calls are unpaid.
- iii. Forfeited any shares.

**Note 24.7:** Capital Management:

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements as per the directives of the regulator. The adequacy of the Company capital is monitored using, among other measures, the regulations issued by NHB & RBI from time to time.

Company has complied in full with all its externally imposed capital requirements.

The primary objectives of the Company capital management policy are to ensure that it 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's value.

The Company manages its capital structure after taking in to consideration the inherent business risk and the changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return of capital to shareholders or issue capital securities.

No changes have been made to the objectives, policies and processes from the previous years and they are reviewed by the Board of Director's at regular intervals.

Regulatory capital consists of Tier I capital, which includes owned funds comprising share capital, share premium, retained earnings including current year profit and free reserves less cash flow hedge reserve, deferred revenue expenditure and intangible assets. The book value of investment in shares of other non-banking financial companies including housing finance companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate 10% of owned funds will be reduced while arriving at the Tier I capital.

The other component of regulatory capital is Tier II Capital Instruments, which includes non convertible preference shares, revaluation reserve, general provision and loss reserves to the extent of one and one fourth percent of risk weighted asset, hybrid capital instruments and subordinated debts.(Refer Note 36.1)

### Net debt to equity ratio

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Debt securities	8,573.45	7,851.93
Borrowings (other than debt securities)	35,555.02	28,666.95
Deposits	17,641.73	17,798.35
Subordinated liabilities	539.59	739.49
Less: Cash and cash equivalents	(2,160.38)	(2,142.20)
Less: Bank balance other than cash and cash equivalents (other than earmarked balances)	(1,438.86)	(464.05)
<b>Net debt</b>	<b>58,710.55</b>	<b>52,450.47</b>
Total equity- Shareholder funds	16,863.13	14,974.44
<b>Net debt to equity ratio</b>	<b>3.48</b>	<b>3.50</b>

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

## Note 24.8: Shares reserved for issue under ESOS

(i) Employee Stock Option Scheme and related scheme wise details are as follows:

Particulars	ESOS - 2016 Tranche I	ESOS - 2016 Tranche II	ESOS - 2016 Tranche III	ESOS - 2016 Tranche IV
Date of grant	22 <sup>nd</sup> April 2016	30 <sup>th</sup> August 2017	23 <sup>rd</sup> February 2018	27 <sup>th</sup> July 2018
Number of options granted	38,07,690	4,05,700	1,00,000	1,36,485
Exercise price per option	₹338.00	₹1,600.60	₹1,206.35	₹1,333.35
Date of vesting	The vesting will be as under:			
	25% on 22 <sup>nd</sup> April 2017	25% on 30 <sup>th</sup> August 2018	20% on 23 <sup>rd</sup> February 2019	25% on 27 <sup>th</sup> July 2019
	25% on 22 <sup>nd</sup> April 2018	25% on 30 <sup>th</sup> August 2019	20% on 23 <sup>rd</sup> February 2020	25% on 27 <sup>th</sup> July 2020
	25% on 22 <sup>nd</sup> April 2019	25% on 30 <sup>th</sup> August 2020	20% on 23 <sup>rd</sup> February 2021	25% on 27 <sup>th</sup> July 2021
	25% on 22 <sup>nd</sup> April 2020	25% on 30 <sup>th</sup> August 2021	20% on 23 <sup>rd</sup> February 2022	25% on 27 <sup>th</sup> July 2022
	-	-	20% on 23 <sup>rd</sup> February 2023	-
Exercise period	Within 3 years from the date of respective vesting			
Method of settlement	Through allotment of one equity share for each option granted			
Vesting conditions	Employee to remain in service on the date of vesting			

Particulars	ESOS - 2018 Tranche I	ESOS - 2018 Tranche II	ESOS - 2018 Tranche III	ESOS - 2018 Tranche IV
Date of grant	27 <sup>th</sup> July 2018	27 <sup>th</sup> July 2018	19 <sup>th</sup> March 2019	19 <sup>th</sup> August 2020
Number of options granted	18,15,000	2,35,000	1,81,200	45,000
Exercise price per option	₹1,333.35	₹1,333.35	₹847.40	₹261.15
Date of vesting	The vesting will be as under:			
	15% on 27 <sup>th</sup> July 2020	25% on 27 <sup>th</sup> July 2019	25% on 19 <sup>th</sup> March 2020	10% on 19 <sup>th</sup> August 2021
	28% on 27 <sup>th</sup> July 2021	25% on 27 <sup>th</sup> July 2020	25% on 19 <sup>th</sup> March 2021	20% on 19 <sup>th</sup> August 2022
	28% on 27 <sup>th</sup> July 2022	25% on 27 <sup>th</sup> July 2021	25% on 19 <sup>th</sup> March 2022	30% on 19 <sup>th</sup> August 2023
	29% on 27 <sup>th</sup> July 2023	25% on 27 <sup>th</sup> July 2022	25% on 19 <sup>th</sup> March 2023	40% on 19 <sup>th</sup> August 2024
Exercise period	Within 3 years from the date of respective vesting			
Method of settlement	Through allotment of one equity share for each option granted			
Vesting conditions	Employee to remain in service on the date of vesting			

Particulars	ESOS - 2016 Tranche V	ESOS - 2016 Tranche VI	ESOS - Restricted stock units 2020 Tranche I	ESOS - Restricted stock units 2020 Tranche II
Date of grant	19 <sup>th</sup> August 2020	21 <sup>st</sup> October 2022	15 <sup>th</sup> February 2021	26 <sup>th</sup> April 2022
Number of options granted	5,50,000	5,75,000	2,75,676	25,000
Exercise price per option	₹261.15	₹444.05	₹10.00	₹10.00
Date of vesting	The vesting will be as under:		The vesting will be as under:	
	10% on 19 <sup>th</sup> August 2021	20% on 21 <sup>st</sup> October 2023	10% on 15 <sup>th</sup> February 2022	10% on 26 <sup>th</sup> April 2023
	20% on 19 <sup>th</sup> August 2022	20% on 21 <sup>st</sup> October 2024	20% on 15 <sup>th</sup> February 2023	20% on 26 <sup>th</sup> April 2024
	30% on 19 <sup>th</sup> August 2023	30% on 21 <sup>st</sup> October 2025	30% on 15 <sup>th</sup> February 2024	30% on 26 <sup>th</sup> April 2025
	40% on 19 <sup>th</sup> August 2024	30% on 21 <sup>st</sup> October 2026	40% on 15 <sup>th</sup> February 2025	40% on 26 <sup>th</sup> April 2026
Exercise period	Within 3 years from the date of respective vesting		Within 1 years from the date of respective vesting	
Method of settlement	Through allotment of one equity share for each option granted		Through allotment of one equity share for each option granted	
Vesting conditions	Employee to remain in service on the date of vesting	Employee to remain in service on the date of vesting and other applicable performance conditions.	Employee to remain in service on the date of vesting and other applicable performance conditions.	

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Particulars	ESOS - 2018 Tranche VI	ESOS - 2018 Tranche V	ESOS - 2018 Tranche VII
Date of grant	8 <sup>th</sup> October 2021	26 <sup>th</sup> July 2021	28 <sup>th</sup> October 2021
Number of options granted	22,000	1,00,000	75,000
Exercise price per option	₹644.70	₹690.35	₹507.20
Date of vesting	The vesting will be as under:		
	10% on 8 <sup>th</sup> October 2022	10% on 26 <sup>th</sup> July 2022	10% on 28 <sup>th</sup> October 2022
	20% on 8 <sup>th</sup> October 2023	20% on 26 <sup>th</sup> July 2023	20% on 28 <sup>th</sup> October 2023
	30% on 8 <sup>th</sup> October 2024	30% on 26 <sup>th</sup> July 2024	30% on 28 <sup>th</sup> October 2024
	40% on 8 <sup>th</sup> October 2025	40% on 26 <sup>th</sup> July 2025	40% on 28 <sup>th</sup> October 2025
Exercise period	Within 3 years from the date of respective vesting	Within 3 years from the date of respective vesting	
Method of settlement	Through allotment of one equity share for each option granted	Through allotment of one equity share for each option granted	
Vesting conditions	Employee to remain in service on the date of vesting	Employee to remain in service on the date of vesting and other applicable performance conditions.	

Particulars	ESOS - 2018 Tranche VIII	ESOS - 2018 Tranche IX	ESOS - 2018 Tranche X	ESOS - 2018 Tranche XI
Date of grant	10 <sup>th</sup> December 2021	9 <sup>th</sup> June 2022	8 <sup>th</sup> August 2022	27 <sup>th</sup> October 2022
Number of options granted	75,000	25,000	6,78,559	2,00,000
Exercise price per option	₹588.10	₹345.20	₹345.30	₹431.20
Date of vesting	The vesting will be as under:			
	10% on 10 <sup>th</sup> December 2022	20% on 9 <sup>th</sup> June 2023	20% on 8 <sup>th</sup> August 2023	20% on 27 <sup>th</sup> October 2023
	20% on 10 <sup>th</sup> December 2023	20% on 9 <sup>th</sup> June 2024	20% on 8 <sup>th</sup> August 2024	20% on 27 <sup>th</sup> October 2024
	30% on 10 <sup>th</sup> December 2024	30% on 9 <sup>th</sup> June 2025	30% on 8 <sup>th</sup> August 2025	30% on 27 <sup>th</sup> October 2025
	40% on 10 <sup>th</sup> December 2025	30% on 9 <sup>th</sup> June 2026	30% on 8 <sup>th</sup> August 2026	30% on 27 <sup>th</sup> October 2026
Exercise period	Within 3 years from the date of respective vesting			
Method of settlement	Through allotment of one equity share for each option granted			
Vesting conditions	Employee to remain in service on the date of vesting and other applicable performance conditions.			

Particulars	ESOS - 2018 Tranche XII	ESOS - 2022 Tranche I	ESOS - 2022 Tranche II	ESOS - 2022 Tranche III
Date of grant	13 <sup>th</sup> April 2023	31 <sup>st</sup> May 2023	18 <sup>th</sup> July 2023	25 <sup>th</sup> September 2023
Number of options granted	60,000	2,86,500	18,000	41,000
Exercise price per option	₹438.85	₹483.15	₹643.40	₹688.15
Date of vesting	The vesting will be as under:			
	20% on 13 <sup>th</sup> April 2024	20% on 31 <sup>st</sup> May 2024	20% on 18 <sup>th</sup> July 2024	20% on 25 <sup>th</sup> September 2024
	20% on 13 <sup>th</sup> April 2025	20% on 31 <sup>st</sup> May 2025	20% on 18 <sup>th</sup> July 2025	20% on 25 <sup>th</sup> September 2025
	30% on 13 <sup>th</sup> April 2026	30% on 31 <sup>st</sup> May 2026	30% on 18 <sup>th</sup> July 2026	30% on 25 <sup>th</sup> September 2026
	30% on 13 <sup>th</sup> April 2027	30% on 31 <sup>st</sup> May 2027	30% on 18 <sup>th</sup> July 2027	30% on 25 <sup>th</sup> September 2027
Exercise period	Within 3 years from the date of respective vesting			
Method of settlement	Through allotment of one equity share for each option granted			
Vesting conditions	Employee to remain in service on the date of vesting and other applicable performance conditions.			

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

Particulars	ESOS - 2022 Tranche IV	ESOS - Restricted stock units 2020 Tranche III	ESOS - Restricted stock units 2020 Tranche IV
Date of grant	16 <sup>th</sup> December 2023	31 <sup>st</sup> May 2023	5 <sup>th</sup> June 2024
Number of options granted	30,000	67,500	72,500
Exercise price per option	₹803.40	₹10	₹10
Date of vesting	The vesting will be as under:		
	20% on 16 <sup>th</sup> December 2024	20% on 31 <sup>st</sup> May 2024	20% on 5 <sup>th</sup> June 2025
	20% on 16 <sup>th</sup> December 2025	20% on 31 <sup>st</sup> May 2025	20% on 5 <sup>th</sup> June 2026
	30% on 16 <sup>th</sup> December 2026	30% on 31 <sup>st</sup> May 2026	30% on 5 <sup>th</sup> June 2027
	30% on 16 <sup>th</sup> December 2027	30% on 31 <sup>st</sup> May 2027	30% on 5 <sup>th</sup> June 2028
Exercise period	Within 3 years from the date of respective vesting	Within 1 years from the date of respective vesting	
Method of settlement	Through allotment of one equity share for each option granted	Through allotment of one equity share for each option granted	
Vesting conditions	Employee to remain in service on the date of vesting and other applicable performance conditions.	Employee to remain in service on the date of vesting and other applicable performance conditions.	

Particulars	ESOS - 2018 Tranche XIII	ESOS - 2018 Tranche XIV	ESOS - 2018 Tranche XV
Date of grant	5 <sup>th</sup> June 2024	12 <sup>th</sup> June 2024	20 <sup>th</sup> June 2024
Number of options granted	4,34,500	50,000	50,000
Exercise price per option	₹671.95	₹808.15	₹864.80
Date of vesting	The vesting will be as under:		
	20% on 5 <sup>th</sup> June 2025	20% on 12 <sup>th</sup> June 2025	20% on 20 <sup>th</sup> June 2025
	20% on 5 <sup>th</sup> June 2026	20% on 12 <sup>th</sup> June 2026	20% on 20 <sup>th</sup> June 2026
	30% on 5 <sup>th</sup> June 2027	30% on 12 <sup>th</sup> June 2027	30% on 20 <sup>th</sup> June 2027
	30% on 5 <sup>th</sup> June 2028	30% on 12 <sup>th</sup> June 2028	30% on 20 <sup>th</sup> June 2028
Exercise period	Within 3 years from the date of respective vesting		
Method of settlement	Through allotment of one equity share for each option granted		
Vesting conditions	Employee to remain in service on the date of vesting		

(ii) (a) Employee Stock Option Scheme movement and related weighted average exercise price are as follows:

Particulars	As at 31 <sup>st</sup> March 2025		
	ESOS - 2016 Tranche II	ESOS - 2016 Tranche IV	ESOS - 2016 Tranche VI
Options outstanding at the beginning of the year (a)	-	-	460,000
Options exercisable at the beginning of the year (b)	22,075	12,743	115,000
Options granted during the year (c)	-	-	-
Options lapsed / expired during the year (d)	22,075	7,621	-
Options vested during the year (e)	-	-	115,000
Options exercised during the year (f)	-	-	-
Options forfeited during the year (g)	-	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	-	-	345,000
Options exercisable at the end of the year (i) = (b+e-d-f)	-	5,122	230,000
Weighted average exercise price per option (₹)	1,600.60	1,333.35	444.05
Weighted average remaining contractual life (year)	-	-	1.95

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

Particulars	As at 31 <sup>st</sup> March 2025	
	ESOS - Restricted stock units 2020 Tranche I	ESOS - Restricted stock units 2020 Tranche II
Options outstanding at the beginning of the year (a)	41,990	22,500
Options exercisable at the beginning of the year (b)	12,298	-
Options granted during the year (c)	-	-
Options lapsed / expired during the year (d)	205	-
Options vested during the year (e)	36,134	4,400
Options exercised during the year (f)	18,950	4,400
Options forfeited during the year (g)	5,856	600
Options outstanding at end of the year (h) = (a+c-e-g)	-	17,500
Options exercisable at the end of the year (i) = (b+e-d-f)	29,277	-
Weighted average exercise price per option (₹)	10.00	10.00
Weighted average remaining contractual life (year)	0.18	0.81

Particulars	As at 31 <sup>st</sup> March 2025			
	ESOS - 2018 Tranche I	ESOS - 2018 Tranche II	ESOS - 2018 Tranche III	ESOS - 2018 Tranche IV
Options outstanding at the beginning of the year (a)	-	-	-	8,000
Options exercisable at the beginning of the year (b)	336,175	19,750	15,000	-
Options granted during the year (c)	-	-	-	-
Options lapsed / expired during the year (d)	120,430	11,750	7,000	-
Options vested during the year (e)	-	-	-	8,000
Options exercised during the year (f)	-	-	2,500	8,000
Options forfeited during the year (g)	-	-	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	-	-	-	-
Options exercisable at the end of the year (i) = (b+e-d-f)	215,745	8,000	5,500	-
Weighted average exercise price per option (₹)	1,333.35	1,333.35	847.40	261.15
Weighted average remaining contractual life (year)	0.24	0.04	0.12	-

Particulars	As at 31 <sup>st</sup> March 2025		
	ESOS - 2018 Tranche V	ESOS - 2018 Tranche VIII	ESOS - 2018 Tranche IX
Options outstanding at the beginning of the year (a)	70,000	52,500	20,000
Options exercisable at the beginning of the year (b)	22,600	11,700	-
Options granted during the year (c)	-	-	-
Options lapsed / expired during the year (d)	-	-	-
Options vested during the year (e)	26,400	19,800	4,400
Options exercised during the year (f)	-	-	4,400
Options forfeited during the year (g)	3,600	2,700	600
Options outstanding at end of the year (h) = (a+c-e-g)	40,000	30,000	15,000
Options exercisable at the end of the year (i) = (b+e-d-f)	49,000	31,500	-
Weighted average exercise price per option (₹)	690.35	588.10	345.20
Weighted average remaining contractual life (year)	1.22	1.49	1.65

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Particulars	As at 31 <sup>st</sup> March 2025			
	ESOS - 2018 Tranche X	ESOS - 2018 Tranche XI	ESOS - 2018 Tranche XII	ESOS - Restricted stock units 2020 Tranche III
Options outstanding at the beginning of the year (a)	394,075	160,000	60,000	58,000
Options exercisable at the beginning of the year (b)	19,773	-	-	-
Options granted during the year (c)	-	-	-	-
Options lapsed / expired during the year (d)	-	-	-	229
Options vested during the year (e)	89,412	35,200	10,560	9,164
Options exercised during the year (f)	69,837	-	10,560	6,784
Options forfeited during the year (g)	21,121	4,800	1,440	7,636
Options outstanding at end of the year (h) = (a+c-e-g)	283,542	120,000	48,000	41,200
Options exercisable at the end of the year (i) = (b+e-d-f)	39,348	35,200	-	2,151
Weighted average exercise price per option (₹)	345.30	431.20	438.85	10.00
Weighted average remaining contractual life (year)	1.79	1.96	2.33	1.71

Particulars	As at 31 <sup>st</sup> March 2025			
	ESOS - 2022 Tranche I	ESOS - 2022 Tranche II	ESOS - 2022 Tranche III	ESOS - 2022 Tranche IV
Options outstanding at the beginning of the year (a)	234,000	18,000	41,000	30,000
Options exercisable at the beginning of the year (b)	-	-	-	-
Options granted during the year (c)	-	-	-	-
Options lapsed / expired during the year (d)	50	-	-	-
Options vested during the year (e)	42,627	3,420	7,370	5280
Options exercised during the year (f)	32,207	-	2,280	-
Options forfeited during the year (g)	36,173	180	830	720
Options outstanding at end of the year (h) = (a+c-e-g)	155,200	14,400	32,800	24,000
Options exercisable at the end of the year (i) = (b+e-d-f)	10,370	3,420	5,090	5,280
Weighted average exercise price per option (₹)	483.15	643.40	688.15	803.40
Weighted average remaining contractual life (year)	2.45	2.57	2.74	2.94

Particulars	As at 31 <sup>st</sup> March 2025			
	ESOS - Restricted stock units 2020 Tranche IV	ESOS - 2018 Tranche XIII	ESOS - 2018 Tranche XIV	ESOS - 2018 Tranche XV
Options outstanding at the beginning of the year (a)	-	-	-	-
Options exercisable at the beginning of the year (b)	-	-	-	-
Options granted during the year (c)	72,500	434,500	50,000	50,000
Options lapsed / expired during the year (d)	-	-	-	-
Options vested during the year (e)	-	-	-	-
Options exercised during the year (f)	-	-	-	-
Options forfeited during the year (g)	4,500	11,000	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	68,000	423,500	50,000	50,000
Options exercisable at the end of the year(i) = (b+e-d-f)	-	-	-	-
Weighted average exercise price per option (₹)	10.00	671.95	808.15	864.80
Weighted average remaining contractual life (year)	2.38	3.38	3.40	3.42

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Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2016 Tranche I	ESOS - 2016 Tranche II	ESOS - 2016 Tranche IV	ESOS - 2016 Tranche VI
Options outstanding at the beginning of the year (a)	-	-	-	575,000
Options exercisable at the beginning of the year (b)	10,300	51,650	19,114	-
Options granted during the year (c)	-	-	-	-
Options lapsed / expired during the year (d)	4,250	29,575	6,371	-
Options vested during the year (e)	-	-	-	115,000
Options exercised during the year (f)	6,050	-	-	-
Options forfeited during the year (g)	-	-	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	-	-	-	460,000
Options exercisable at the end of the year (i) = (b+e-d-f)	-	22,075	12,743	115,000
Weighted average exercise price per option (₹)	338.00	1,600.60	1,333.35	444.05
Weighted average remaining contractual life (year)	-	0.05	-	2.80

Particulars	As at 31 <sup>st</sup> March 2024	
	ESOS - Restricted stock units 2020 Tranche I	ESOS - Restricted stock units 2020 Tranche II
Options outstanding at the beginning of the year (a)	81,209	25,000
Options exercisable at the beginning of the year (b)	23,194	-
Options granted during the year (c)	-	-
Options lapsed / expired during the year (d)	8,123	-
Options vested during the year (e)	23,970	2,100
Options exercised during the year (f)	26,743	2,100
Options forfeited during the year (g)	15,249	400
Options outstanding at end of the year (h) = (a+c-e-g)	41,990	22,500
Options exercisable at the end of the year (i) = (b+e-d-f)	12,298	-
Weighted average exercise price per option (₹)	10.00	10.00
Weighted average remaining contractual life (year)	0.68	1.62

Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2018 Tranche I	ESOS - 2018 Tranche II	ESOS - 2018 Tranche III	ESOS - 2018 Tranche IV
Options outstanding at the beginning of the year (a)	139,200	-	-	14,000
Options exercisable at the beginning of the year (b)	340,800	34,125	33,450	6,000
Options granted during the year (c)	-	-	-	-
Options lapsed / expired during the year (d)	136,575	14,375	18,450	-
Options vested during the year (e)	131,950	-	-	6,000
Options exercised during the year (f)	-	-	-	12,000
Options forfeited during the year (g)	7,250	-	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	-	-	-	8,000
Options exercisable at the end of the year (i) = (b+e-d-f)	336,175	19,750	15,000	-
Weighted average exercise price per option (₹)	1,333.35	1,333.35	847.40	261.15
Weighted average remaining contractual life (year)	0.57	0.21	0.37	1.27

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2018 Tranche V	ESOS - 2018 Tranche VII	ESOS - 2018 Tranche VIII	ESOS - 2018 Tranche IX
Options outstanding at the beginning of the year (a)	90,000	13,500	67,500	25,000
Options exercisable at the beginning of the year (b)	10,000	1,500	7,500	-
Options granted during the year (c)	-	-	-	-
Options lapsed / expired during the year (d)	3,000	450	7,500	-
Options vested during the year (e)	15,600	1,680	11,700	3,800
Options exercised during the year (f)	-	2,730	-	3,800
Options forfeited during the year (g)	4,400	11,820	3,300	1,200
Options outstanding at end of the year (h) = (a+c-e-g)	70,000	-	52,500	20,000
Options exercisable at the end of the year (i) = (b+e-d-f)	22,600	-	11,700	-
Weighted average exercise price per option (₹)	690.35	507.20	588.10	345.20
Weighted average remaining contractual life (year)	1.97	2.19	2.29	2.47

Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2018 Tranche X	ESOS - 2018 Tranche XI	ESOS - 2018 Tranche XII	ESOS - Restricted stock units 2020 Tranche III
Options outstanding at the beginning of the year (a)	566,590	200,000	-	-
Options exercisable at the beginning of the year (b)	-	-	-	-
Options granted during the year (c)	-	-	60,000	67,500
Options lapsed / expired during the year (d)	-	-	-	-
Options vested during the year (e)	79,881	31,200	-	-
Options exercised during the year (f)	60,108	31,200	-	-
Options forfeited during the year (g)	92,634	8,800	-	9,500
Options outstanding at end of the year (h) = (a+c-e-g)	394,075	160,000	60,000	58,000
Options exercisable at the end of the year (i) = (b+e-d-f)	19,773	-	-	-
Weighted average exercise price per option (₹)	345.30	431.20	438.85	10.00
Weighted average remaining contractual life (year)	2.62	2.82	3.24	2.67

Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2022 Tranche I	ESOS - 2022 Tranche II	ESOS - 2022 Tranche III	ESOS - 2022 Tranche IV
Options outstanding at the beginning of the year (a)	-	-	-	-
Options exercisable at the beginning of the year (b)	-	-	-	-
Options granted during the year (c)	286,500	18,000	41,000	30,000
Options lapsed / expired during the year (d)	-	-	-	-
Options vested during the year (e)	-	-	-	-
Options exercised during the year (f)	-	-	-	-
Options forfeited during the year (g)	52,500	-	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	234,000	18,000	41,000	30,000
Options exercisable at the end of the year (i) = (b+e-d-f)	-	-	-	-
Weighted average exercise price per option (₹)	483.15	643.40	688.15	803.40
Weighted average remaining contractual life (year)	3.37	3.50	3.69	3.91

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(ii) (b) Pursuant to Rights Issue Employee Stock Option Scheme movement and related weighted average exercise price are as follows:

Particulars	As at 31 <sup>st</sup> March 2025		
	ESOS - 2016 Tranche II	ESOS - 2016 Tranche IV	ESOS - 2016 Tranche VI
Options outstanding at the beginning of the year (a)	-	-	133,907
Options exercisable at the beginning of the year (b)	60,870	12,891	33,477
Options granted during the year (c)	-	-	-
Options lapsed / expired during the year (d)	60,870	7,710	-
Options vested during the year (e)	-	-	33,477
Options exercised during the year (f)	-	-	-
Options forfeited during the year (g)	-	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	-	-	100,430
Options exercisable at the end of the year (i) = (b+e-d-f)	-	5,181	66,954
Weighted average exercise price per option (₹)	-	1,333.35	444.05
Weighted average remaining contractual life (year)	-	0.32	3.26

Particulars	As at 31 <sup>st</sup> March 2025			
	ESOS - 2018 Tranche I	ESOS - 2018 Tranche II	ESOS - 2018 Tranche III	ESOS - 2018 Tranche IV
Options outstanding at the beginning of the year (a)	1	-	-	2,451
Options exercisable at the beginning of the year (b)	340,071	27,658	37,356	-
Options granted during the year (c)	-	-	-	-
Options lapsed / expired during the year (d)	121,826	16,455	13,697	-
Options vested during the year (e)	-	-	-	2,451
Options exercised during the year (f)	-	-	9,962	2,451
Options forfeited during the year (g)	1	-	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	-	-	-	-
Options exercisable at the end of the year (i) = (b+e-d-f)	218,245	11,203	13,697	-
Weighted average exercise price per option (₹)	1,333.35	1,333.35	847.40	261.15
Weighted average remaining contractual life (year)	0.83	0.32	0.97	-

Particulars	As at 31 <sup>st</sup> March 2025		
	ESOS - 2018 Tranche V	ESOS - 2018 Tranche VIII	ESOS - 2018 Tranche IX
Options outstanding at the beginning of the year (a)	27,501	17,978	5,590
Options exercisable at the beginning of the year (b)	8,879	4,006	-
Options granted during the year (c)	-	-	-
Options lapsed / expired during the year (d)	-	-	-
Options vested during the year (e)	10,371	6,780	1,230
Options exercised during the year (f)	-	-	1,230
Options forfeited during the year (g)	1,415	925	168
Options outstanding at end of the year (h) = (a+c-e-g)	15,715	10,273	4,192
Options exercisable at the end of the year (i) = (b+e-d-f)	19,250	10,786	-
Weighted average exercise price per option (₹)	690.35	588.10	345.20
Weighted average remaining contractual life (year)	2.44	2.99	3.69

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	As at 31 <sup>st</sup> March 2025			
	ESOS - 2018 Tranche X	ESOS - 2018 Tranche XI	ESOS - Restricted stock units 2020 Tranche I	ESOS - Restricted stock units 2020 Tranche II
Options outstanding at the beginning of the year (a)	108,417	46,048	7,129	3,847
Options exercisable at the beginning of the year (b)	6,747	-	1,889	-
Options granted during the year (c)	-	-	-	-
Options lapsed / expired during the year (d)	-	-	13	-
Options vested during the year (e)	24,585	10,130	6,091	752
Options exercised during the year (f)	23,613	-	3,231	752
Options forfeited during the year (g)	5,824	1,382	1,038	103
Options outstanding at end of the year (h) = (a+c-e-g)	78,008	34,536	-	2,992
Options exercisable at the end of the year (i) = (b+e-d-f)	7,719	10,130	4,736	-
Weighted average exercise price per option (₹)	345.30	431.20	10.00	10.00
Weighted average remaining contractual life (year)	3.70	3.74	0.88	1.64

Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2016 Tranche I	ESOS - 2016 Tranche II	ESOS - 2016 Tranche IV	ESOS - 2016 Tranche VI
Options outstanding at the beginning of the year (a)	-	-	-	-
Options exercisable at the beginning of the year (b)	-	-	-	-
Options granted during the year (c)	6,364	142,428	19,334	167,384
Options lapsed / expired during the year (d)	31	73,974	6,443	-
Options vested during the year (e)	6,364	134,844	19,334	33,477
Options exercised during the year (f)	6,333	-	-	-
Options forfeited during the year (g)	-	7,584	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	-	-	-	133,907
Options exercisable at the end of the year (i) = (b+e-d-f)	-	60,870	12,891	33,477
Weighted average exercise price per option (₹)	-	1,600.60	1,333.35	444.05
Weighted average remaining contractual life (year)	-	0.42	0.82	4.26

Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2018 Tranche I	ESOS - 2018 Tranche II	ESOS - 2018 Tranche III	ESOS - 2018 Tranche IV
Options outstanding at the beginning of the year (a)	-	-	-	-
Options exercisable at the beginning of the year (b)	-	-	-	-
Options granted during the year (c)	485,563	47,790	83,301	6,129
Options lapsed / expired during the year (d)	129,179	20,132	45,945	-
Options vested during the year (e)	469,250	47,790	83,301	3,678
Options exercised during the year (f)	-	-	-	3,678
Options forfeited during the year (g)	16,312	-	-	-
Options outstanding at end of the year (h) = (a+c-e-g)	1	-	-	2,451
Options exercisable at the end of the year (i) = (b+e-d-f)	340,071	27,658	37,356	-
Weighted average exercise price per option (₹)	1,333.35	1,333.35	847.40	261.15
Weighted average remaining contractual life (year)	1.34	0.67	1.47	3.39

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2018 Tranche V	ESOS - 2018 Tranche VII	ESOS - 2018 Tranche VIII	ESOS - 2018 Tranche IX
Options outstanding at the beginning of the year (a)	-	-	-	-
Options exercisable at the beginning of the year (b)	-	-	-	-
Options granted during the year (c)	39,288	5,758	25,683	6,988
Options lapsed / expired during the year (d)	-	-	-	-
Options vested during the year (e)	8,879	1,048	4,006	1,062
Options exercised during the year (f)	-	1,048	-	1,062
Options forfeited during the year (g)	2,908	4,710	3,699	336
Options outstanding at end of the year (h) = (a+c-e-g)	27,501	-	17,978	5,590
Options exercisable at the end of the year (i) = (b+e-d-f)	8,879	-	4,006	-
Weighted average exercise price per option (₹)	690.35	-	588.10	345.20
Weighted average remaining contractual life (year)	3.43	-	3.98	4.32

Particulars	As at 31 <sup>st</sup> March 2024			
	ESOS - 2018 Tranche X	ESOS - 2018 Tranche XI	ESOS - Restricted stock units 2020 Tranche I	ESOS - Restricted stock units 2020 Tranche II
Options outstanding at the beginning of the year (a)	-	-	-	-
Options exercisable at the beginning of the year (b)	-	-	-	-
Options granted during the year (c)	155,876	57,560	17,872	4,274
Options lapsed / expired during the year (d)	-	-	-	-
Options vested during the year (e)	21,964	8,979	6,722	359
Options exercised during the year (f)	15,217	8,979	4,833	359
Options forfeited during the year (g)	25,495	2,533	4,021	68
Options outstanding at end of the year (h) = (a+c-e-g)	108,417	46,048	7,129	3,847
Options exercisable at the end of the year (i) = (b+e-d-f)	6,747	-	1,889	-
Weighted average exercise price per option (₹)	345.30	431.20	10.00	10.00
Weighted average remaining contractual life (year)	4.36	4.70	1.68	2.29

### For the year ended 31<sup>st</sup> March 2025

ESOS - 2018 Tranche III: Weighted average share price at the date of the exercise of the stock option is ₹995.70

ESOS - 2018 Tranche IV: Weighted average share price at the date of the exercise of the stock option is ₹995.70

ESOS - 2018 Tranche IX: Weighted average share price at the date of the exercise of the stock option is ₹903.98

ESOS - 2018 Tranche X: Weighted average share price at the date of the exercise of the stock option is ₹866.74

ESOS - 2018 Tranche XII: Weighted average share price at the date of the exercise of the stock option is ₹995.70

ESOS - 2022 Tranche I: Weighted average share price at the date of the exercise of the stock option is ₹925.17

ESOS - 2022 Tranche III: Weighted average share price at the date of the exercise of the stock option is ₹963.15

ESOS - Restricted stock units 2020 Tranche I: Weighted average share price at the date of the exercise of the stock option is ₹851.39

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

ESOS - Restricted stock units 2020 Tranche II: Weighted average share price at the date of the exercise of the stock option is ₹866.60

ESOS - Restricted stock units 2020 Tranche III: Weighted average share price at the date of the exercise of the stock option is ₹927.79

### For the year ended 31<sup>st</sup> March 2024

ESOS - 2016 Tranche I: Weighted average share price at the date of the exercise of the stock option is ₹571.88

ESOS - 2018 Tranche IV: Weighted average share price at the date of the exercise of the stock option is ₹656.39

ESOS - 2018 Tranche VII: Weighted average share price at the date of the exercise of the stock option is ₹782.90

ESOS - 2018 Tranche IX: Weighted average share price at the date of the exercise of the stock option is ₹778.40

ESOS - 2018 Tranche X: Weighted average share price at the date of the exercise of the stock option is ₹698.67

ESOS - 2018 Tranche XI: Weighted average share price at the date of the exercise of the stock option is ₹796.05

ESOS - Restricted stock units 2020 Tranche I: Weighted average share price at the date of the exercise of the stock option is ₹694.70

ESOS - Restricted stock units 2020 Tranche II: Weighted average share price at the date of the exercise of the stock option is ₹730.58

(iii) Black-Scholes Model have been used to derive the fair value of the stock option granted, taking in to account the terms and conditions upon which the share options were granted. The fair value of each stock options and the related parameters considered for the same are:

Particulars	ESOS - 2016 Tranche I	ESOS - 2016 Tranche II	ESOS - 2016 Tranche III	ESOS - 2016 Tranche IV
Estimated value of stock option (₹)	111.71	546.15	487.10	511.64
Share price at grant date (₹)	338.00	1,600.60	1,206.35	1,333.35
Exercise price (₹)	338.00	1,600.60	1,206.35	1,333.35
Expected volatility (%)*	40.65	40.97	35.60	35.60
Dividend yield rate (%)	1.24	0.31	0.39	0.55
Expected life of options** (year)	3.00	3.00	4.50	4.00
Risk free rate of interest (%)	7.23	6.30	7.43	7.79

Particulars	ESOS - 2018 Tranche I	ESOS - 2018 Tranche II	ESOS - 2018 Tranche III	ESOS - 2018 Tranche IV
Estimated value of stock option (₹)	593.17	511.64	321.87	120.56
Share price at grant date (₹)	1,333.35	1,333.35	847.40	261.15
Exercise price (₹)	1,333.35	1,333.35	847.40	261.15
Expected volatility (%)*	35.60	35.60	41.02	48.34
Dividend yield rate (%)	0.53	0.55	1.06	-
Expected life of options** (year)	5.21	4.00	4.00	4.50
Risk free rate of interest (%)	7.90	7.79	6.97	5.06

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	ESOS - 2016 Tranche V	ESOS - 2016 Tranche VI	ESOS - Restricted stock units 2020 Tranche I	ESOS - Restricted stock units 2020 Tranche II
Estimated value of stock option (₹)	120.56	214.75	348.04	380.13
Share price at grant date (₹)	261.15	444.05	356.40	388.20
Exercise price (₹)	261.15	444.05	10.00	10.00
Expected volatility (%)*	48.35	50.64	49.05	52.01
Dividend yield rate (%)	-	-	-	-
Expected life of options** (year)	4.50	4.21	3.50	3.50
Risk free rate of interest (%)	5.06	7.26	5.10	6.07

Particulars	ESOS - 2018 Tranche V	ESOS - 2018 Tranche VI	ESOS - 2018 Tranche VII	ESOS - 2018 Tranche VIII
Estimated value of stock option (₹)	332.79	308.88	243.69	282.65
Share price at grant date (₹)	690.35	644.70	507.20	588.10
Exercise price (₹)	690.35	644.70	507.20	588.10
Expected volatility (%)*	51.06	50.77	50.91	51.04
Dividend yield rate (%)	-	-	-	-
Expected life of options** (year)	4.50	4.50	4.50	4.50
Risk free rate of interest (%)	5.28	5.20	5.24	5.19

Particulars	ESOS - 2018 Tranche IX	ESOS - 2018 Tranche X	ESOS - 2018 Tranche XI	ESOS - 2018 Tranche XII
Estimated value of stock option (₹)	166.72	166.16	208.11	214.71
Share price at grant date (₹)	345.20	345.30	431.20	438.85
Exercise price (₹)	345.20	345.30	431.20	438.85
Expected volatility (%)*	51.30	51.03	50.65	52.25
Dividend yield rate (%)	-	-	-	-
Expected life of options** (year)	4.21	4.21	4.21	4.21
Risk free rate of interest (%)	6.94	6.92	7.19	6.97

Particulars	ESOS - 2022 Tranche I	ESOS - 2022 Tranche II	ESOS - 2022 Tranche III	ESOS - 2022 Tranche IV
Estimated value of stock option (₹)	233.39	311.81	332.51	373.48
Share price at grant date (₹)	483.15	643.40	688.15	803.40
Exercise price (₹)	483.15	643.40	688.15	803.40
Expected volatility (%)*	51.56	51.62	51.00	47.82
Dividend yield rate (%)	-	-	-	-
Expected life of options** (year)	4.21	4.21	4.21	4.21
Risk free rate of interest (%)	6.81	6.90	7.06	7.03

Particulars	ESOS - Restricted stock units 2020 Tranche III	ESOS - Restricted stock units 2020 Tranche IV	ESOS - 2018 Tranche XIII	ESOS - 2018 Tranche XIV
Estimated value of stock option (₹)	475.08	663.92	313.91	377.90
Share price at grant date (₹)	483.15	671.95	671.95	808.15
Exercise price (₹)	10.00	10.00	671.95	808.15
Expected volatility (%)*	51.25	47.53	48.47	48.64
Dividend yield rate (%)	-	-	-	-
Expected life of options** (year)	3.20	3.20	4.20	4.20
Risk free rate of interest (%)	6.78	6.95	6.96	6.91

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	ESOS - 2018 Tranche XV
Estimated value of stock option (₹)	392.74
Share price at grant date (₹)	864.80
Exercise price (₹)	864.80
Expected volatility (%)*	48.68
Dividend yield rate (%)	-
Expected life of options** (year)	4.20
Risk free rate of interest (%)	6.88

\*Expected volatility has been computed basis the expected life.

\*\*Expected life of the share option is based on the date of grant and is not necessarily indicative of exercise pattern that may occur.

(iv) The expenses recognised for the employee services received during the year are as follows:

Particulars	(₹ in crore)	
	Current Year	Previous Year
Expenses arising from equity settled share based payment transaction	17.68	14.46
Expenses arising from cash settled share based payment transaction	-	-
<b>Total</b>	<b>17.68</b>	<b>14.46</b>

## Note 24.9: Dividend declared and paid

Dividend declared during the financial year:

Particulars	Net profit for the accounting period# (₹ in crore)	Rate of dividend (%)*	Amount of dividend (₹ in crore)	Dividend pay out ratio (%)
April 2024- March 2025	1,948.95	50%	129.96	6.67%
April 2023- March 2024	1,527.42	-	-	-

#Net profit for the accounting period is based on standalone financial statement of the Company.

\*The Board of Directors have recommended a dividend of ₹5 per equity share (Previous Year Nil). This is subject to the approval of shareholders at the ensuing Annual General Meeting.

Dividend paid during the financial year:

Particulars	(₹ in crore)	
	Current Year	Previous Year
Dividend on ordinary shares:		
Final dividend for 2025: ₹Nil per share	-	-
Final dividend for 2024: ₹Nil per share	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## Note 25 Other equity (Nature and purpose of reserves)

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Share application money	-	-
Share premium reserve	6,463.63	6,453.26
Special reserve	1,760.76	1,415.76
Statutory reserve	449.97	404.97
Share option outstanding account	50.94	46.55
Retained earnings	8,005.83	6,452.78
Effective portion of cash flow hedges	(127.93)	(58.60)
<b>Total</b>	<b>16,603.20</b>	<b>14,714.72</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Share application money

Share application money pending allotment whereby the amount has been received on the application, of which allotment is not yet made.

### Securities premium

#### Securities premium includes :

- » amount of premium received on issue of equity shares and;
- » fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Employee Stock Options Scheme.

The securities premium can be utilised only for limited purposes such as issuance of bonus shares, issue expenses of securities which qualify as equity instruments in accordance with the provisions of the Companies Act, 2013.

### Special reserve and Statutory reserve

In accordance with Section 29C(i) of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve fund (statutory reserve) before any dividend is declared.

The Company has created a special reserve in terms of clause (viii) of sub-section (1) of section 36 of the Income-tax Act, 1961 and the same is considered to be an eligible transfer for the purposes of section 29C (i).

### Share option outstanding account

The cost of equity settled transactions is determined by the fair value at the date when the grant is made using the Black-Scholes Model. The cumulative expense recognised for equity settled transaction is credited to share option outstanding account in equity.

### Retained Earnings

Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

### Effective portion of cash flow hedges

The Company uses hedging instruments as part of its management of foreign currency risk and interest rate risk associated on borrowings. For hedging foreign currency and interest rate risk, the Company uses foreign currency forward contracts, cross currency swaps and interest rate swaps. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to the statement of profit or loss when the hedged item affects profit or loss (e.g. interest payments).

## Note 26 Interest income

(₹in crore)

Particulars	Current Year			Previous Year		
	On financial assets measured at Amortised cost	Interest income on financial assets classified as fair value through profit or loss	Total	On financial assets measured at Amortised cost	Interest income on financial assets classified as fair value through profit or loss	Total
<b>Loans</b>	6,887.12	-	6,887.12	6,244.43	-	6,244.43
<b>Investments</b>						
Financial investments - Debt	172.22	-	172.22	173.82	-	173.82
Financial asset valued at fair value through profit and loss	-	155.39	155.39	-	175.03	175.03
<b>Deposits with banks</b>	53.21	-	53.21	144.01	-	144.01

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹ in crore)

Particulars	Current Year			Previous Year		
	On financial assets measured at Amortised cost	Interest income on financial assets classified as fair value through profit or loss	Total	On financial assets measured at Amortised cost	Interest income on financial assets classified as fair value through profit or loss	Total
<b>Other Interest income</b>						
Loan against deposits	5.79	-	5.79	4.92	-	4.92
<b>Total</b>	<b>7,118.34</b>	<b>155.39</b>	<b>7,273.73</b>	<b>6,567.18</b>	<b>175.03</b>	<b>6,742.21</b>

## Note 27 Fees and commission income

(₹ in crore)

Particulars	Current Year	Previous Year
Fees income	44.36	41.21
Fees income on corporate insurance agency	232.34	141.58
Other charges recovered	87.62	90.10
<b>Total</b>	<b>364.32</b>	<b>272.89</b>
<b>Geographical markets</b>		
India	364.32	272.89
Outside India	-	-
<b>Total</b>	<b>364.32</b>	<b>272.89</b>
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	364.32	272.89
Services transferred over time	-	-
<b>Total</b>	<b>364.32</b>	<b>272.89</b>
<b>Contract Assets</b>		
Fees and other receivables (net of impairment allowance)	49.93	55.55
<b>Contract Liabilities</b>		
Advance received from customers	-	3.58

## Note 28 Net gain on fair value changes

(₹ in crore)

Particulars	Current Year	Previous Year
Net gain on financial instruments at fair value through profit or loss		
Others		
Investments	27.30	34.98
<b>Total</b>	<b>27.30</b>	<b>34.98</b>
Fair value changes:		
Realised	13.86	18.86
Unrealised	13.44	16.12
<b>Total</b>	<b>27.30</b>	<b>34.98</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 29 Other income

Particulars	(₹ in crore)	
	Current Year	Previous Year
Interest on income tax refund	19.78	2.56
Other miscellaneous income	6.50	4.45
<b>Total</b>	<b>26.28</b>	<b>7.01</b>

### Note 30 Finance costs

Particulars	Current Year			Previous Year		
	On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost	Total	On financial liabilities measured at fair value through Profit or loss	On financial liabilities measured at Amortised cost	Total
	Interest on debt securities	-	743.96	743.96	-	516.70
Interest on borrowings	-	2,332.41	2,332.41	-	2,328.80	2,328.80
Interest on deposits	-	1,396.54	1,396.54	-	1,320.90	1,320.90
Interest on subordinated liabilities	-	57.03	57.03	-	76.96	76.96
Interest on lease liabilities	-	10.25	10.25	-	7.22	7.22
Interest on Income tax	-	-	-	-	0.02	0.02
Fee and other charges	-	11.21	11.21	-	10.52	10.52
<b>Total</b>	<b>-</b>	<b>4,551.40</b>	<b>4,551.40</b>	<b>-</b>	<b>4,261.12</b>	<b>4,261.12</b>

### Note 31 Impairment on financial instruments and write offs

Particulars	Current Year			Previous Year		
	On financial instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	Total	On financial instruments measured at fair value through OCI	On financial instruments measured at Amortised cost	Total
	Loans	-	(130.21)	(130.21)	-	(183.27)
Bad debts written off (net)	-	(193.40)	(193.40)	-	353.73	353.73
Investments*	-	164.35	164.35	-	-	-
Other receivables	-	0.44	0.44	-	0.57	0.57
Trade receivables	-	0.29	0.29	-	0.09	0.09
<b>Total</b>	<b>-</b>	<b>(158.53)</b>	<b>(158.53)</b>	<b>-</b>	<b>171.12</b>	<b>171.12</b>

\* Including fair value (gain)/loss on security receipts.

### Note 32 Employee benefits expenses

Particulars	(₹ in crore)	
	Current Year	Previous Year
Salaries, allowances and benefits	365.94	293.30
Contribution to provident and other funds	28.93	23.11
Share based payments to employees	17.68	14.46
Staff welfare expenses	8.92	6.47
<b>Total</b>	<b>421.47</b>	<b>337.34</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## Note 33 Other expenses

Particulars	(₹in crore)	
	Current Year	Previous Year
Rent expenses	2.94	4.36
Rates and taxes	0.09	0.26
Electricity and water expenses	9.51	9.35
Repairs and maintenance	25.18	26.54
Office running and maintenance expenses	46.50	38.60
Business support services	11.13	9.64
Legal and professional charges	91.53	63.46
Royalty Fee	33.33	29.66
Advertisement and publicity	24.83	24.23
Corporate social responsibility expenses (Refer Note 33.1)	30.41	23.13
Communication costs	16.87	13.02
Travelling and conveyance	14.49	13.06
Printing and stationery	6.04	4.56
Training and recruitment expenses	3.15	3.15
Director's fees, allowances and expenses	3.41	3.10
Auditor's fees and expenses (Refer Note 33.2)	1.28	1.18
Insurance	0.45	0.60
Bank charges	0.36	1.93
Net loss on derecognition of property, plant and equipment	-	0.25
Assets held for sale written off	0.28	-
Other expenditure	0.03	-
<b>Total</b>	<b>321.81</b>	<b>270.08</b>

### Note 33.1: Corporate Social Responsibility expenses (CSR)

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2021 as amended, the Company is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	(₹in crore)	
	Current Year	Previous Year
a) Gross amount required to be spent by the Company during the year	30.41	23.13
b) Amount spent during the year		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above		
- Contribution to various Trust/NGOs/Societies/Agencies and utilisation thereon	6.14	16.97
- Expenditure on administrative overheads for CSR <sup>^</sup>	1.33	0.89
- Expenditure on Impact Assessment study	0.05	0.21
<b>Total</b>	<b>7.52</b>	<b>18.07</b>
c) Shortfall at the end of year	22.89	5.06
d) Total of previous years shortfall	0.85	0.50
e) Reason for shortfall	Refer note 33.1(i)	Refer note 33.1(i)
f) Details of related party transactions, contribution to a trust controlled by the company in relation to CSR expenditure trust		
- Pehel Foundation	10.83	23.42

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	(₹ in crore)	
	Current Year	Previous Year
g) Nature of CSR activities		
Nature of CSR activities undertaken by the Company are in relation to:		
- Healthcare	5.43	16.79
- Education	1.93	2.33
- Women Empowerment	1.02	2.23
- Environmental Sustainability	0.75	2.07
- Sports	0.71	-
- Village Development	0.93	-
- Others	0.05	0.05
h) CSR amount spent or unspent for the financial year		
- Total Amount Spent for the Financial Year	7.52	18.07
- Total Amount transferred to Unspent CSR Account as per section 135(6)	22.89	5.06
- Amount transferred to Unspent Corporate Social Responsibility Account with in specified period	Yes	Yes
- Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	-	-

**Note 33.1 (i):** For optimal and proper utilisation of the CSR funds, projects have been designed as an ongoing multi year projects for effective and long term impact. Accordingly, funds for the same projects will be utilised as planned from unspent account in the subsequent financial years.

^The administrative overheads considered on the actual to be spent during the year.

### Note 33.2: Auditor's fees and expenses

Particulars	(₹ in crore)	
	Current Year	Previous Year
Statutory audit fee	0.50	0.49
Tax audit fee	0.09	0.09
Limited review fee	0.35	0.36
Other certification fee	0.17	0.12
Out of pocket expenses	0.07	0.04
GST expenses on Auditor's fees and expenses	0.10	0.08
<b>Total</b>	<b>1.28</b>	<b>1.18</b>

## Note 34 Income taxes

The components of income tax expense are:

Particulars	(₹ in crore)	
	Current Year	Previous Year
Current tax	571.25	422.79
Adjustments in respect of current income tax of prior years	(1.42)	(0.12)
Deferred tax relating to origination and reversal of temporary differences	(20.20)	23.22
<b>Total</b>	<b>549.63</b>	<b>445.89</b>
Current tax	569.83	422.67
Deferred tax (Refer Note 10)	(20.20)	23.22

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 34.1:** Reconciliation of tax expense and the accounting profit multiplied by statutory income tax rate for the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 is as follows:

Particulars		(₹ in crore)	
		Current Year	Previous Year
Accounting profit before tax	(a)	2,485.77	1,953.90
Statutory income tax rate (%)	(b)	25.168	25.168
Tax at statutory income tax rate	(c) = (a*b)	625.62	491.76
Adjustments in respect of current income tax of prior years	(d)	(1.42)	(0.12)
<b>Impact of:</b>			
- Income not subject to tax	(e)	41.95	27.15
- Non deductible expenses	(f)	(14.64)	(44.01)
- Deduction under section 36 (1) (viii)	(g)	(86.77)	(58.05)
- Other deductions	(h)	5.09	5.94
<b>Total current tax expense</b>	<b>(c+d+e+f+g+h)</b>	<b>569.83</b>	<b>422.67</b>
<b>Effective tax rate (%)</b>		<b>22.11</b>	<b>22.82</b>
<b>Other comprehensive income</b>			
Tax expense on re-measurement gains/ (losses) on defined benefit plan		0.11	0.22
<b>Total tax on other comprehensive income</b>		<b>0.11</b>	<b>0.22</b>

### Note 35 Earning per share

i) The Earnings Per Share (EPS) is calculated as follows:

Particulars	Unit	(₹ in crore)	
		Current Year	Previous Year
a) Amount used as the numerator for basic EPS profit for the year	(₹ in crore)	1,936.14	1,508.01
b) Weighted average number of equity shares for basic EPS	Number	25,98,00,371	25,83,67,514
c) Weighted average number of equity shares for diluted EPS	Number	26,07,62,937	25,91,30,272
d) Nominal value per share	( in ₹)	10/-	10/-
e) Earnings per share:			
- Basic (a/b)	( in ₹)	74.52	58.37
- Diluted (a/c)	( in ₹)	74.25	58.20

ii) The basic earnings per share has been computed by dividing the net profit after tax attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the year. The diluted earnings per share has been computed by dividing the net profit after tax attributable to equity share holders of the Company by the weighted average number of equity shares considered for deriving basic earning per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Diluted potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. Diluted potential equity shares are determined independently for each period presented. Diluted earnings per share does not include conversion or exercise of potential ordinary shares that would have an antidilutive effect on earnings per share.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Reconciliation of equity shares used in computation of basic and diluted earning per equity share is as follows:-

Particulars	(₹ in crore)	
	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Weighted average number of equity shares at the beginning of the year	25,97,23,886	16,88,55,818
Weighted average number of equity shares issued during the year	76,485	8,95,11,696
Weighted average number of equity shares for computation of basic earnings per share	25,98,00,371	25,83,67,514
Effect of dilutive equity shares - share option outstanding	9,62,566	7,62,758
Weighted average number of equity shares for computation of dilutive earnings per share	26,07,62,937	25,91,30,272

### Note 36 Disclosure as per regulatory guidelines

The Company has been classified as Upper Layer entity under Scale Based Regulations issued by Reserve Bank of India.

The following additional disclosures have been given in compliance with:

- Master Direction – Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 ('RBI directions') issued by RBI vide notification number RBI/2020-21/73/DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17<sup>th</sup> February 2021 as amended from time to time; and
- Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ('RBI directions') issued by RBI vide notification number RBI/DoR/2023-24/106/DoR.FIN.REC.No.45/03.10.119/2023-24 dated 19<sup>th</sup> October 2023 as amended from time to time.

The above stated RBI and NHB Directions are applicable to the Company on standalone basis except Note no. 36.10, hence these disclosures are on the basis of standalone financial statement of the Company.

### Note 36.1: Capital to Risk Assets Ratio (CRAR)

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
i) CRAR (%) <sup>^</sup>	29.38	29.26
ii) CRAR – Tier I Capital (%)	28.39	27.90
iii) CRAR – Tier II Capital (%)	0.99	1.36
(iv) Amount of subordinated debt raised as Tier-II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

<sup>^</sup>The CAR or the CRAR is computed by dividing the total capital fund of the Company with aggregated risk-weighted assets/exposure.

### Note 36.2: Reserve Fund u/s 29C of NHB Act, 1987

Particulars	(₹ in crore)	
	Current Year	Previous Year
<b>Balance at the beginning of the year</b>		
(a) Statutory Reserve u/s 29C of NHB Act, 1987	404.97	334.97
(b) Amount of Special Reserve u/s 36 (1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of NHB Act, 1987	1,415.76	1,179.76
<b>(c) Total</b>	<b>1,820.73</b>	<b>1,514.73</b>
<b>Addition / Appropriation / Withdrawal during the year</b>		
Add:		
(a) Amount transferred u/s 29C of the NHB Act, 1987	45.00	70.00
(b) Amount of Special Reserve u/s 36 (1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of NHB Act, 1987	345.00	236.00

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	(₹ in crore)	
	Current Year	Previous Year
Less:		
(a) Amount appropriated from Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
(b) Amount withdrawn from Special Reserve u/s 36 (1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of NHB Act, 1987	-	-
<b>Balance at the end of the year</b>		
(a) Statutory Reserve u/s 29C of NHB Act, 1987	449.97	404.97
(b) Amount of Special Reserve u/s 36 (1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987	1,760.76	1,415.76
<b>(c) Total</b>	<b>2,210.73</b>	<b>1,820.73</b>

## Note 36.3: Investments

Particulars	(₹ in crore)	
	Current Year	Previous Year
<b>Value of Investments</b>		
(i) Gross value of Investments		
(a) In India	3,623.66	4,423.81
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	242.90	78.55
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	3,380.76	4,345.26
(b) Outside India	-	-
<b>Movement of provisions held towards depreciation on investments</b>		
(i) Opening balance	78.55	78.55
(ii) Add: Provisions made during the year	164.35	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	242.90	78.55

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Current investments	952.68	1,915.56
Non-current investments	2,428.08	2,429.70
<b>Total</b>	<b>3,380.76</b>	<b>4,345.26</b>

## Note 36.4: Derivatives

### i) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
(i) The notional principal of swap agreements	6,127.37	3,275.44
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	65.63	190.36
(iii) Collateral required by the HFC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps <sup>a</sup>	6,127.37	3,275.44
(v) The fair value of the swap book	(50.12)	135.01

<sup>a</sup>The Company has entered into swap and forward agreements with various banks having almost equal exposure with each of them. Hence, there is no concentration of credit risk which could be exposure to particular industries or swaps with highly geared companies.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### ii) Exchange Traded Interest Rate (IR) Derivative – There is no exchange traded interest rate derivative.

(₹ in crore)

Particulars	As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31 <sup>st</sup> March	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

### iii) Disclosure on Risk Exposure in Derivatives

#### A. Qualitative Disclosure

Particulars	Details
a) the structure and organisation for management of risk in derivatives trading,	Financial Risk Management of the Company constitutes the Asset Liability Committee (ALCO) and Risk Management Committee (RMC) and has a Market Risk Management policy under its supervision. The Company manages its risk in accordance with the guidelines prescribed in its 'Asset Liability Management' and 'Market Risk Management' policies. As a policy, the Company doesn't trade in derivative products. The Company has entered into derivative product for its ECB borrowing for financing prospective buyers of eligible housing units under automatic route in terms of RBI guidelines. Interest rate risks is mitigated by entering into interest rate swaps. The currency risk on the borrowings is actively managed mainly through a combination of swaps and forward contracts. As a part of Asset Liability Management, the Company has entered into interest rate swaps wherein it has converted a portion of its floating rate liabilities into fixed rate.
b) the scope and nature of risk measurement, risk reporting and risk monitoring systems,	The RMC has put in place the control measures to contain these risks. The Company has a robust mechanism to ensure an ongoing monitoring and review of systems, policies, processes and procedures to contain and mitigate risk that arise from time to time.
c) policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants, and	The Company has not entered into any speculative derivative transaction (without underlying exposure). The Company has entered in to derivative transaction only for hedging its foreign currency and interest rate exposure against foreign currency borrowing which has been availed for financing prospective buyers of eligible housing units. The derivative transactions entered into for hedging the ECB borrowings are as per the applicable guidelines of RBI. The hedging is guided by the Board resolution authorising the Company to borrow through ECB route and hedging of the underlying exposure.
d) accounting policy for recording hedge and non-hedge transactions; recognition of income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation.	The derivative contracts are initially recognised at fair value on the date of the transaction and all outstanding derivative transactions, on the date of balance sheet, are revalued at their fair market value, on that date. Where Cash Flow hedge accounting is used, fair value changes of the derivative contracts are recognised through the Cash Flow Hedge Reserve in the same period they are accrued. Any profit/loss arising on cancellation/unwinding of derivative contracts are recognised as income or expenses for the period. Premium paid / discount received in advance on derivative contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts, if such contracts relate to monetary items as at the balance sheet date.

#### B. Quantitative Disclosure

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount) for Hedging	5,127.37	1,000.00	2,275.44	1,000.00
(ii) Marked to Market Positions				
(a) Assets (+)*	44.51	21.12	190.36	-
(b) Liability (-)	(115.75)	-	(55.35)	-
(iii) Credit Exposure	-	-	-	-
(iv) Unhedged Exposures	-	-	-	-

\* Including margin money received from counter party bank.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 36.5: Assignment / Securitisation

- i) There are no SPVs sponsored by PNB Housing Finance Limited.
- ii) During the year, the Company has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction (Previous year Nil).
- iii) Details of assignment transactions undertaken:

Particulars	(₹in crore)	
	Current Year	Previous Year
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts assigned	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realised in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

- iv) During the year, the Company has not purchased any non-performing financial assets (Previous year Nil).
- v) During the year, the Company has sold non-performing financial assets details of which are given in Note 8.3 (c).

### Note 36.6: Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

The residual maturity profile of Assets and Liabilities is carried out based on the current estimates and assumptions regarding behavioural pattern of pre-payments/maturities and renewals which have been relied upon by the auditors. Maturity pattern of certain items of assets and liabilities are as follows:

As at 31<sup>st</sup> March 2025

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks and Financial Institutions	Market borrowings	Foreign Currency liabilities	Net advances	Investments	Foreign currency assets
1 day to 7 days	44.00	479.13	-	-	269.93	-	-
8 days to 14 days	41.12	423.75	-	-	807.79	4.51	-
15 days to 30/31 days	123.41	115.71	500.00	641.86	656.12	3,257.89	-
Over 1 month to 2 months	267.51	116.43	2,000.00	10.04	1,175.66	-	-
Over 2 months to 3 months	293.74	2,964.40	-	16.44	1,161.08	-	-
Over 3 months to 6 months	1,040.76	2,746.32	750.00	538.08	3,364.98	5.09	-
Over 6 months to 1 year	2,283.51	4,233.62	710.00	283.74	6,237.75	-	-
Over 1 year to 3 years	7,532.75	11,340.03	2,842.00	2,978.85	19,614.82	88.13	-
Over 3 years to 5 years	3,852.06	5,448.10	2,311.04	-	13,249.13	-	-
Over 5 years	2,162.87	3,218.52	-	-	28,230.31	25.14	-
<b>Total</b>	<b>17,641.73</b>	<b>31,086.01</b>	<b>9,113.04</b>	<b>4,469.01</b>	<b>74,767.57</b>	<b>3,380.76</b>	<b>-</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

As at 31<sup>st</sup> March 2024

(₹in crore)

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market borrowings	Foreign Currency liabilities	Net advances	Investments	Foreign currency assets
1 day to 7 days	87.25	303.26	-	-	269.60	-	-
8 days to 14 days	67.10	803.75	-	-	729.31	-	-
15 days to 30/31 days	167.48	156.25	-	-	645.36	568.92	-
Over 1 month to 2 months	325.76	586.15	1,500.00	-	1,154.71	10.31	-
Over 2 months to 3 months	316.32	2,765.71	1,980.00	-	1,135.62	1,336.25	-
Over 3 months to 6 months	1,249.93	2,549.94	475.00	833.74	3,283.60	203.47	-
Over 6 months to 1 year	2,187.10	3,567.25	1,000.00	-	6,039.64	90.89	-
Over 1 year to 3 years	7,070.09	10,315.62	1,722.00	622.41	18,356.40	786.45	-
Over 3 years to 5 years	4,128.58	4,538.04	1,439.70	-	11,709.89	828.64	-
Over 5 years	2,198.69	1,624.83	474.72	-	20,880.63	520.33	-
<b>Total</b>	<b>17,798.30</b>	<b>27,210.80</b>	<b>8,591.42</b>	<b>1,456.15</b>	<b>64,204.76</b>	<b>4,345.26</b>	<b>-</b>

### Note 36.7: Exposure

i) Exposure to Real Estate Sector

(₹in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>i) Direct Exposure</b>		
A. Residential Mortgages (including loan against residential property): Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure also include non-fund based (NFB) limits.	68,445.86	57,292.18
B. Commercial Real Estate: Lending secured by mortgages on commercial real estates. Exposure also include non-fund based (NFB) limits	7,373.73	8,090.41
C. Investments in Mortgage Backed Securities (MBS) and other securitised exposures –		
i) Residential	-	-
ii) Commercial Real Estate	-	-
<b>ii) Indirect Exposure</b>		
Fund based and non-fund based exposures on National Housing Bank and Housing Finance Companies (HFCs)	-	-
<b>Total exposures to real estate sector</b>	<b>75,819.59</b>	<b>65,382.59</b>

**Note:** While computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors. Further, in addition of total exposure to real estate sector the Company has also advanced loan against deposit amounting to ₹67.34 crore (Previous year ₹71.74 crore).

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## ii) Sectoral exposure

(₹in crore)

Particulars	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans	83,529.50	816.80	0.98%	72,282.05	984.68	1.36%
i Retail Housing Loans	59,979.84	511.42	0.85%	51,509.42	520.41	1.01%
ii Retail Non Housing Loans	22,587.06	305.38	1.35%	18,686.53	396.30	2.12%
iii Non Retail Loans	962.60	-	0.00%	2,086.10	67.97	3.26%

- iii) As on 31<sup>st</sup> March 2025, the Company does not have any exposure to Capital Market (Previous year Nil).
- iv) As on 31<sup>st</sup> March 2025, the Company has not financed any product of the parent company (Previous year Nil).
- v) As on 31<sup>st</sup> March 2025, the Company has not exceeded the prudential exposure limit for single borrower or group borrower (Previous year Nil).
- vi) As on 31<sup>st</sup> March 2025, the Company has not given any unsecured advances (Previous year Nil).
- vii) As on 31<sup>st</sup> March 2025, all advances of the Company are secured against tangible assets and there are no advances against intangible assets (Previous year Nil).
- viii) As on 31<sup>st</sup> March 2025, the Company has no exposures to group companies engaged in the real estate business (Previous year Nil).
- ix) As on 31<sup>st</sup> March 2025, the Company has no Intra-group exposures with in the group companies as defined by RBI (Previous year Nil).
- x) Unhedged foreign currency exposure Refer Note 36.4.

### Note 36.8: Registration obtained from financial sector regulators

NHB : vide registration number 01.0018.01

Ministry of Corporate Affairs : L65922DL1988PLC033856

Insurance Regulatory and Development Authority of India : CA0862. The registration shall be valid from 21<sup>st</sup> July 2023 to 20<sup>th</sup> July 2026.

### Note 36.9: Disclosure of Penalties and strictures imposed by NHB/RBI and other regulators

During the financial year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024, there is no penalty imposed by Regulators.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## Note 36.10: Related Party Transactions

Name of the Related Party	Nature of Relationship
i) Pehel Foundation	Wholly owned Subsidiary
ii) PHFL Home Loans and Services Limited	Wholly owned Subsidiary
iii) Punjab National Bank	Promoter/Enterprise having Significant Influence
iv) Quality Investment Holding Pcc (formerly Quality Investment Holdings)	Enterprise having Significant Influence <sup>^</sup>
v) PNB Investment Services Limited	Promoter group company
vi) PNB Gilts Limited	Promoter group company
vii) PNB Metlife India Insurance Co Ltd	Promoter group company
viii) Assam Gramin Vikash Bank	Promoter group company
ix) Tripura Gramin Bank	Promoter group company
x) Bangiya Gramin Vikash Bank	Promoter group company
xi) Mr. Atul Kumar Goel (Non-Executive Nominee Director)*	Key Management Personnel
xii) Mr. Sunil Kaul (Non-Executive Nominee Director)	Key Management Personnel
xiii) Mr. Kapil Modi (Non-Executive Nominee Director)**	Key Management Personnel
xiv) Mr. Neeraj Madan Vyas <sup>#</sup> (Independent Director)	Key Management Personnel
xv) Mr. Chandrasekaran Ramakrishnan (Independent Director)	Key Management Personnel
xvi) Mr. Nilesh S Vikamsey (Independent Director)	Key Management Personnel
xvii) Dr. Tejendra Mohan Bhasin (Independent Director)	Key Management Personnel
xviii) Mr. Sudarshan Sen (Independent Director)	Key Management Personnel
xix) Ms. Gita Nayyar (Independent Director)	Key Management Personnel
xx) Mr. Pavan Pal Kaushal (Independent Director)	Key Management Personnel
xxi) Mr. Dilip Kumar Jain (Non-Executive Nominee Director)	Key Management Personnel
xxii) Mr. Ashwani Kumar Gupta (Independent Director)***	Key Management Personnel
xxiii) Ms. Anjali Bhasin	Relative of Key Management Personnel
xxiv) Mr. R Santhanam	Relative of Key Management Personnel
xxv) Mr. Hardayal Prasad (Managing Director and CEO)****	Key Managerial Personnel
xxvi) Mr. Girish Kousgi (Managing Director and CEO)	Key Managerial Personnel
xxvii) Ms. Veena Kamath (Company Secretary) (w.e.f. 1 <sup>st</sup> February, 2024)	Key Managerial Personnel
xxviii) Mr. Sanjay Jain (Company Secretary)*****	Key Managerial Personnel
xxix) Mr. Vinay Gupta (Chief Financial Officer)	Key Managerial Personnel
xxx) Ms. Deepika Gupta Padhi (Director)	Key Management Personnel of PHFL Home Loan and Services Limited
xxxi) Mr. Amit Singh (Director)	Key Management Personnel of PHFL Home Loan and Services Limited
xxxii) Mr. Dilip Vaitheeswaran (Director) (w.e.f. 22 <sup>nd</sup> November, 2023)	Key Management Personnel of PHFL Home Loan and Services Limited

\*Ceased to be a Director w.e.f. 1<sup>st</sup> January, 2025

\*\*Ceased to be a Director w.e.f. 31<sup>st</sup> July, 2024

\*\*\*Ceases to be Independent Director w.e.f. 11<sup>th</sup> May, 2022

\*\*\*\*Ceased to be Managing Director and CEO w.e.f. 20<sup>th</sup> October, 2022

\*\*\*\*\*Ceased to be Company Secretary w.e.f. 31<sup>st</sup> January, 2024

#Independent Director since 12<sup>th</sup> August, 2024.

<sup>^</sup>Ceased to have significant influence on account of reduction in shareholding from 32.68 % to 10.44 %.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## Transactions with Related Parties

The nature & volume of transactions of the Company during the year, with the related parties were as follows. These transactions were carried out in ordinary course of business and were at arm's length price:

Particulars	₹(in crore)											
	Promoter/Enterprises having significant influence		Wholly owned subsidiaries		Key Managerial Personnel/Relatives of Key Managerial Personnel		Key Managerial Personnel/Relatives of Key Managerial Personnel		Key Managerial Personnel/Relatives of Key Managerial Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Transaction during the year:</b>												
<b>Peheil Foundation</b>												
- Donation paid	-	-	10.83	23.42	-	-	-	-	-	-	10.83	23.42
<b>PHFL Home Loans and Services Limited</b>												
- Management and deputation services	-	-	-	-	-	-	-	-	-	-	-	-
- Rental income	-	-	-	-	-	-	-	-	-	-	-	-
- Commission & support services expense	-	-	-	-	-	-	-	-	-	-	-	-
- Property service charges	-	-	-	-	-	-	-	-	-	-	-	-
<b>Punjab National Bank*</b>												
- Principal paid on assignment of loans	575.63	679.76	-	-	-	-	-	-	-	-	575.63	679.76
- Interest & other charges paid on assignment of loans	230.61	276.45	-	-	-	-	-	-	-	-	230.61	276.45
- Servicing fees received on assignment of loan portfolio	3.39	4.28	-	-	-	-	-	-	-	-	3.39	4.28
- Term loan raised	4,525.00	5,305.00	-	-	-	-	-	-	-	-	4,525.00	5,305.00
- Term loan repaid	2,066.64	5,071.30	-	-	-	-	-	-	-	-	2,066.64	5,071.30
- ECB repaid	-	1,863.40	-	-	-	-	-	-	-	-	-	1,863.40
- Interest Paid on Term Loan Instalment / ECB / OD	322.69	279.51	-	-	-	-	-	-	-	-	322.69	279.51
- Upfront fees paid on ECB and Loans	0.10	-	-	-	-	-	-	-	-	-	0.10	-
- Rent & Maintenance Charges	0.28	0.39	-	-	-	-	-	-	-	-	0.28	0.39
- Bank Charges	0.34	0.25	-	-	-	-	-	-	-	-	0.34	0.25
- Royalty fees	30.58	27.21	-	-	-	-	-	-	-	-	30.58	27.21
<b>PNB Investment Service Private Limited</b>												
- Fees paid	-	0.02	-	-	-	-	-	-	-	-	-	0.02

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	(₹ in crore)											
	Promoter/Enterprises having significant influence		Wholly owned subsidiaries		Key Managerial Personnel/ Relatives of Key Managerial Personnel		Key Managerial Personnel/ Relatives of Key Managerial Personnel		Key Management Personnel/ Relatives of Key Management Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>PNB Gilts Limited</b>												
- Purchase of securities (inter-mediatory)	893.59	2,280.12	-	-	-	-	-	-	-	-	893.59	2,280.12
- Redemption of securities	790.00	2,456.97	-	-	-	-	-	-	-	-	790.00	2,456.97
- Service charges	0.01	0.02	-	-	-	-	-	-	-	-	0.01	0.02
- Interest income on securities	185.34	201.51	-	-	-	-	-	-	-	-	185.34	201.51
<b>PNB Metlife India Insurance Co Ltd</b>												
- Insurance premium given on behalf of customer	112.25	102.04	-	-	-	-	-	-	-	-	112.25	102.04
- Insurance claims received on behalf of customer	10.65	6.26	-	-	-	-	-	-	-	-	10.65	6.26
- Insurance premium received back	7.69	9.71	-	-	-	-	-	-	-	-	7.69	9.71
- Fees income on corporate insurance agency	27.41	15.76	-	-	-	-	-	-	-	-	27.41	15.76
<b>Assam Gramin Vikash Bank</b>												
- Deposits received	25.00	45.00	-	-	-	-	-	-	-	-	25.00	45.00
- Interest on deposit received	6.71	7.38	-	-	-	-	-	-	-	-	6.71	7.38
- Deposits Matured (including interest)	13.47	47.08	-	-	-	-	-	-	-	-	13.47	47.08
- Non Convertible debentures redeemed	20.00	-	-	-	-	-	-	-	-	-	20.00	-
- Interest on Non convertible debentures	1.74	3.48	-	-	-	-	-	-	-	-	1.74	3.48
<b>Tripura Gramin Bank</b>												
- Deposits received	110.00	5.00	-	-	-	-	-	-	-	-	110.00	5.00
- Interest on deposit received	12.25	4.67	-	-	-	-	-	-	-	-	12.25	4.67
- Deposits Matured	10.83	-	-	-	-	-	-	-	-	-	10.83	-
<b>Bangiya Gramin Vikash Bank</b>												
- Non Convertible debentures redeemed	-	4.00	-	-	-	-	-	-	-	-	-	4.00
- Interest on Non convertible debentures	-	0.10	-	-	-	-	-	-	-	-	-	0.10
<b>Transactions with KMPs and relatives:</b>												
<b>Sitting Fee and Commission paid to Directors</b>												
- Mr. Chandrasekaran Ramakrishnan	-	-	-	-	-	-	-	-	0.44	0.41	0.44	0.41
- Mr. Sudarshan Sen	-	-	-	-	-	-	-	-	0.45	0.43	0.45	0.43
- Mr. Nitesh S Vikamsey	-	-	-	-	-	-	-	-	0.44	0.40	0.44	0.40
- Mr. Ashwani Kumar Gupta	-	-	-	-	-	-	-	-	-	0.02	-	0.02
- Mr. Neeraj Madan Vyas	-	-	-	-	-	-	-	-	0.47	0.48	0.47	0.48

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	(₹ in crore)											
	Promoter/Enterprises having significant influence		Wholly owned subsidiaries		Key Managerial Personnel/ Relatives of Key Managerial Personnel		Key Managerial Personnel/ Relatives of Key Managerial Personnel		Key Management Personnel/ Relatives of Key Management Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
- Dr. Tejendra Mohan Bhasin	-	-	-	-	-	-	-	-	0.48	0.46	0.48	0.46
- Ms. Gita Nayyar	-	-	-	-	-	-	-	-	0.40	0.36	0.40	0.36
- Mr. Pavan Pal Kaushal	-	-	-	-	-	-	-	-	0.45	0.31	0.45	0.31
<b>Rental expense:</b>												
- Dr. Tejendra Mohan Bhasin	-	-	-	-	-	-	-	-	0.12	0.12	0.12	0.12
- Ms. Anjali Bhasin	-	-	-	-	-	-	-	-	0.12	0.12	0.12	0.12
<b>R Santhanam</b>												
- Deposits received	-	-	-	-	-	-	-	-	0.05	-	0.05	-
- Interest on deposit received	-	-	-	-	-	-	-	-	0.00	-	0.00	-
<b>Veena Kamath</b>												
- Deposits received	-	-	-	-	-	-	-	-	0.05	-	0.05	-
- Interest on deposit received	-	-	-	-	-	-	-	-	0.00	-	0.00	-
- Loan and advances	-	-	-	-	-	-	-	-	1.23	-	1.23	-
- Interest on Loan and advances	-	-	-	-	-	-	-	-	0.10	-	0.10	-
<b>Remuneration expense#:</b>												
- Mr. Girish Kousgi	-	-	-	-	-	-	-	2.81	4.13	-	4.13	2.81
- Mr. Vinay Gupta	-	-	-	-	-	-	-	1.19	1.57	-	1.57	1.19
- Mr. Hardayal Prasad	-	-	-	-	-	-	-	1.25	-	-	-	1.25
- Mr. Sanjay Jain	-	-	-	-	-	-	-	0.91	0.20	-	0.20	0.91
- Ms. Veena Kamath	-	-	-	-	-	-	-	0.10	0.73	-	0.73	0.10

^ Excluding running current / overdraft account transactions.

# Excluding perquisites on exercise of stock options during the year.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	(₹ in crore)											
	Promoter/Enterprises having significant influence		Wholly owned subsidiaries		Key Managerial Personnel/ Relatives of Key Managerial Personnel		Key Management Personnel/ Relatives of Key Management Personnel		Total		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Outstanding balances#</b>												
<b>Punjab National Bank</b>												
<b>Receivables</b>												
- Servicing fees receivable on assignment on loans	0.52	1.92	-	-	-	-	-	-	-	-	0.52	1.92
<b>Payables</b>												
- Term loans	5,149.99	2,691.63	-	-	-	-	-	-	-	-	5,149.99	2,691.63
<i>Maximum during the year</i>	<i>5,149.99</i>	<i>2,691.63</i>	-	-	-	-	-	-	-	-	<i>5,149.99</i>	<i>2,691.63</i>
- External Commercial Borrowings##	-	-	-	-	-	-	-	-	-	-	-	-
<i>Maximum during the year</i>	<i>-</i>	<i>2,201.04</i>	-	-	-	-	-	-	-	-	<i>-</i>	<i>2,201.04</i>
- Interest accrued on term loans and external commercial borrowings	1.15	0.99	-	-	-	-	-	-	-	-	1.15	0.99
- Payable on assignment on loans	54.67	73.39	-	-	-	-	-	-	-	-	54.67	73.39
- Payable against Royalty	30.00	27.21	-	-	-	-	-	-	-	-	30.00	27.21
<b>Assam Gramin Vikash Bank</b>												
- Deposits received	97.60	79.36	-	-	-	-	-	-	-	-	97.60	79.36
<i>Maximum during the year</i>	<i>97.60</i>	<i>81.77</i>	-	-	-	-	-	-	-	-	<i>97.60</i>	<i>81.77</i>
<b>Tripura Gramin Bank</b>												
- Deposits received	151.53	45.02	-	-	-	-	-	-	-	-	151.53	45.02
<i>Maximum during the year</i>	<i>151.53</i>	<i>45.02</i>	-	-	-	-	-	-	-	-	<i>151.53</i>	<i>45.02</i>
<b>PNB Metlife India Insurance Co Ltd</b>												
<b>Receivables</b>												
Others	5.52	7.54	-	-	-	-	-	-	-	-	5.52	7.54
Refund of insurance commission	0.05	-	-	-	-	-	-	-	-	-	0.05	-
<b>Key Managerial Personnel</b>												
<b>Receivables</b>												
Veena Kamath	-	-	-	-	-	-	-	-	-	-	-	-
- Loan and advances	-	-	-	-	1.14	-	-	-	-	-	1.14	-
- Interest on loan and advances	-	-	-	-	0.01	-	-	-	-	-	0.01	-
<b>Payables</b>												
Veena Kamath	-	-	-	-	-	-	-	-	-	-	-	-
- Deposits received	-	-	-	-	0.06	-	-	-	-	-	0.06	-
<b>R SANTHANAM</b>												
- Deposits received	-	-	-	-	-	-	-	-	-	0.05	-	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

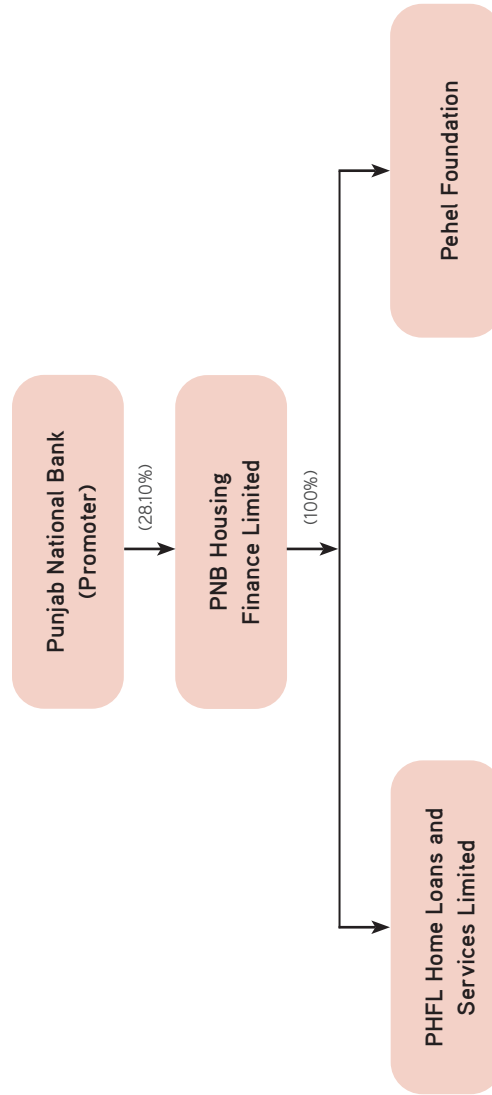
Particulars	Promoter/Enterprises having significant influence		Wholly owned subsidiaries		Key Managerial Personnel/ Relatives of Key Managerial Personnel		Key Management Personnel/ Relatives of Key Management Personnel		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	(₹ in crore)									
<b>Retirement benefits (as per actuarial valuation)</b>										
- Mr. Girish Kousgi	-	-	-	-	0.41	0.22	-	-	0.41	0.22
- Mr. Vinay Gupta	-	-	-	-	0.19	0.11	-	-	0.19	0.11
- Ms. Veena Kamath	-	-	-	-	0.06	0.02	-	-	0.06	0.02

#Excluding running current account balances.

##Including mark to market adjustment.

The policy on dealing with Related Party Transactions is available on our website [www.pnbhousing.com](http://www.pnbhousing.com)

**Note 36.11:** Diagrammatic representation of group structure along with holding percentage is tabulated below. Further, the Company has complied with the provisions relating to number of layers as prescribed under clause (87) of section 2 of the Companies Act, 2013, read with Companies (Restriction on number of Layers) Rules, 2017.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 36.12: Rating assigned by Credit Rating Agencies and migration of rating during the year are as follows:**

Nature of Instrument	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	Migration during the year
Deposits	CRISIL AA+ (Outlook - Stable)	CRISIL AA (Outlook - Positive)	Upgraded
	CARE AA+ (Outlook - Stable)	CARE AA+ (Outlook - Stable)	No change
Long term bonds and debentures (Secured and Tier-II bonds)	CRISIL AA+ (Outlook-Stable)	CRISIL AA (Outlook - Positive)	Upgraded
	CARE AA+ (Outlook - Stable)	CARE AA+ (Outlook - Stable)	No change
	IND AA+ (Outlook - Stable)	IND AA+ (Outlook - Stable)	No change
	ICRA AA+ (Outlook - Stable)	ICRA AA+ (Outlook - Stable)	No change
Commercial Paper	CRISIL A1+	CRISIL A1+	No change
	CARE A1+	CARE A1+	No change
Bank Term Loan	CRISIL AA+ (Outlook-Stable)	CRISIL AA (Outlook - Positive)	Upgraded
	CARE AA+ (Outlook - Stable)	CARE AA+ (Outlook - Stable)	No change
	IND AA+ (Outlook - Stable)	IND AA+ (Outlook - Stable)	No change
	ICRA AA+ (Outlook - Stable)		Assigned

**Note 36.13: Remuneration of Directors:** Details of Remuneration of Directors are disclosed in Note 36.10.

**Note 36.14: Management:** Management Discussion and Analysis report will be part of annual report.

**Note 36.15:** During the year, no transaction was accounted which was related to prior period (Previous year Nil).

**Note 36.16:** During the year, no item of revenue recognition has been postponed except as disclosed in accounting policy for revenue recognition (Refer Note 2.3).

**Note 36.17:** Consolidated Financial Statements (CFS): Refer note no 1.3 "principles of consolidation".

**Note 36.18: Provisions and Contingencies:**

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss is given as follows:

Particulars	(₹in crore)	
	Current Year	Previous Year
1. Provisions for depreciation on Investment	164.35	-
2. Provision made towards Income tax	569.83	420.89
3. Provision towards NPA	(73.36)	(285.59)
4. Provision for Standard Assets		
i) Teaser Loans	-	-
ii) CRE	(74.80)	2.71
iii) CRE - RH	(56.30)	83.44
iv) Other Loans	74.25	16.17
<b>Total ( i + ii + iii + iv )</b>	<b>(56.85)</b>	<b>102.32</b>
5. Other Provision and Contingencies (Refer Note 2.21)	0.71	0.67

**Note 36.19: Break-up of Loan & Advances and Provisions thereon:**

The Company has complied with the norms prescribed by the regulator for recognising Non-Performing Assets (NPA) in preparation of accounts. As per the norms, NPAs are recognised on the basis of more than 90 days overdue. NPAs are to be treated as Bad & Doubtful, if they remain outstanding for more than 15 months. The Company has made adequate provisions on Non-Performing Assets and Standard Assets in respect of Housing and Non-Housing Loans as prescribed under directions issued by the regulator.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹in crore)

Particulars	Housing		Non-Housing	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Standard Assets</b>				
a) Total Outstanding Amount	54,027.26	46,954.13	21,042.87	17,515.52
b) Provision made	646.02	621.57	178.90	260.20
<b>Sub-Standard Assets</b>				
a) Total Outstanding Amount	231.93	181.00	123.76	104.06
b) Provision made	54.08	44.46	16.23	25.56
<b>Doubtful Assets - Category-I</b>				
a) Total Outstanding Amount	102.50	130.62	47.11	83.10
b) Provision made	41.54	48.45	13.68	20.31
<b>Doubtful Assets - Category-II</b>				
a) Total Outstanding Amount	128.77	250.73	80.56	158.17
b) Provision made	67.62	127.29	20.12	57.20
<b>Doubtful Assets - Category-III</b>				
a) Total Outstanding Amount	48.23	26.03	53.94	50.97
b) Provision made	35.33	11.69	45.84	32.84
<b>Loss Assets</b>				
a) Total Outstanding Amount	-	-	-	-
b) Provision made	-	-	-	-
<b>TOTAL</b>				
a) Total Outstanding Amount	54,538.69	47,542.51	21,348.24	17,911.82
b) Provision made	844.59	853.46	274.77	396.11

**Note 36.20: Draw Down from Reserves:** During the year there were no draw down from Reserves.

## Note 36.21 (a): Concentration of Public Deposits

(₹in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Total deposits of twenty largest depositors	1,783.39	1,700.02
Percentage of deposits of twenty largest depositors to total deposits	11.57%	10.81%

## Note 36.21 (b): Concentration of Deposits

(₹in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Total deposits of twenty largest depositors	2,430.27	2,082.33
Percentage of deposits of twenty largest depositors to total deposits	13.78%	11.70%

## Note 36.22: Concentration of Loans & Advances

(₹in crore)

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Total loans & advances to twenty largest borrowers	1,174.07	2,189.13
Percentage of loans & advances to twenty largest borrowers to total advances	1.55%	3.34%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 36.23: Concentration of all Exposure (including off-balance sheet exposure)

(₹in crore)

Particulars	As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Total exposure to twenty largest borrowers /customers	1,174.11	2,223.24
Percentage of exposures to twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	1.41%	3.08%

### Note 36.24: Concentration of NPAs

(₹in crore)

Particulars	As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Total Exposure to top ten NPA accounts	112.08	165.92

### Note 36.25: Sector-wise NPAs

Particulars	Percentage of NPAs to Total Advances in that sector	
	As at	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
A. Housing Loans:	0.94	1.24
1. Individuals	0.92	1.08
2. Builders/Project Loans	-	3.53
3. Corporates	6.98	12.57
4. Others (specify)	-	-
B. Non-Housing Loans:	1.43	2.22
1. Individuals	1.29	2.16
2. Builders/Project Loans	-	-
3. Corporates	4.40	3.20
4. Others (specify)	-	-

### Note 36.26: Movement of NPAs

(₹in crore)

	As at	
	Current Year	Previous Year
(I) Net NPAs to Net Advances (%)	0.69%	0.95%
(II) Movement of NPAs (Gross)		
a) Opening balance	984.68	2,271.36
b) Additions during the year	572.55	564.49
c) Reductions during the year	740.43	1,851.17
d) Closing balance	816.80	984.68
(III) Movement of Net NPAs		
a) Opening balance	616.88	1,617.97
b) Additions during the year	458.55	424.88
c) Reductions during the year	553.07	1,425.97
d) Closing balance	522.36	616.88
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	367.80	653.39
b) Provisions made during the year	114.00	139.61
c) Write-off/write-back of excess provisions	187.36	425.20
d) Closing balance	294.44	367.80

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 36.27:** As on 31<sup>st</sup> March 2025, the Company does not have any assets outside the country (Previous year Nil).

**Note 36.28:** As on 31<sup>st</sup> March 2025, the Company does not have any Off-Balance Sheet SPVs sponsored which are required to be consolidated as per accounting norms (Previous year Nil).

### Note 36.29: (A) Disclosure of Complaints

	Current Year	Previous Year
<b>Complaints received from customers</b>		
a) No. of complaints pending at the beginning of the year	27	10
b) No. of complaints received during the year	1,576	1,618
c) No. of complaints disposed during the year	1,588	1,601
c) (i) Of which, no. of complaints rejected	110	144
d) No. of complaints pending at the end of the year	15	27
<b>Maintainable complaints received from Office of Ombudsman</b>		
a) No. of maintainable complaints received from Office of Ombudsman	-	-
(i) Of a, no. of complaints resolved in favour of the Company by Office of Ombudsman	-	-
(ii) Of a, no. of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
(iii) Of a, no. of complaints resolved after passing of Awards by Office of Ombudsman against the Company	-	-
<b>Number of Awards unimplemented within the stipulated time (other than those appealed)</b>	-	-

### (B) Top five grounds of complaints received by the NBFCs 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	Number of complaints pending beyond 30 days
<b>Current Year</b>					
Ground - 1 Pre Closure Related	5	568	(8.00)	1	-
Ground - 2 ROI Conversion/ Rate repricing	1	213	61.00	4	-
Ground - 3 Disbursement Related	3	133	(39.00)	1	-
Ground - 4 Loan Application Status	2	111	22.00	4	-
Ground - 5 PDD Related	2	92	360.00	-	-
Ground - 6 Others	14	459	(15.00)	5	-
<b>Total</b>	<b>27</b>	<b>1,576</b>	<b>(3.00)</b>	<b>15</b>	<b>-</b>
<b>Previous Year</b>					
Ground - 1 Pre Closure Related	2	616	65.00	5	-
Ground - 2 ROI Conversion/ Rate repricing	-	132	(9.00)	1	-
Ground - 3 Disbursement Related	2	219	6.00	3	-
Ground - 4 Loan Application Status	-	91	(21.00)	2	-
Ground - 5 Property Papers Related	-	83	(8.00)	1	-
Ground - 6 Others	6	477	(53.00)	15	-
<b>Total</b>	<b>10</b>	<b>1,618</b>	<b>(10.00)</b>	<b>27</b>	<b>-</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Note 36.30:** As on 31<sup>st</sup> March 2025, the Company has not granted any loans and has no outstanding loans (Nil % of total assets) against collateral gold jewellery (Previous year Nil).

**Note 36.31:** Deposit includes Public Deposits as defined in Paragraph 4.1.30 of RBI Directions, are secured by floating charge on the Statutory Liquid Assets maintained in terms of sub-sections (1) & (2) of Section 29B of the National Housing Bank Act, 1987. As on 31<sup>st</sup> March 2025, the public deposits (including accrued interest) outstanding amounts to ₹15,416.85 crore (excluding effective interest rate ₹15,513.55 crore) [Previous year ₹15,721.35 crore (excluding effective interest rate ₹15,822.00 crore)].

The Company is carrying Statutory Liquid Assets amounting to ₹2,427.78 crore (Previous year ₹2,388.95 crore).

**Note 36.32:** As on 31<sup>st</sup> March 2025, the Company operates within India and does not have any joint venture or overseas subsidiary.

### Note 36.33: Liquidity Risk Management and Liquidity Coverage Ratio

#### (a) Liquidity Risk Management disclosures as at 31<sup>st</sup> March 2025:

##### (i) Funding Concentration based on significant counterparty (both deposits and borrowings)

As at	Number of Significant Counterparties	Amount (₹in crore)	% of total deposits*	% of total liabilities
31 <sup>st</sup> March 2025	14	36,157	NA	55.07%
31 <sup>st</sup> March 2024	18	31,850	NA	55.45%

\*Company does not have any depositor who would be eligible as significant counterparty

##### (ii) Top 20 large deposits

Particulars	(₹in crore)			
	As at 31 <sup>st</sup> March 2025	% of total liabilities	As at 31 <sup>st</sup> March 2024	% of total liabilities
Total deposits of top twenty largest depositors	2,430.27	13.78%	2,082.33	11.70%

##### (iii) Top 10 borrowings

Particulars	(₹in crore)			
	As at 31 <sup>st</sup> March 2025	% of total liabilities	As at 31 <sup>st</sup> March 2024	% of total liabilities
Total exposure of top ten lenders	32,834.88	50.01%	25,178.61	43.84%

##### (iv) Funding Concentration based on significant instrument/product

Particulars	(₹in crore)			
	As at 31 <sup>st</sup> March 2025	% of total liabilities	As at 31 <sup>st</sup> March 2024	% of total liabilities
Secured Non-Convertible Bonds	2,493.59	3.80%	2,946.84	5.13%
Secured Non-Convertible Debentures	2,880.85	4.39%	1,600.39	2.79%
Commercial Papers	3,199.01	4.87%	3,304.70	5.75%
Refinance Facility from NHB	8,449.78	12.87%	5,090.33	8.86%
Bank Facilities (Long Term + Short Term)	22,962.00	34.97%	21,962.98	38.24%
Financial Institution Facilities (Long Term + Short Term)	522.49	0.80%	157.49	0.27%
External Commercial Borrowings	3,620.75	5.51%	1,456.15	2.54%
Deposits including unpaid matured deposits and interest accrued thereon	17,641.73	26.87%	17,798.30	30.99%
Subordinated Tier-II Non-Convertible Debentures	539.59	0.82%	739.49	1.29%
<b>Total Borrowings</b>	<b>62,309.79</b>	<b>94.91%</b>	<b>55,056.67</b>	<b>95.86%</b>
<b>Total Liabilities</b>	<b>65,657.23</b>		<b>57,438.84</b>	

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## (v) Stock ratios

Particulars	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	as a % of total public funds	as a % of total liabilities	as a % of total assets	as a % of total public funds	as a % of total liabilities	as a % of total assets
Commercial papers	5.13%	4.87%	3.88%	6.00%	5.75%	4.57%
Non-convertible Bonds & Debentures (original maturity of less than 1 year)	NA	NA	NA	NA	NA	NA
Other short term liabilities*	7.61%	7.22%	5.75%	8.14%	7.81%	6.19%

\* Includes short term funds with original maturity of less than 1 year and includes funds from Refinance from NHB, Short Term Lines / OD / WCDL

## (vi) Institutional set-up for liquidity risk management

The Board of Directors of the Company has constituted the Asset Liability Management Committee (ALCO) and the Risk Management Committee. The Board has the overall responsibility for management of liquidity risk. The Board decides the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits approved by it. The Risk Management Committee (RMC), which is a committee of the Board, is responsible for evaluating and monitoring the integrated risk management system of the Company including liquidity risk. The ALCO is responsible for ensuring adherence to the liquidity risk tolerance/limits set out in the Board approved Asset Liability Management (ALM) policy. The role of the ALCO with respect to liquidity risk includes, inter alia, decision on desired maturity profile for assets & liabilities, responsibilities and controls for managing liquidity risk and overseeing the liquidity position of the Company. The ALM Policy is reviewed periodically to realign the same pursuant to any regulatory changes/changes in the economic landscape or business needs and tabled to the Board for approval.

Management regularly reviews the position of cash and cash equivalents by aligning the same with the projected maturity of financial assets and financial liabilities, economic environment, liquidity position in the financial market, anticipated pipeline of future borrowing & future liabilities and threshold of minimum liquidity defined in the ALM policy with additional liquidity buffers as management overlay.

## (b) Disclosure pursuant to Liquidity Risk Management Framework for Housing Finance Companies

### A. Qualitative Disclosure

As per above circular, all deposit taking HFCs irrespective of their asset size, shall maintain a liquidity buffer in terms of Liquidity Coverage Ratio (LCR) which will promote resilience of HFCs to potential liquidity disruptions by ensuring that they have sufficient High Quality Liquid Asset (HQLA) to survive any acute liquidity stress scenario lasting for 30 days. The timeline on adhering to LCR guidelines are tabulated below.

Periods	1 <sup>st</sup> December, 2020	1 <sup>st</sup> December, 2021	1 <sup>st</sup> December, 2022	1 <sup>st</sup> December, 2023	1 <sup>st</sup> December, 2024
Minimum LCR (%)	50%	60%	70%	85%	100%

The objective of the LCR is to promote an environment wherein balance sheet carry a strong liquidity for short term cash flow requirements. To ensure strong liquidity NBFCs are required to maintain adequate pool of unencumbered HQLA which can be easily converted into cash to meet their stressed liquidity needs for 30 calendar days. The LCR is expected to improve the ability of financial sector to absorb the shocks arising from financial and/or economic stress, thus reducing the risk of spill over from financial sector to real economy.

The Liquidity Risk Management of the Company is managed by the ALCO under the governance of Board approved Liquidity Risk Framework comprising of Asset Liability Management policy, Contingency Funding Policy, Funding Strategy and Resource Mobilization Policy, and Market Risk Management Policy. The LCR levels for the balance sheet date is derived by arriving the stressed expected cash inflow and outflow for the next calendar month. To compute stressed cash outflow, all expected and contracted cash outflows are considered by applying a stress of 15%. Similarly, inflows for the Company is arrived at by considering all expected and contracted inflows by applying a haircut of 25%.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

The main drivers of LCR are:

Outflows comprises of:

- a) All the contractual debt repayments and interest payments
- b) Expected operating expense based on projections for FY25
- c) Committed credit facilities contracted with customers for both sanctioned but partly disbursed cases and sanctioned but undisbursed cases based on historical experience and other expected or contracted cash outflows like expected payouts under contracted direct assignment deals.

The potential debt which may be recalled by the lenders on account of covenant breach has not been considered since the Company has not experienced such debt recall by any lender so far despite having breached covenants in the past.

Inflows comprises of:

- a) Expected receipt (scheduled EMIs) from all performing loans
- b) Liquid investment either in the form of short tenure Fixed Deposits with banks or in units of Debt Mutual Fund Schemes (like Overnight Liquid and Money Market Schemes) which are unencumbered and have not been considered as part of HQLA
- c) Sanctioned and undrawn lines of credit from banks.

For the purpose of HQLA the Company considers unencumbered government securities and cash/bank balances with nil haircuts.

The unencumbered government securities held as part of HQLA are identified separately from the government securities which are lien marked in favour of Trustee for public deposits accepted by the Company. The LCR is computed by dividing the stock of HQLA by its total net cash outflows over one-month stress period.

LCR guidelines are effective from 1<sup>st</sup> December, 2021. LCR has been calculated and monitored as per methodology prescribed in the RBI scale based regulation. LCR has been calculated as a simple average of the total number of days in a quarter on daily basis. The Company is compliant with maintenance of stipulated LCR. Further, the Company has been monitoring the daily LCR for the period of April 2024 to March 2025. The minimum and maximum daily required HQLA for regulatory compliance has been ₹464.54 crore and ₹2,205.12 crore respectively for the period of April 2024 to March 2025. The Company has maintained the daily average LCR of 215.67% for FY25.

The Company maintains diversified sources of funding comprising short/long term loans from banks, Non-Convertible Debentures (NCDs), Bonds, External Commercial Borrowings (ECBs), Deposits, Refinance from National Housing Bank (NHB) and Commercial Papers (CPs). The funding pattern is reviewed on monthly basis by the management and on quarterly basis by the ALM Committee and Risk Management Committee.

Funding profile of the Company is tabulated below:

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	(₹in crore)	%	(₹in crore)	%
Secured Non-Convertible Bonds	2,493.59	3.73%	2,946.84	4.84%
Secured Non-Convertible Debentures	2,880.85	4.30%	1,600.39	2.63%
Commercial Papers	3,199.01	4.78%	3,304.70	5.42%
Refinance Facility from NHB	8,449.78	12.62%	5,090.33	8.35%
Bank Facilities (Long Term + Short Term)	22,962.00	34.30%	21,962.98	36.04%
Financial Institution Facilities (Long Term + Short Term)	522.49	0.78%	157.49	0.26%
External Commercial Borrowings	3,620.75	5.41%	1,456.15	2.39%
Deposits including unpaid matured deposits and interest accrued thereon	17,641.73	26.35%	17,798.30	29.20%
Subordinated Tier-II Non-Convertible Debentures	539.59	0.81%	739.49	1.21%
<b>Total (a)</b>	<b>62,309.79</b>		<b>55,056.67</b>	
Assignment of loans (b)	4,631.88	6.92%	5,884.77	9.66%
<b>Total (a+b)</b>	<b>66,941.67</b>	<b>100.00%</b>	<b>60,941.44</b>	<b>100.00%</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Derivative exposures and potential collateral calls: To hedge ECBs and mitigate the Interest rate risk on NCDs, the Company enters into derivative transactions. All the derivatives of the Company are for hedging purpose and not for any speculative or trading purpose. As on 31<sup>st</sup> March 2025, the notional amount of outstanding derivatives is ₹6,127.37 crore (Previous year ₹3,275.44 crore) with net negative MTM of ₹86.34 crore (Previous year positive ₹135.01 crore). Further, the Company has executed bilateral Credit Support Agreement with few of its derivative counterparties. As on 31<sup>st</sup> March 2025 there is outstanding margin of ₹36.22 crore (Previous year Nil).

**Currency mismatch in LCR:** There is no mismatch required to be reported in LCR as on 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 since all the Foreign Currency liabilities are reinstated to ₹ as per the corresponding derivative/ forward deals and closing RBI reference / FBIL exchange rates.

### B. Quantitative Disclosure

Particulars	(₹in crore)			
	Quarter ended March 2025		Quarter ended December 2024	
	Total Unweighted** Value	Total Weighted# Value	Total Unweighted** Value	Total Weighted# Value
<b>High Quality Liquid Assets</b>				
Total High Quality Liquid Assets (HQLA)	3,383.27	2,769.05	3,321.68	2,714.20
(i) Cash in hand & Bank balance	94.54	94.54	63.66	63.66
(ii) CP/Corporate Bond	870.41	739.85	882.58	750.19
(iii) SLR Securities	2,418.32	1,934.66	2,375.44	1,900.35
(iv) Government securities	-	-	-	-
<b>Cash Outflows</b>				
Deposits	411.56	473.29	576.19	662.62
Unsecured wholesale funding	850.56	978.14	1,632.61	1,877.50
Secured wholesale funding	1,618.97	1,861.82	1,249.05	1,436.41
<b>Additional requirements, of which</b>				
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-
Other contractual funding obligations	1,302.23	1,497.56	1,244.19	1,430.82
Other contingent funding obligations	145.32	167.12	189.12	217.49
<b>Total Cash Outflows</b>	<b>4,328.64</b>	<b>4,977.93</b>	<b>4,891.16</b>	<b>5,624.84</b>
<b>Cash Inflows</b>				
Secured lending	-	-	-	-
Inflows from fully performing exposures	924.35	693.26	915.62	686.72
Other cash inflows	10,918.85	8,189.14	10,986.64	8,239.98
<b>Total Cash Inflows</b>	<b>11,843.20</b>	<b>8,882.40</b>	<b>11,902.26</b>	<b>8,926.70</b>
		<b>Total Adjusted Value</b>		
<b>Total HQLA</b>		<b>2769.05</b>		<b>2714.20</b>
<b>Total Net Cash Outflows</b>		<b>1244.48</b>		<b>1406.21</b>
<b>Liquidity Coverage Ratio (%)</b>		<b>222.51%</b>		<b>193.02%</b>
<b>Required LCR</b>	in %	100.00%	in %	100.00%
	in ₹	1,244.48	in ₹	1,406.21

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹in crore)

Particulars	Quarter ended September 2024		Quarter ended June 2024	
	Total Unweighted** Value	Total Weighted# Value	Total Unweighted** Value	Total Weighted# Value
<b>High Quality Liquid Assets</b>				
Total High Quality Liquid Assets (HQLA)	3,586.89	2,951.00	3,974.43	3,289.09
(i) Cash in hand & Bank balance	98.59	98.59	111.52	111.52
(ii) CP/Corporate Bond	1,235.52	1,050.19	1,471.39	1,250.68
(iii) SLR Securities	2,252.78	1,802.22	2,323.16	1,858.53
(iv) Government securities	-	-	68.36	68.36
<b>Cash Outflows</b>				
Deposits	552.73	635.64	475.23	546.51
Unsecured wholesale funding	1,502.72	1,728.13	1,446.98	1,664.03
Secured wholesale funding	1,761.89	2,026.17	1,247.91	1,435.10
<b>Additional requirements, of which</b>				
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-
Other contractual funding obligations	1,338.34	1,539.09	1,023.73	1,177.29
Other contingent funding obligations	169.22	194.60	155.54	178.87
<b>Total Cash Outflows</b>	<b>5,324.90</b>	<b>6,123.63</b>	<b>4,349.39</b>	<b>5,001.80</b>
<b>Cash Inflows</b>				
Secured lending	-	-	-	-
Inflows from fully performing exposures	865.07	648.80	867.59	650.69
Other cash inflows	8,381.01	6,285.76	9,573.11	7,179.83
<b>Total Cash Inflows</b>	<b>9,246.08</b>	<b>6,934.56</b>	<b>10,440.70</b>	<b>7,830.52</b>
		<b>Total Adjusted Value</b>		
<b>Total HQLA</b>		<b>2,951.00</b>		<b>3,289.09</b>
<b>Total Net Cash Outflows</b>		<b>1,530.91</b>		<b>1,250.45</b>
<b>Liquidity Coverage Ratio (%)</b>		<b>192.76%</b>		<b>263.03%</b>
<b>Required LCR</b>	in %	85.00%	in %	85.00%
	in ₹	<b>1,301.27</b>	in ₹	<b>1,062.88</b>

(₹in crore)

Particulars	Quarter ended March 2024		Quarter ended December 2023	
	Total Unweighted** Value	Total Weighted# Value	Total Unweighted** Value	Total Weighted# Value
<b>High Quality Liquid Assets</b>				
Total High Quality Liquid Assets (HQLA)	3,980.52	3,285.16	3,816.18	3,195.78
(i) Cash in hand & Bank balance	82.22	82.22	105.11	105.11
(ii) CP/Corporate Bond	1,620.92	1,377.78	1,025.01	871.26
(iii) SLR Securities	2,261.11	1,808.89	2,333.25	1,866.60
(iv) Government securities	16.27	16.27	352.81	352.81
<b>Cash Outflows</b>				
Deposits	439.03	504.88	399.28	459.17
Unsecured wholesale funding	1,845.60	2,122.44	647.28	744.37
Secured wholesale funding	1,253.85	1,441.93	1,719.82	1,977.79
<b>Additional requirements, of which</b>				
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-
Other contractual funding obligations	1,212.32	1,394.17	1,208.71	1,390.02
Other contingent funding obligations	157.98	181.68	179.56	206.49
<b>Total Cash Outflows</b>	<b>4,908.78</b>	<b>5,645.10</b>	<b>4,154.65</b>	<b>4,777.84</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹ in crore)

Particulars	Quarter ended March 2024		Quarter ended December 2023	
	Total Unweighted** Value	Total Weighted# Value	Total Unweighted** Value	Total Weighted# Value
<b>Cash Inflows</b>				
Secured lending	-	-	-	-
Inflows from fully performing exposures	795.32	596.49	772.27	579.20
Other cash inflows	11,066.45	8,299.84	11,572.15	8,679.11
<b>Total Cash Inflows</b>	<b>11,861.77</b>	<b>8,896.33</b>	<b>12,344.42</b>	<b>9,258.31</b>
	<b>Total Adjusted Value</b>			
<b>Total HQLA</b>		<b>3,285.16</b>		<b>3,195.78</b>
<b>Total Net Cash Outflows</b>		<b>1,411.28</b>		<b>1,194.46</b>
<b>Liquidity Coverage Ratio (%)</b>		<b>232.78%</b>		<b>267.55%</b>
<b>Required LCR</b>	in %	85.00%	in %	85.00%
	in ₹	1,199.58	in ₹	1,015.29

(₹ in crore)

Particulars	Quarter ended September 2023		Quarter ended June 2023	
	Total Unweighted** Value	Total Weighted# Value	Total Unweighted** Value	Total Weighted# Value
<b>High Quality Liquid Assets</b>				
Total High Quality Liquid Assets (HQLA)	3,550.47	2,988.67	3,272.74	2,743.55
(i) Cash in hand & Bank balance	96.45	96.45	93.59	93.59
(ii) CP/Corporate Bond	648.27	551.03	536.99	456.44
(iii) SLR Securities	2,322.80	1,858.24	2,243.20	1,794.56
(iv) Government securities	482.95	482.95	398.96	398.96
<b>Cash Outflows</b>				
Deposits	445.47	512.29	445.14	511.91
Unsecured wholesale funding	358.70	412.51	-	-
Secured wholesale funding	1,654.63	1,902.82	1,735.70	1,996.06
<b>Additional requirements, of which</b>				
(i) Outflows related to derivative exposures and other collateral requirements	-	-	0.38	0.44
(ii) Outflows related to loss of funding on debt products	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-
Other contractual funding obligations	1,082.63	1,245.02	1,108.85	1,275.18
Other contingent funding obligations	172.62	198.51	138.81	159.63
<b>Total Cash Outflows</b>	<b>3,714.05</b>	<b>4,271.16</b>	<b>3,428.88</b>	<b>3,943.21</b>
<b>Cash Inflows</b>				
Secured lending	-	-	-	-
Inflows from fully performing exposures	768.03	576.02	802.16	601.62
Other cash inflows	8,689.83	6,517.37	8,108.76	6,081.57
<b>Total Cash Inflows</b>	<b>9,457.86</b>	<b>7,093.39</b>	<b>8,910.92</b>	<b>6,683.19</b>
	<b>Total Adjusted Value</b>			
<b>Total HQLA</b>		<b>2,988.67</b>		<b>2,743.55</b>
<b>Total Net Cash Outflows</b>		<b>1,067.79</b>		<b>985.80</b>
<b>Liquidity Coverage Ratio (%)</b>		<b>279.89%</b>		<b>278.31%</b>
<b>Required LCR</b>	in %	70.00%	in %	70.00%
	in ₹	747.45	in ₹	690.06

\*\*Unweighted values are calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).

#Weighted values are calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 36.34: Disclosure as per Annexure III of RBI directions:

		(₹in crore)	
Particulars	Amount outstanding	Amount overdue	
<b>S.No Liabilities side</b>			
<b>1</b>	<b>Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:</b>		
(a)	Bonds/ Debentures : Secured	5,563.55	-
	: Unsecured (other than falling within the meaning of public deposits)	561.51	-
(b)	Deferred Credits	-	-
(c)	Term Loans	35,745.67	-
(d)	Inter-corporate loans and borrowing	2,225.12	-
(e)	Commercial Paper	3,199.01	-
(f)	Public Deposits	15,416.85	-
(g)	Other Loans (specify nature)	-	-
<b>2</b>	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
(a)	In the form of Unsecured debentures	-	-
(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
(c)	Other public deposits	15,416.85	-
<b>Assets side</b>			
<b>3</b>	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>		
(a)	Secured		75,886.93
(b)	Unsecured		-
<b>4</b>	<b>Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>		
(i)	Lease assets including lease rentals under sundry debtors		
(a)	Financial lease		-
(b)	Operating lease		-
(ii)	Stock on hire including hire charges under sundry debtors		
(a)	Assets on hire		-
(b)	Repossessed Assets		-
(iii)	Other loans counting towards asset financing activities		
(a)	Loans where assets have been repossessed (net of provision)		-
(b)	Loans other than (a) above		-
<b>5</b>	<b>Break-up of Investments</b>		
<b>Current Investments</b>			
1.	Quoted		
(i)	Shares		
(a)	Equity		-
(b)	Preference		-
(ii)	Debentures and Bonds		952.68
(iii)	Units of mutual funds		-
(iv)	Government Securities		-
(v)	Others		-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Assets side	Amount outstanding
2. Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	
(iv) Government Securities	-
(v) Others	-
<b>Long Term Investments</b>	
1. Quoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	2,427.78
(v) Others	-
2. Unquoted	
(i) Shares	
(a) Equity	0.30
(b) Preference (recognised at ₹1)	0.00
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (Security receipts)	0.00

	Amount net of provisions		
	Secured	Unsecured	Total
<b>6 Borrower group-wise classification of assets financed as in (3) and (4) above:</b>			
<b>Category</b>			
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	1.14	-	1.14
2. Other than related parties	74,766.43	-	74,766.43
<b>Total</b>	<b>74,767.57</b>	<b>-</b>	<b>74,767.57</b>

	Market value/Break up or fair value or NAV	Total Book value (net of provisions)
	<b>7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>	
<b>Category</b>		
1. Related Parties		
(a) Subsidiaries*	151.33	0.30
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	3,422.79	3,380.46
<b>Total</b>	<b>3,574.12</b>	<b>3,380.76</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	Amount
<b>8 Other information</b>	
1. Gross Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	816.80
2. Net Non-Performing Assets	
(a) Related Parties	-
(b) Other than related parties	522.36
<b>Assets acquired in satisfaction of debt</b>	<b>-</b>

\* Equity capital contributed by the Company has been considered as break up value for subsidiary formed under section 8 of the Company Act, 2013 as the subsidiary is prohibited to give any right over its profits to any of its members.

### Note 36.35: Breach of covenant of loans availed and debt securities issued

During the current and previous year there is no breach of covenant of loans availed and debt securities issued.

**Note 36.36:** RBI vide its circular number RBI/2020-21/60/DOR.NBFC (HFC) CC.NO 118/03.10.136/2020-21 dated 22<sup>nd</sup> October, 2020 defined the principal business criteria for HFCs.

Details of principal business criteria as follows:

As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
% of total assets towards housing finance	% of total assets towards housing finance for individuals	% of total assets towards housing finance	% of total assets towards housing finance for individuals
66.86%	65.32%	66.33%	63.28%

**Note 36.37:** During the year there is no fraud, However during the previous year the Company had reported one fraud case in relation to loan advanced to a borrower amounting to ₹2.00 crore (loss recognised ₹1.97 crore) to NHB.

**Note 36.38:** The comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 is tabulated below:

Asset Classification as per RBI Norms (1)	Asset classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS 109 (3)	Loss Allowances (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5)=(3)-(4)	Provisions required as per IRACP norms (6)	(₹in crore)
						Difference between Ind AS 109 provisions and IRACP norms (7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	73,250.04	537.44	72,712.60	223.77	313.67
	Stage 2	1,820.09	287.48	1,532.61	13.03	274.45
<b>Subtotal</b>		<b>75,070.13</b>	<b>824.92</b>	<b>74,245.21</b>	<b>236.80</b>	<b>588.12</b>
<b>Non-Performing Assets (NPA)</b>						
<b>Substandard</b>	<b>Stage 3</b>	<b>355.69</b>	<b>70.31</b>	<b>285.38</b>	<b>76.55</b>	<b>(6.24)</b>
Doubtful - up to 1 year	Stage 3	149.61	55.22	94.39	46.21	9.01
1 to 3 years	Stage 3	209.33	87.74	121.59	85.08	2.66
More than 3 years	Stage 3	102.17	81.17	21.00	80.46	0.71
<b>Subtotal for doubtful</b>		<b>461.11</b>	<b>224.13</b>	<b>236.98</b>	<b>211.75</b>	<b>12.38</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>816.80</b>	<b>294.44</b>	<b>522.36</b>	<b>288.30</b>	<b>6.14</b>
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	399.68	2.89	396.79	-	2.89
	Stage 2	-	-	-	-	-
	Stage 3	0.84	0.84	-	0.84	-

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹in crore)

Asset Classification as per RBI Norms (1)	Asset classification as per Ind AS 109 (2)	Gross Carrying Amount as per Ind AS 109 (3)	Loss Allowances (Provisions) as required under Ind AS 109 (4)	Net Carrying Amount (5)=(3)-(4)	Provisions required as per IRACP norms (6)	Difference between Ind AS 109 provisions and IRACP norms (7) = (4)-(6)
Subtotal		400.52	3.73	396.79	0.84	2.89
Total	Stage 1	73,649.72	540.33	73,109.39	223.77	316.56
	Stage 2	1,820.09	287.48	1,532.61	13.03	274.45
	Stage 3	817.64	295.28	522.36	289.14	6.14
Total		76,287.45	1,123.09	75,164.36	525.94	597.15

**Note 36.39:** There are no divergence as per the regulator for FY24 and hence no details are required to be disclosed in the prescribed format.

**Note 36.40:** In compliance with RBI circular number RBI/2020-21/16/DOR.No.BP.BC/3/21.04.048/2020-21 dated 6<sup>th</sup> August, 2020, the disclosure in relation to resolution plan implemented under the Resolution Framework for COVID-19-related stress is tabulated below:

## For half-year ended 31<sup>st</sup> March 2025

(₹in crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A) (\$)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (A)
Personal Loans*	1,215.18	162.64	5.34	146.93	1,062.91
Corporate persons					
of which, MSMEs					
Others^	-	-	-	-	-
Total	1,215.18	162.64	5.34	146.93	1,062.91

\* Retail loans

\$ Principal outstanding as on 30<sup>th</sup> September, 2024.

@ Principal outstanding (including capitalised interest) for live restructured accounts as on 31<sup>st</sup> March 2025.

^Corporate finance loans

## For half-year ended 30<sup>th</sup> September 2024

(₹in crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A) (\$)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (A)
Personal Loans*	1,381.20	115.91	33.39	132.63	1,215.18
Corporate persons					
of which, MSMEs					
Others^	19.25	-	-	19.25	-
Total	1,400.45	115.91	33.39	151.88	1,215.18

\* Retail loans

\$ Principal outstanding as on 31<sup>st</sup> March 2024.

@ Principal outstanding (including capitalised interest) for live restructured accounts as on 30<sup>th</sup> September, 2024.

^Corporate finance loans

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 37 Leases

#### (i) Movement of lease liability

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Lease liability as at the beginning of the year (a)	132.96	74.75
Additions (b)	43.13	91.44
Accretion of interest (c)	10.25	7.22
Payments (d)	37.60	33.25
Modification (e)	3.05	7.19
<b>Lease liability as at the end of the year (a+b+c-d-e)</b>	<b>145.69</b>	<b>132.97</b>

#### (ii) Maturity analysis of minimum undiscounted lease payments after the reporting period:

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Less than one year	36.53	34.86
Later than one year but not later than five years	98.35	91.85
Later than five years	49.05	39.31
<b>Total</b>	<b>183.93</b>	<b>166.02</b>

#### (iii) Maturity analysis of minimum discounted lease payments after the reporting period:

Particulars	(₹ in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Less than one year	26.58	26.00
Later than one year but not later than five years	75.21	72.29
Later than five years	43.90	34.68
<b>Total</b>	<b>145.69</b>	<b>132.97</b>

(iv) There are no gains or losses from sales and leaseback for the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

(v) There are no variable lease payments for the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

### Note 38 Derivatives

The Company uses derivative financial instruments such as forwards and swaps to hedge its risks associated with foreign exchange fluctuation, price risk and interest rate movements. The fair values of all such derivative financial instruments are recognized as assets or liabilities at the balance sheet date.

#### a The Asset and Liability position of various outstanding derivative financial instruments is given below:

Particulars	Nature of Risk being Hedged	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
		Assets	Liabilities	Net fair value	Assets	Liabilities	Net fair value
		(₹ in crore)					
Cash flow hedges	Currency risk, Interest rate risk	65.63	115.75	(50.12)	190.36	55.35	135.01
Fair Value Hedge	Interest rate risk	-	-	-	-	-	-
<b>Total</b>		<b>65.63</b>	<b>115.75</b>	<b>(50.12)</b>	<b>190.36</b>	<b>55.35</b>	<b>135.01</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### b Outstanding position and fair value of various foreign exchange derivative financial instruments:

(₹in crore)

Particulars	Currency Pair	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
		Notional Value in foreign currency	Fair Value Gain/ (Loss)*	Notional Value in foreign currency	Fair Value Gain/ (Loss)
<b>Cash flow hedges</b>					
Currency swap	USD_INR	3,637.21	(37.19)	1,459.04	190.36
Interest rate swap	USD_INR	-	-	-	-
Foreign currency spot and forwards	USD_INR	1,490.16	(49.15)	816.40	(55.35)
<b>Fair value hedges</b>					
Interest rate swap	INR_INR	1,000.00	-	1,000.00	-

\*Additionally margin money paid to counter party bank is ₹36.22 crore.

### c The following table presents details of amount held, effective portion of cash flow hedge and cost of hedging reserve and the period during which these are going to be released and affecting Statement of Profit and Loss.

(₹in crore)

Effective Portion of Cash Flow Hedges	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
Currency swap	14.38	(51.57)	(37.19)	144.38	45.98	190.36
Interest rate swap	-	-	-	-	-	-
Foreign currency spot and forwards	(49.15)	-	(49.15)	(0.75)	(54.60)	(55.35)
<b>Total</b>	<b>(34.77)</b>	<b>(51.57)</b>	<b>(86.34)</b>	<b>143.62</b>	<b>(8.62)</b>	<b>135.01</b>
Deferred tax on above	(8.75)	(12.98)	(21.73)	36.15	(2.17)	33.98
<b>Total</b>	<b>(26.02)</b>	<b>(38.59)</b>	<b>(64.61)</b>	<b>107.48</b>	<b>(6.45)</b>	<b>101.03</b>

### d The following tables presents the amount of gain/(loss) recognized for effective portion of cash flow hedge and cost of hedging reserve and recycled during FY25 along with closing amount in hedging reserve:

Effective Portion of Cash Flow Hedges	Opening Balance	Net Amount recognised OCI	Net Amount to P&L	Net Amount added to Non-Financial Assets	Recycled	Closing Balance
Currency swap	190.36	227.55	-	-	-	(37.19)
Interest rate swap	-	-	-	-	-	-
Foreign currency spot and forwards	(55.35)	(6.20)	-	-	-	(49.15)

### e The Company's hedging policy allows for effective hedge relationships to be established. The effective portion of hedge is recognised in OCI, while ineffective portion of hedge is recognised immediately in the Statement of Profit and Loss. For Cash flow hedges, the Company uses hypothetical derivative method to assess effectiveness based on "lower off" assessment.

Sources of Hedge ineffectiveness summarised by risk category are as follows :

Risk Category	Sources of Hedge Ineffectiveness	Type of Hedge
Price Risk	Critical terms Mismatch	Cash Flow and Fair Value Hedge
	Basis Risk	Fair Value Hedge
	Credit Risk Adjustment	Cash Flow and Fair Value Hedge
Exchange Risk	Credit Risk Adjustment	Cash Flow Hedge

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 39 Segment Reporting

Company's main business is to provide loans against/for purchase, construction, repairs & renovations of Houses/ Flats/ Commercial Properties etc. All other activities of the Company revolve around the main business. As such, there are no separate reportable segment, as per the Operating Segments (Ind AS 108), notified by the Companies (Accounting Standard) Rules, 2015. The Company operates within India and does not have operations in economic environments with different risks and returns, hence it is considered operating in single geographical segment.

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

### Note 40 Contingent Liabilities and Commitments

- i) Contingent liabilities in respect of Income-tax of ₹54.81 crore (Previous year ₹87.08 crore) is disputed and are under appeals. The Company expects the demands to be set aside by the appellate authority, hence no additional provision is considered necessary.
- ii) Contingent liabilities in respect of Goods and Service Tax of ₹51.46 crore (Previous year ₹0.47 crore) is disputed and appeals has been filed for ₹17.20 crore (Previous year ₹0.33 crore). Further, the Company in the process of filing of appeal for ₹34.26 crore (Previous year ₹0.14 crore). The Company expects the demands to be set aside by the appellate authority, hence no additional provision is considered necessary.
- iii) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹32.34 crore (Previous year ₹20.23 crore).
- iv) Claims against the Company not acknowledged as debt is ₹0.48 crore (Previous year ₹1.20 crore)
- v) Company had issued corporate financial guarantee amounting to ₹0.25 crore to "UNIQUE IDENTIFICATION AUTHORITY OF INDIA (UIDAI)" in relation to Aadhar Authentication Services. During the previous year corporate financial guarantee amounting to ₹22.19 crore was provided to "National Stock Exchange of India Ltd" and "UNIQUE IDENTIFICATION AUTHORITY OF INDIA (UIDAI)" in relation to Rights Issue of the Company and Aadhar Authentication Services.

### Note 41 Disclosure in respect of Employee Benefits

In accordance with Indian Accounting Standards on "Employee Benefits" (Ind AS 19), the following disclosure have been made:

#### Defined Contribution Plans:

**Note 41.1:** The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. The contribution has been recognised in the Statement of Profit and Loss which are included under "Contribution to Provident Fund and Other Funds" in Note 32.

Particulars	(₹ in crore)	
	Current Year	Previous Year
Contribution to Provident Fund and Other Funds	23.17	18.69

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## Note 41.2: Defined Benefit Plans

The Company has a defined benefit gratuity plan. Every employee is entitled to gratuity as per the provisions of the Payment of Gratuity Act, 1972. The scheme is funded and the same is managed by Life Insurance Corporation of India and Kotak Mahindra Life Insurance Company Limited. The liability of Gratuity is recognised on the basis of actuarial valuation.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31<sup>st</sup> March 2025. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

### Risks associated with defined benefit plan

**Interest rate risk:** A fall in the discount rate, which is linked to the Government Securities rate, will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

**Salary Risk:** The present value of the defined benefit plan liability is calculated by reference to the future salary of members. As such, an increase in the salary of the members more than assumed level may increase the plan's liability.

**Mortality risk:** Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

## GRATUITY LIABILITY

### Change in present value of obligation

Particulars	(₹ in crore)	
	Current Year	Previous Year
Present value of obligation as at the beginning of the year	17.68	15.95
Interest cost	1.23	1.08
Current service cost	5.77	4.41
Past service cost including curtailment gains / losses	(0.01)	-
Benefits paid	(1.84)	(4.16)
Actuarial (gain) / loss on obligation	0.60	0.40
Present value of obligation as at the end of year	23.43	17.68

### Change in fair value of plan assets\*

Particulars	(₹ in crore)	
	Current Year	Previous Year
Fair value of plan assets as at the beginning of the year	18.00	16.23
Actual return on plan assets	1.42	0.96
Employer Contributions	5.09	4.19
Benefits paid	(1.84)	(3.38)
Fair value of plan assets as at the end of year	22.67	18.00
Funded status	(0.01)	0.84
Unfunded status	(0.75)	(0.52)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Expense recognised in the statement of Profit and Loss

Particulars	(₹ in crore)	
	Current Year	Previous Year
Service cost	5.76	4.41
Interest on net defined assets/liability	(0.01)	1.21
Expenses recognised in the statement of profit and loss	5.75	5.62

### Expense recognised in the Other Comprehensive Income

Particulars	(₹ in crore)	
	Current Year	Previous Year
Remeasurement (loss)/gain in Other Comprehensive Income (OCI)	(0.44)	(0.64)
Net cumulative unrecognised actuarial gain/(loss) opening	0.03	0.03
Actuarial gain / (loss) for the year on PBO	(0.63)	(0.43)
Actuarial gain / (loss) for the year on Asset	0.16	(0.24)
Expected contribution for the next financial year	5.91	5.89

### Assumptions

Particulars	Current Year	Previous Year
a) Discounting Rate	6.70%-7.13%	7.22%-7.25%
b) Future salary Increase	3.00%-8.00%	3.00%-8.00%
c) Retirement Age (Years)	58-60 years	58-60 years
d) Mortality Table	IALM (2012-14)	IALM (2012-14)

### Maturity profile of defined benefits obligation

Particulars	(₹ in crore)	
	Current Year	Previous Year
With in the next 12 months	2.06	1.36
above 1 year and up to 5 years	8.01	5.29
above 5 year	13.36	11.03

### Sensitivity analysis of the defined benefit obligation\*\*

Particulars	(₹ in crore)			
	Current Year			
	Discount Rate		Future salary increase	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.97)	1.05	0.93	(0.89)

Particulars	(₹ in crore)			
	Previous Year			
	Discount Rate		Future salary increase	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation	(0.69)	0.74	0.68	(0.63)

\*100% of the plan assets are managed by the insurer for current as well as previous year for employees on the Company payroll. However, for contractual employees there are no plan assets.

\*\*Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these are not calculated. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### Note 42 Expenditure in Foreign Currency

Particulars	(₹ in crore)	
	Current Year	Previous Year
Interest expenses	96.53	259.58
Other expenses	16.58	3.84

### Note 43 Derivative financial assets / liabilities

#### Derivative financial assets subject to offsetting, netting arrangements

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Derivative assets not subject to netting arrangements	Total derivative assets	Maximum exposure to risk
	Gross derivative assets before offset	Offset with gross derivative liabilities	Net derivative assets recognised on the balance sheet	Derivative liabilities	Collaterals received	Derivative assets after consideration of netting potential	Derivative Assets recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
	A	B	C = (A + B)	D	E	F = (C + D + E)	G	H = (C + G)	I = (H + D + E)
At 31 <sup>st</sup> March, 2025*	65.63	(65.63)	-	-	-	-	-	-	-
At 31 <sup>st</sup> March, 2024	190.36	(55.35)	135.01	-	-	135.01	-	135.01	135.01

#### Derivative financial liabilities subject to offsetting, netting arrangements

Particulars	Offsetting recognised on the balance sheet			Netting potential not recognised on the balance sheet			Derivative liabilities not subject to netting arrangements	Total derivative liabilities	Maximum exposure to risk
	Gross derivative liabilities before offset	Offset with gross derivative assets	Net derivative liabilities recognised on the balance sheet	Derivative Assets	Collaterals given	Derivative liabilities after consideration of netting potential	Derivative liabilities recognised on the balance sheet	Recognised in the balance sheet	After consideration of netting potential
	A	B	C = (A + B)	D	E	F = (C + D + E)	G	H = (C + G)	I = (H + D + E)
At 31 <sup>st</sup> March, 2025*	115.75	65.63	(50.12)	-	-	(50.12)	-	(50.12)	(50.12)
At 31 <sup>st</sup> March, 2024	(55.35)	55.35	-	-	-	-	-	-	-

\* Net of margin money paid to counter party bank.

### Note 44 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprise consolidated as Subsidiary/Associates/Joint Ventures:

Particulars	Net Asset (Total assets - Total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net asset	Amount (₹ in crore)	As % of consolidated profit or (loss)	Amount (₹ in crore)	As % of consolidated other comprehensive income	Amount (₹ in crore)	As % of consolidated total comprehensive income	Amount (₹ in crore)
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025
Parent								
PNB Housing Finance Limited	99.83	16,833.70	100.66	1,948.95	100.24	(69.83)	100.68	1,879.12

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Particulars	Net Asset (Total assets - Total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net asset	Amount (₹in crore)	As % of consolidated profit or (loss)	Amount (₹in crore)	As % of consolidated other comprehensive income	Amount (₹in crore)	As % of consolidated total comprehensive income	Amount (₹in crore)
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2025
<b>Indian subsidiary</b>								
PHFL Home Loans and Services Limited	0.90	151.92	0.67	12.98	(0.24)	0.17	0.70	13.15
Inter-Company elimination and other consolidated adjustments	(0.73)	(122.49)	(1.33)	(25.79)	-	-	(1.38)	(25.79)
<b>Non controlling interest in subsidiaries</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>100.00</b>	<b>16,863.13</b>	<b>100.00</b>	<b>1,936.14</b>	<b>100.00</b>	<b>(69.66)</b>	<b>100.00</b>	<b>1,866.48</b>

Particulars	Net Asset (Total assets - Total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net asset	Amount (₹in crore)	As % of consolidated profit or (loss)	Amount (₹in crore)	As % of consolidated other comprehensive income	Amount (₹in crore)	As % of consolidated total comprehensive income	Amount (₹in crore)
	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2024
<b>Parent</b>								
PNB Housing Finance Limited	99.72	14,932.37	101.29	1,527.42	101.17	(16.44)	101.29	1,510.98
<b>Indian subsidiary</b>								
PHFL Home Loans and Services Limited	0.93	138.78	0.54	8.12	(1.17)	0.19	0.56	8.31
Inter-Company elimination and other consolidated adjustments	(0.65)	(96.71)	(1.83)	(27.53)	-	-	(1.85)	(27.53)
<b>Non controlling interest in subsidiaries</b>	-	-	-	-	-	-	-	-
<b>Total</b>	<b>100.00</b>	<b>14,974.44</b>	<b>100.00</b>	<b>1,508.01</b>	<b>100.00</b>	<b>(16.25)</b>	<b>100.00</b>	<b>1,491.76</b>

**Note 44.1:** Peהל foundation being the subsidiary of the Company is a charitable organisation under Section 8 of the Companies Act, 2013 and it is prohibited to give any right over its profits to any of its members. Since PNBHFL does not have any right over any kind of returns from Peהל Foundation hence it does not meet the criteria of consolidation of financial statements laid down under Ind AS 110.

### Note 45 Change in liabilities arising from financing activities

Particulars	(₹in crore)				
	As at 1 <sup>st</sup> April, 2024	Cash flows (net)	Exchange difference	Others	As at 31 <sup>st</sup> March 2025
Debt securities & subordinated liabilities	5,286.72	625.01	-	2.30	5,914.03
Borrowings from bank and Financial Institutions	28,666.95	7,026.62	(127.61)	(10.94)	35,555.02
Deposits	17,798.35	(161.83)	-	5.21	17,641.73
Commercial paper	3,304.70	(105.63)	-	(0.06)	3,199.01
Lease liabilities	132.97	(37.60)	-	50.32	145.69

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

Particulars	(₹ in crore)				
	As at 1 <sup>st</sup> April, 2023	Cash flows (net)	Exchange difference	Others	As at 31 <sup>st</sup> March 2024
Debt securities & subordinated liabilities	5,232.44	52.00	-	2.28	5,286.72
Borrowings from bank and Financial Institutions	31,174.70	(2,158.27)	(370.62)	21.14	28,666.95
Deposits	17,244.18	545.01	-	9.16	17,798.35
Commercial paper	-	3,304.70	-	-	3,304.70
Lease liabilities	74.75	(33.25)	-	91.47	132.97

**Note 45.1:** The borrowings has been utilised for the purpose for which it has been taken from banks and financial institutions.

**Note 45.2:** The borrowings which has been repaid during the year whereby satisfaction is yet to be filed with Registrar of Companies (ROC):

(₹ in crore)			
Lender Name	Amount	Location of registrar	Reason for delay
Bank of Baroda	500.00	ROC- Delhi	Awaiting NOC from the lender
PNB Bank	500.00	ROC- Delhi	Awaiting NOC from the lender

**Note 45.3:** Quarterly returns/statements of current assets filed with banks or financial institutions against the underlying borrowings are in agreement with the books of accounts (principal outstanding).

**Note 45.4:** The Company is generally regular in transferring the unclaimed deposit amount for more than seven years to the Investor Education and Protection Fund (IEPF). However, in four instances amounting to ₹0.01 crore there was a delay in depositing the same to IEPF. Further, the Company is in the process of approaching depositors to refund / deposit in IEPF the overdue interest amounting to ₹0.23 crore.

## Note 46 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. However, with regard to loans and advances to customers and investments, the Company has used the contractual maturities for recovery/settlement. Borrowings (including debt securities and deposits) are reflected basis the contractual maturities.

Particulars	(₹ in crore)					
	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>ASSETS</b>						
<b>Financial assets</b>						
Cash and cash equivalents	2,160.38	-	2,160.38	2,142.20	-	2,142.20
Bank balance other than cash and cash equivalents	1,439.75	-	1,439.75	464.73	-	464.73
Derivative financial instruments	-	-	-	135.01	-	135.01
Trade and other receivables	49.97	-	49.97	51.53	-	51.53
Loans	3,883.70	70,761.62	74,645.32	3,367.81	60,740.43	64,108.24
Investments	988.04	2,392.88	3,380.92	1,135.20	3,210.81	4,346.01
Other financial assets	72.03	274.52	346.55	99.66	470.14	569.80
<b>Total (a)</b>	<b>8,593.87</b>	<b>73,429.02</b>	<b>82,022.89</b>	<b>7,396.14</b>	<b>64,421.38</b>	<b>71,817.52</b>

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

(₹ in crore)

Particulars	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Non-financial assets</b>						
Current tax assets (net)	-	7.48	7.48	-	185.17	185.17
Deferred tax assets (net)	-	171.16	171.16	-	127.69	127.69
Investment property	-	0.51	0.51	-	0.51	0.51
Property, plant and equipment	-	81.84	81.84	-	66.56	66.56
Right of use assets	-	132.63	132.63	-	123.14	123.14
Capital work-in-progress	-	4.67	4.67	-	5.43	5.43
Intangible assets under development	-	11.47	11.47	-	9.82	9.82
Other Intangible assets	-	24.20	24.20	-	16.57	16.57
Other non-financial assets	62.83	0.68	63.51	51.14	1.30	52.44
<b>Total (b)</b>	<b>62.83</b>	<b>434.64</b>	<b>497.47</b>	<b>51.14</b>	<b>536.19</b>	<b>587.33</b>
<b>Total asset c = (a+b)</b>	<b>8,656.70</b>	<b>73,863.66</b>	<b>82,520.36</b>	<b>7,447.28</b>	<b>64,957.57</b>	<b>72,404.85</b>
<b>LIABILITIES</b>						
<b>Financial liabilities</b>						
Derivative financial instruments	19.66	30.46	50.12	-	-	-
Trade Payables	17.54	-	17.54	19.74	-	19.74
Debt Securities	3,696.84	4,876.61	8,573.45	4,707.90	3,144.03	7,851.93
Borrowings (other than debt securities)	12,559.31	22,995.71	35,555.02	11,559.35	17,107.60	28,666.95
Deposits	5,947.68	11,693.87	17,641.55	6,022.38	11,735.84	17,758.22
Subordinated liabilities	209.92	329.67	539.59	200.00	539.49	739.49
Other financial liabilities	2,889.67	134.52	3,024.19	1,915.48	264.38	2,179.86
<b>Total (d)</b>	<b>25,340.62</b>	<b>40,060.84</b>	<b>65,401.46</b>	<b>24,424.85</b>	<b>32,791.34</b>	<b>57,216.19</b>
<b>Non-financial liabilities</b>						
Provisions	3.45	18.51	21.96	6.03	14.20	20.23
Other Non-financial Liabilities	188.55	45.26	233.81	160.73	33.26	193.99
<b>Total (e)</b>	<b>192.00</b>	<b>63.77</b>	<b>255.77</b>	<b>166.76</b>	<b>47.46</b>	<b>214.22</b>
<b>Total liabilities f = (d+e)</b>	<b>25,532.62</b>	<b>40,124.61</b>	<b>65,657.23</b>	<b>24,591.61</b>	<b>32,838.80</b>	<b>57,430.41</b>
<b>Net (c-f)</b>			<b>16,863.13</b>			<b>14,974.44</b>

## Note 47 Risk Management

The Company has formulated a comprehensive enterprise risk management policy to take care of major risks, such as credit risk, market risk, liquidity risk. The Company has an integrated risk management policy (IRM) in place, which communicates the risk management strategy, framework, and risk processes across the organisation, and has been approved by the Board. The risk management framework broadly includes governance, risk appetite approach, risk-specific guidelines, risk measurement, mitigation, monitoring reporting, and key risk indicators (KRIs). The Company has developed a clearly articulated risk appetite statement, functional policies, and KRIs to explicitly define the level and nature of risk that an organisation willing to take in order to pursue the articulated mission on behalf of various stakeholders. The Board has delegated the responsibility of risk management to its risk management committee (RMC), which reviews the efficacy of our risk management framework, provides important oversight, and assesses whether it is consistent with the risk tolerance levels laid down. The RMC gives directions to executive risk management committee (ERMC), comprising senior management.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

## Note 47.1: Credit Risk

The Company's asset base comprises of retail loans and corporate loans.

Retail loans mainly focusses on financing of acquisition or construction of houses that includes repair, upgradation, and development of plot of land. In retail loans category, the Company also provides loan against properties and loans for purchase & construction of non-residential premises.

Corporate finance loans are given mainly to developers for financing the construction of residential / commercial properties, i.e. construction finance loans, and for general corporate purpose loans. i.e. corporate term loans and lease rental discounting loans.

Being in the lending domain, credit risk is one of the major risks in the business model of the Company. Credit risk stems from outright default due to inability or unwillingness of a customer or counterparty to meet the contractual commitments. The essence of credit risk management in the Company pivots around the early assessment of stress, both at a portfolio and account level, and taking appropriate measures.

### Credit Risk Management

Credit risk of the Company is managed through a robust Credit Risk Management set-up at various levels. Given the pervasiveness of credit risk in the Company's line of business, the Board and the senior management consider credit risk management to be an integral part of the organisational strategy. The Board has constituted a Risk Management Committee (RMC) that owns the risk management framework. The RMC oversees the Risk Management practices and gives direction to the Executive Risk Management Committee (ERMC), comprising of the MD and CEO along with functional heads, in implementing the risk management framework and policy. The policies and procedures have been drafted in close consultation with process owners, ERMC and RMC.

The risk management function is led by the Chief Risk Officer who is independent and has direct access to the RMC.

The Company's Risk Framework for credit risk management is mentioned below:

#### 1) Established an appropriate credit risk environment

The Company has developed credit risk strategy which reflects its risk tolerance and level of profitability it expects to achieve. The execution of strategy is done through policies, guidelines and processes supervised by team of experienced professionals in the mortgage business.

#### 2) Ensure sound credit approval process

The Company's Target Operating Model (TOM) comprises primarily of Hub and Spoc structure, advanced technology platform, experienced and specialised professionals and mark to market policies and products. The Company's TOM allows to manage various type of risks in a better manner which in turn helps building a robust portfolio.

The Company has clear segregation of duties between transaction originators in the business function and approvers in the credit risk function. Spoc or branch act as the primary point of sale, undertake loan originations, collection, deposit sourcing and customer service. Hubs perform functions, such as loan processing, credit appraisal and monitoring through subject matter experts comprising team of underwriters, fraud control unit, legal counsels, and technical evaluators.

The credit sanction is done through a well-defined delegation matrix under four eye principle. All functions are subject to audit, undertaken by an independent team directly reporting to the Board.

Hubs and Spocs are supported by Central Support Office (CSO), Centralised Operations (COPS) and Central Processing Centre (CPC).

#### 3) Maintains an appropriate credit administration, measurement and monitoring process

Policies and procedures have been developed for identifying, measuring, monitoring and mitigating credit risk. Portfolio monitoring allows a proactive approach to identify, at an early stage, credit quality deterioration. A system of independent, periodical reviews of the Company's credit risk management process is established and the results of such

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

reviews are communicated across the levels for corrective actions as applicable. The expected credit loss on financial instruments has been presented in respective note.

Adequate controls are in place to ensure that the credit approval function is being properly managed and that credit exposures are within levels consistent with prudential standards and internal limits.

### Note 47.2: Derivative Financial Instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

### Note 47.3: Analysis of risk concentration

#### (i) Risk concentrations on loans

An analysis of the Company's credit risk concentrations per product / sub product is provided in the below mentioned table:

Particulars	(₹in crore)	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Concentration by sector - Retail</b>		
Housing loans	53,476.27	45,533.64
Non housing loans	21,325.86	17,772.18
<b>Total (a)</b>	<b>74,802.13</b>	<b>63,305.82</b>
<b>Concentration by sector - Corporate</b>		
Construction finance	947.89	1,924.72
Corporate term loan	14.66	127.27
Lease rental discounting	-	-
<b>Total (b)</b>	<b>962.55</b>	<b>2,051.99</b>
<b>Total (a+b)</b>	<b>75,764.68</b>	<b>65,357.81</b>

#### (ii) Risk concentrations on financial assets other than loans

Particulars	(₹in crore)				Total
	Government	Financial Services	Corporate	Others	
<b>As at 31<sup>st</sup> March 2025</b>					
Cash and cash equivalents	-	2,158.95	-	1.43	2,160.38
Bank balance other than cash and cash equivalents	-	1,439.75	-	-	1,439.75
Trade and other receivables	-	-	49.95	0.02	49.97
Investments	2,427.78	0.41	952.73	-	3,380.92
Other financial assets	-	322.47	3.14	20.94	346.55
<b>Total</b>	<b>2,427.78</b>	<b>3,921.58</b>	<b>1,005.82</b>	<b>22.39</b>	<b>7,377.57</b>
<b>As at 31<sup>st</sup> March 2024</b>					
Cash and cash equivalents	-	2,140.43	-	1.77	2,142.20
Bank balance other than cash and cash equivalents	-	464.73	-	-	464.73
Derivative financial instruments	-	135.01	-	-	135.01
Trade and other receivables	-	-	51.46	0.07	51.53
Investments	2,338.29	1.00	1,966.27	40.45	4,346.01
Other financial assets	-	542.55	10.97	16.28	569.80
<b>Total</b>	<b>2,338.29</b>	<b>3,283.72</b>	<b>2,028.69</b>	<b>58.58</b>	<b>7,709.28</b>

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

## Note 47.4: Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Company monitors such changes and presents to the management on a regular basis. It undertakes scenario analysis as well as other techniques like earnings at risk to quantify the expected impact upon the change of market variables. The Board approved investment policy defines the overall exposure limits and specific limits pertaining to the exposure to a particular entity /counterparty as well as type of securities.

### Note 47.4.1 Total market risk exposure

Particulars	Carrying amount		Primary risk sensitivity
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	
(₹in crore)			
<b>ASSETS</b>			
<b>Financial assets</b>			
Cash and cash equivalents	2,160.38	2,142.20	-
Bank balance other than cash and cash equivalents	1,439.75	464.73	-
Derivative financial instruments	-	135.01	-
Trade and other receivables	49.97	51.53	-
Loans	74,645.32	64,108.24	Interest rate
Investments	3,380.92	4,346.01	Interest rate
Other financial assets	346.55	569.80	Interest rate
<b>Total</b>	<b>82,022.89</b>	<b>71,817.52</b>	
<b>LIABILITIES</b>			
<b>Financial liabilities</b>			
Derivative financial instruments	50.12	-	-
Trade payables	17.54	19.74	-
Debt securities	8,573.45	7,851.93	Interest rate
Borrowings (other than debt securities)	35,555.02	28,666.95	Interest rate/ Currency risk
Deposits	17,641.55	17,758.22	Interest rate
Subordinated liabilities	539.59	739.49	Interest rate
Other financial liabilities	3,024.19	2,179.86	-
<b>Total</b>	<b>65,401.46</b>	<b>57,216.19</b>	

### 47.4.2 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Board has established limits on interest rate sensitive assets and interest rate sensitive liabilities. The Company's policy is to monitor positions on a regular basis and hedging strategies are used to ensure positions are maintained within the established limits.

The following tables assesses the sensitivity of the assets and liabilities over the profit and loss with change in interest rates.

Areas	Financial year	Increase / (decrease) in bps	Sensitivity of profit and (loss)
Loans	2024-25	100 bps / (100) bps	743.42 / (743.42)
	2023-24	100 bps / (100) bps	641.31 / (641.31)
Investments	2024-25	100 bps / (100) bps	8.80 / (9.11)
	2023-24	100 bps / (100) bps	21.83 / (23.04)
Other financial assets	2024-25	25 bps / (25) bps	0.86 / (0.86)
	2023-24	25 bps / (25) bps	56.52 / (56.52)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

(₹in crore)

Areas	Financial year	Increase / (decrease) in bps	Sensitivity of profit and (loss)
External Commercial Borrowing	2024-25	100 bps / (100) bps	-
	2023-24	100 bps / (100) bps	-
Debt securities, Borrowings (other than debt securities), Deposits and Subordinated liabilities	2024-25	100 bps / (100) bps	(413.27) / 413.27
	2023-24	100 bps / (100) bps	(384.82) / 384.82

### 47.4.3 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arises majorly on account of foreign currency borrowings which are primarily in US Dollar (\$). The Company manages its foreign currency risk by entering into cross currency swaps and forward contracts. When a derivative is entered into for the purpose of being as hedge, the Company negotiates the terms of those derivatives to match with the terms of the hedge exposure.

Currently, the Company is exposed to currency risk by virtue of its ECBs. But, the Company has undertaken hedging and mitigate such risk.

The following table assesses the sensitivity of the assets and liabilities over the profit and loss and other comprehensive income with change in currency rates.

(₹in crore)

Area	Financial year	Increase / (decrease) in %	Sensitivity on profit and loss / other comprehensive income
External Commercial Borrowing	2024-25	10 % / (10) %	-
	2023-24	10 % / (10) %	-

### Note 47.4.4: Equity price risk:

The Company's investment in non-listed equity securities are accounted at cost in the financial statement net of impairment (if any). The expected cash flow from these entities are regularly monitored to identify impairment indicators.

### Note 47.5: Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and investors in addition to its core deposit base, also adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. The Company also keeps lines of credit and liquid investments that it can access to meet liquidity needs. The lines of credit are from various banks and institutions. The liquid investments are made for shorter tenor and kept in instruments like debt mutual funds, fixed deposits, liquid bonds, certificate of deposit, government securities etc., limits of which are defined as per investment policy based on the type of security, rating of entity and instrument. In accordance with the Company's policy, the liquidity position is assessed under a variety of scenarios. The Company follows both stock and flow approaches to monitor and assess the liquidity position. Moreover, the Company keeps a track of the expected funds inflows and outflows along with the avenues of raising the funds. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The Company has a Board approved Asset and Liability Management (ALM) policy. The policy has constituted an Asset and Liability Committee (ALCO) which meets at regular intervals and review the asset liability profile both at the particular time bucket level and cumulative level as well as the interest rate profile of the Company. The policy also defines the limits on such monitored items and these are further presented to the Board for information and further action, if any. Apart from the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

regulatory defined tools, the Company has voluntarily instituted various liquidity parameters that are presented to the ALCO and further to the Board. Moreover, the position of liquidity is presented to the Risk Management Committee of the Board.

### Note 46.5.1: Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the undiscounted cash flows (including interest) of the Company's financial liabilities.

Particulars	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
	(₹in crore)					
<b>Financial liabilities</b>						
Derivative financial instruments	19.66	30.46	50.12	-	-	-
Trade payables	17.54	-	17.54	19.74	-	19.74
Debt securities	3,696.84	4,876.61	8,573.45	4,707.90	3,144.03	7,851.93
Borrowings (other than debt securities)	12,559.31	22,995.71	35,555.02	11,559.35	17,107.60	28,666.95
Deposits	5,947.68	11,693.87	17,641.55	6,022.38	11,735.84	17,758.22
Subordinated liabilities	209.92	329.67	539.59	200.00	539.49	739.49
Interest on borrowings (including debt securities / deposits / subordinated liabilities)*	3,665.16	5,779.43	9,444.59	3,718.03	5,089.83	8,807.86
Other financial liabilities	2,487.74	134.52	2,622.26	1,576.52	264.38	1,840.90
<b>Total</b>	<b>28,603.85</b>	<b>45,840.27</b>	<b>74,444.12</b>	<b>27,803.92</b>	<b>37,881.17</b>	<b>65,685.09</b>

\*Interest on borrowings includes undiscounted future interest.

The table below shows the contractual expiry by maturity of the Company's contingent assets, liabilities and commitments.

Particulars	(₹in crore)		
	Within 12 Months	After 12 Months	Total
<b>As at 31<sup>st</sup> March 2025</b>			
Undrawn commitments relating to advances	4,944.78	2,697.79	7,642.57
Undrawn commitments relating to financial guarantee	-	0.25	0.25
Undrawn sanction relating to borrowings	7,391.22	-	7,391.22
<b>As at 31<sup>st</sup> March 2024</b>			
Undrawn commitments relating to advances	4,338.28	2,489.44	6,827.72
Undrawn commitments relating to financial guarantee	21.93	0.25	22.18
Undrawn sanction relating to borrowings	5,766.68	-	5,766.68

### Note 48 Fair value measurement

The principles and techniques of fair valuation measurement of both financial and non-financial instruments are as follows:

#### (a) Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

For determination of fair value, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

**Level 1:** Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

**Level 2:** Those where the inputs that are used for valuation are significant and are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument.

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

### (b) Valuation governance

The Company's fair value methodology and the governance over its models includes a number of controls and other procedures to ensure appropriate safeguards are in place to ensure its quality and adequacy. All new product initiatives and their valuations are subject to approvals by related functions of the Company.

### (c) Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy

As at 31<sup>st</sup> March 2025

Particulars	Level 1	Level 2	Level 3	Total
(₹ in crore)				
<b>Assets measured at fair value on a recurring basis</b>				
<b>Assets measured at fair value through profit or loss</b>				
Investments				
Mutual funds	0.41	-	-	0.41
Debt securities	-	952.68	-	952.68
Security Receipts in ACRE 122 Trust	-	-	0.00	0.00
Security Receipts in CFMARC-140-Trust	-	-	0.00	0.00
Redeemable Preference Shares	-	-	0.00	0.00
Derivative financial instruments				
Currency swaps	-	44.51	-	44.51
Interest rate swaps	-	21.12	-	21.12
<b>Total assets measured at fair value on a recurring basis (a)</b>	<b>0.41</b>	<b>1,018.31</b>	<b>0.00</b>	<b>1,018.72</b>
<b>Assets measured at fair value on a non recurring basis</b>				
Other assets	-	-	-	-
<b>Total assets measured at fair value on a non recurring basis (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets measured at fair value (a)+(b)</b>	<b>0.41</b>	<b>1,018.31</b>	<b>0.00</b>	<b>1,018.72</b>
<b>Liabilities measured at fair value through profit or loss</b>				
Derivative financial instruments				
Forward contracts and currency swaps	-	115.75	-	115.75
<b>Total liabilities measured at fair value through profit or loss</b>	<b>-</b>	<b>115.75</b>	<b>-</b>	<b>115.75</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

As at 31<sup>st</sup> March 2024

Particulars	Level 1	Level 2	Level 3	Total
(₹ in crore)				
<b>Assets measured at fair value on a recurring basis</b>				
<b>Assets measured at fair value through profit or loss</b>				
Investments				
Mutual Funds	1.00	-	-	1.00
Debt securities	-	1,915.56	-	1,915.56
Security Receipts in ACRE 122 Trust	-	-	40.45	40.45
Derivative financial instruments				
Currency swaps	-	190.36	-	190.36
<b>Total assets measured at fair value on a recurring basis (a)</b>	<b>1.00</b>	<b>2,105.92</b>	<b>40.45</b>	<b>2,147.37</b>
<b>Assets measured at fair value on a non-recurring basis</b>				
Other assets	-	-	-	-
<b>Total assets measured at fair value on a non-recurring basis (b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets measured at fair value (a)+(b)</b>	<b>1.00</b>	<b>2,105.92</b>	<b>40.45</b>	<b>2,147.37</b>
<b>Liabilities measured at fair value through profit or loss</b>				
Derivative financial instruments				
Forward contracts and currency swaps	-	55.35	-	55.35
<b>Total liabilities measured at fair value through profit or loss</b>	<b>-</b>	<b>55.35</b>	<b>-</b>	<b>55.35</b>

## Valuation methodologies of financial instruments measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are recorded and measured at fair value in the Company's financial statements.

### 1. Mutual funds

Units held in mutual funds are valued based on their published Net asset value (NAV) and such instruments are classified under Level 1.

### 2. Debt securities

The Company's debt instruments are standard fixed rate securities. The Company uses market prices whenever available, or other observable inputs to estimate the corresponding fair value. These Corporate bonds are generally Level 2 instruments.

### 3. Derivative financial instruments

#### Interest rate derivatives

For Interest rate derivatives Company has interest rate swaps and cross currency swaps. The valuation techniques are the mark to market positions with forward pricing on the swap models using present value calculations by estimating future cash flows and discounting them with the appropriate yield curves like the OIS yield curve. These contracts are generally Level 2 unless adjustments to yield curves or credit spreads are based on significant non-observable inputs, in which case, they are Level 3.

#### Foreign exchange contracts

Foreign exchange contracts include spot contracts, foreign exchange forward and swap contracts. However, the Company has not entered into any foreign exchange options. These instruments are valued by either observable foreign exchange rates, observable or calculated forward points and option valuation models. Company classifies these foreign exchange contracts as Level 2.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

### 4. Security Receipt and Redeemable Preference Shares

The Company has invested in security receipt and Redeemable Preference Shares whereby the valuation is based on the underlying ratings of the security. The Company classifies these investments as Level 3.

#### (d) Fair Value of financial instruments not measured at fair value

As at 31<sup>st</sup> March 2025

(₹in crore)

Particulars	Carrying Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
<b>Financial assets measured at amortised cost:</b>					
Loans and advances to customers (net of ECL)	74,645.32	-	74,623.89	-	74,623.89
Investment <sup>#</sup>					
Government Securities (at amortised cost) & Equity (at cost)	2,427.83	-	2,470.16	-	2,470.16
<b>Total financial assets</b>	<b>77,073.15</b>	<b>-</b>	<b>77,094.05</b>	<b>-</b>	<b>77,094.05</b>
<b>Financial liabilities</b>					
<b>Financial liabilities measured at amortised cost:</b>					
Debt securities (including interest accrued)	8,762.56	-	8,827.29	-	8,827.29
Deposits (including interest accrued)	17,641.97	-	-	17,659.83	17,659.83
Subordinated liabilities (including interest accrued)	561.51	-	564.85	-	564.85
<b>Total financial liabilities</b>	<b>26,966.04</b>	<b>-</b>	<b>9,392.14</b>	<b>17,659.83</b>	<b>27,051.97</b>

As at 31<sup>st</sup> March 2024

(₹in crore)

Particulars	Carrying Value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
<b>Financial assets measured at amortised cost:</b>					
Loans and advances to customers (net of ECL)	64,108.24	-	64,086.81	-	64,086.81
Investment <sup>#</sup>					
Government Securities (at amortised cost) & Equity (at cost)	2,389.00	-	2,399.69	-	2,399.69
<b>Total financial assets</b>	<b>66,497.24</b>	<b>-</b>	<b>66,486.50</b>	<b>-</b>	<b>66,486.50</b>
<b>Financial liabilities</b>					
<b>Financial liabilities measured at amortised cost:</b>					
Debt securities (including interest accrued)	8,005.34	-	8,006.98	-	8,006.98
Deposits (including interest accrued)	17,802.68	-	-	17,775.78	17,775.78
Subordinated liabilities (including interest accrued)	770.18	-	769.59	-	769.59
<b>Total financial liabilities</b>	<b>26,578.20</b>	<b>-</b>	<b>8,776.57</b>	<b>17,775.78</b>	<b>26,552.35</b>

<sup>#</sup>Fair value has been disclosed for those valued at amortised cost.

#### Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements.

##### 1. Financial assets and liabilities (Short term)

Cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables, commercial papers and other financial liabilities has been recognised at amortised cost in the financial statements. In accordance with Ind AS 107.29(a), fair value is not required to be disclosed in relation to the

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

financial instruments having short-term maturity (less than twelve months), where carrying amount (net of impairment) is a reasonable approximation of their fair value. Hence the fair value of cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables, commercial papers and other financial liabilities has not been disclosed.

## 2. Financial assets

### Loans and advances to customers

Substantial amount of the loans are based on floating rate of interest, carrying amount of which represents the fair value of these loans. Minuscule amount of loans are based on fixed to floating rate of interest, the fair values of these loans are computed by discounted cash flow models incorporating prevailing interest rate. The Company classifies these assets as Level 2.

### Government debt securities

Government debt securities are financial instruments issued by sovereign governments and include both long-term bonds and short-term bills with fixed or floating rate interest payments. These instruments are generally liquid and traded in active markets resulting in a Level 1 classification. When active market prices are not available, the Company uses observable market inputs of similar instruments and bond prices to estimate future index levels and extrapolating yields outside the range of active market trading, in which instances the Company classifies those securities as Level 2.

The Company does not have Level 3 government securities where valuation inputs would be unobservable.

## 3. Financial liabilities

### Debt securities and Subordinated liabilities

Debt securities and subordinated liabilities are generally liquid and traded in active markets resulting in a Level 1 classification. When active market prices are not available, the Company uses observable market inputs of similar instruments and bond prices to estimate future index levels and extrapolating yields outside the range of active market trading, in which instances the Company classifies those securities as Level 2.

### Deposits

The fair values of deposits are computed by discounted cash flow models that incorporates prevailing interest rate. The Company classifies these liabilities as Level 3.

Financial assets or liabilities other than those mentioned above resembles the value approximate to their fair value.

- (e) There have been no transfers among Level 1, Level 2 and Level 3, during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

## Note 49 Other disclosures

- (i) There is no income which is required to be recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ii) The Company has not been declared willful defaulter by any Banks/Financial Institutions.
- (iii) The Company has not traded or invested in Crypto currency or Virtual currency during the year.
- (iv) There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Properties Transactions Act, 1988 and the rules made thereunder.
- (v) Disclosure in relation to Struck off Companies:

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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

Name of struck off Company/LLP	Nature of transactions with struck-off Company	Balance outstanding as at 31 <sup>st</sup> March 2025	Balance outstanding as at 31 <sup>st</sup> March 2024	Relationship with the Struck off company/LLP
Step 2 Vihaari Financial Services Pvt. Ltd	Business transaction related to commission	-	-	Vendor
Payal Financial Services Pvt Ltd.	Business transaction related to commission	-	-	Vendor
Sharp Mindz Marketing Private Limited	Repayment of loan and payment of charges	-	-	Customer
Online Outdoor Media Services Pvt Ltd	Repayment of loan and payment of charges	-	-	Customer
Vidhya Information System Pvt Ltd	Repayment of loan and payment of charges	-	-	Customer
Indus Heritage India Pvt Ltd	Repayment of loan and payment of charges	-	-	Customer
Online Outdoor Media Services	Repayment of loan and payment of charges	-	-	Customer
Sameeksha Infratel Private Limited	Repayment of loan and payment of charges	-	-	Customer
Cansa Construction Pvt. Ltd.	Repayment of loan and payment of charges	-	-	Customer
Iconnect Broadband Solutions Private Limited	Repayment of loan and payment of charges	-	-	Customer
Suraksha Gold Plaster Ltd	Repayment of loan and payment of charges	-	-	Customer

- (vi) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (vii) The Company has not received any funds from any other person(s) or entity(ies), including foreign entities (Intermediaries) 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 to or on behalf of the Ultimate Beneficiaries;
- (viii) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group has no CICs as part of the Group.
- (ix) The Company has not entered into Scheme of Arrangement in terms of section 230 to 237 of the Company Act, 2013.

In terms of our report of even date

**For M M Nissim & Co. LLP**  
Chartered Accountants  
FR No.: 107122W/W100672

**Navin Kumar Jain**  
Partner  
M. No.: 090847  
Place: Gurugram

**For C N K & Associates LLP**  
Chartered Accountants  
FR No.: 101961W/W-100036

**Hiren Shah**  
Partner  
M. No.: 100052  
Place: Gurugram

Date: 28<sup>th</sup> April, 2025

For and on behalf of the Board of Directors

**Girish Kousgi**  
Managing Director & CEO  
DIN: 08524205  
Place: Gurugram

**Vinay Gupta**  
Chief Financial Officer  
ACA: 500609  
Place: Gurugram

**Tejendra Mohan Bhasin**  
Director  
DIN: 03091429  
Place: Jim Corbett

**Veena Kamath**  
Company Secretary  
ACS: 23788  
Place: Gurugram

# Policy on Related Party Transactions

Pursuant to paragraph 37.4.4 of RBI Master Directions

## I. INTRODUCTION

PNB Housing Finance Limited ('the Company') is a public limited company incorporated on 1<sup>st</sup> November, 1988 under the Companies Act, 1956 (Corporate Identity Number L65922DL1988PLC033856). The Company is registered as a Housing Finance Company with the National Housing Bank (NHB) under the NHB Act, 1987.

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), and the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 (hereinafter referred to as RBI Master Directions) require the Company to adopt a policy on materiality of Related Party Transactions and on dealing with Related Party Transactions.

In view of the above, the Board of Directors ("Board") of the Company has adopted the Policy on Related Party Transactions ("Policy").

## II. OBJECTIVE OF THE POLICY

The objective of this Policy is to set out:

- i. Materiality of Related Party Transactions;
- ii. Manner of dealing with the transactions between the Company and its Related Parties and other Related Party Transactions, as may be required, in accordance with the Companies Act, 2013, Regulation 23 of the SEBI Listing Regulations, any other statute, law, standards, regulations and Master Directions relating to Related Party Transactions; and
- iii. Laying down the guiding principles and mechanism to ensure proper approval, disclosure and reporting of transactions as applicable in the best interest of the Company

## III. DEFINITIONS

- i. **'Act'** means the Companies Act, 2013, as amended from time to time.
- ii. **'Arm's Length Transaction'** means a transaction between the Company and its Related Party(ies) that is conducted as if they are unrelated, so that there is no conflict of interest.

- iii. **'Audit Committee'** means Audit Committee of Board of Directors of the Company constituted under provisions of the Act and SEBI Listing Regulations.
- iv. **'Board of Directors'** or **'Board'** means Board of Directors of the Company as constituted from time to time.
- v. **'Company'** means PNB Housing Finance Limited.
- vi. **'Compliance Officer'** may be a Company Secretary of the Company or any other person as may be authorized by the Board for this purpose.
- vii. **"Material modification"** shall mean any modification made in the terms and conditions of any ongoing or proposed Related Party Transaction, as originally approved which, individually or taken together with previous modifications during a financial year, results in variation in the value of the Related Party Transaction, as tabulated in the Annexure (except for the specified transactions covered as per the Act) or has significant impact on the nature, tenure, exposure, as may be determined by the Audit Committee from time to time (Refer Annexure I).

Provided that a modification shall be material, if by such modification, the terms of the contract cease to be at arms' length.

Provided further that the following shall not be considered as material modification -

- » modifications which may be mandated pursuant to change in law;
- » modifications pursuant to and in accordance with the terms of the approved transaction/ contract apart from the above defined material modification;
- » modifications resulting from change in constitution of either of the parties pursuant to schemes of arrangement (e.g. merger, amalgamation, demerger, etc.) approved by appropriate authority;
- » modifications which are purely technical and do not result in substantive change or alteration of rights, interests, and obligations of any of the parties;
- » modifications uniformly affected for similar transactions with unrelated parties;

viii. **‘Material Related Party Transaction’****A. Under the SEBI Listing Regulations:**

- a) means transaction with a Related Party if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹1000 crores or ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is less.
- b) a transaction involving payments made to a Related Party with respect to brand usage or royalty shall also be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

**B. Under the Act:**

means transactions as defined under Section 188(1) of the Act with Related Parties as defined under Section 2(76) of the Act where the aggregate value of the transaction/ transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds the limits as prescribed under the Act from time to time. Rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 prescribes the specified transactions and threshold limits as tabulated below:

Prescribed transaction categories	Threshold Limits
Sale, purchase or supply of any goods or material (directly or through an agent)	Amounting to 10 per cent or more of turnover of the Company
Selling or otherwise disposing of, or buying, property of any kind (directly or through an agent)	Amounting to 10 per cent or more of net worth of the Company
Leasing of property of any kind	Amounting 10 per cent or more of turnover of the Company
Availing or rendering of any services (directly or through an agent)	Amounting to 10 per cent or more of turnover of the Company
Appointment to any office or place of profit in the company, subsidiary company or associate company	Remuneration exceeding ₹2.5 lacs per month of the Company
Underwriting the subscription of any securities or derivatives of the company	Remuneration exceeding one per cent of net worth of the Company

- ix. **‘Related Party(ies)’** shall have the same meaning as defined under the Act, SEBI Listing Regulations and Indian Accounting Standards (Ind AS) including all amendments and modifications thereof from time to time.

**Further, as per SEBI Listing regulation:**

- (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
- (b) any person or any entity, holding equity shares of ten per cent or more in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year; shall be deemed to be a related party.
- x. **‘Related Party Transaction’** means a transaction involving transfer of resources, services or obligations between the Company or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries whether a price is charged or not.

A transaction with a Related Party shall be construed to include a single transaction or a group of transactions in a contract.

- xi. **‘SEBI Listing Regulations’** mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendments thereof.
- xii. **“Specified Transaction”** means the transaction which has been specified in Section 188 of the Act as amended from time to time.
- xiii. **‘Stock Exchange’** means the stock exchange where equity shares of the Company are listed.
- xiv. **‘Turnover’** or **‘Net Worth’** shall be on the basis of the Audited Financial Statement of the preceding financial year.

Unless the contrary is apparent from context, words and expressions used and not defined in this Policy shall have the same meaning as contained in the Act read with rules made thereunder, the SEBI Listing Regulations or any other cognate statute.

## IV. MANNER OF DEALING WITH RELATED PARTY TRANSACTION

### IV.1. Identification of Related Parties and Related Party Transactions:

- i. Every Director and/or Key Managerial Personnel of the Company shall disclose to the Compliance Officer in form MBP-1, at the time of his appointment, in beginning of every financial year and wherever there is any changes in the disclosures so made, about all persons, entities, firms, or other organizations in which he/she is interested along with unique identification number/PAN, whether directly or indirectly. (including details of relatives etc.)
- ii. The Chief Financial Officer shall maintain a complete list of Related Parties, and update the same as and when any change is necessitated. The list shall be disseminated to all business functionaries for their ready reference while undertaking any transaction.
- iii. Besides, the Chief Financial Officer shall also maintain a list of Related Parties of its subsidiaries, which may be sourced from respective subsidiaries on a periodic (quarterly) basis or as and when needed. Adequate systems must be in place to ensure that the RPTs in which the Company is not a party, but the subsidiary is a party, shall be brought to the information of the Company in a timely manner, for necessary approvals, wherever required.
- iv. The Chief Financial Officer will be responsible for providing prior notice to the Compliance Officer of any potential Related Party Transaction. He will also be responsible for providing additional information about the transaction that may be required, for placing before the Audit Committee, the Board or Shareholders, as the case may be.
- v. The suggested details and list of records and supporting documents which are required to be provided to the Audit Committee, Board and Shareholders of the Company for the proposed Related Party Transaction are provided in **Annexure II** to this Policy.
- vi. If required, the Company may refer any potential Related Party Transaction to any external legal consultant/ expert for obtaining his/ her opinion on any legal/ regulatory issues involved in the potential Related Party Transaction and the outcome or opinion of such exercise shall be brought to the notice of the Audit Committee. The Audit Committee shall have the right to obtain external professional advice in relation to related party transactions.

- vii. The Company being an insurance intermediary, shall not make payments (other than dividend) to related parties i.e. foreign investor (when shareholding is majorly held by foreign investors) taken as a whole, beyond 10% of the total expenses of the Company in a financial year.

### IV.2. Approval Mechanism for Related Party Transaction

#### IV.2.1. Approval by the Audit Committee

- i. All Related Party Transactions and Material Modification(s) thereto shall require prior approval of the Audit Committee irrespective of whether such transactions are in the ordinary course of business and/or at arm's length or not.
- ii. Prior approval of the Audit Committee of the listed entity shall also be required in case of a related party transaction to which the subsidiary of the Company is a party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual standalone turnover, as per the last audited financial statements of the subsidiary;
- iii. However, such prior approval shall not be required for (i) a related party transaction wherein Regulation 23 is applicable to such subsidiary, since in that case prior approval of the audit committee of the subsidiary will be obtained; and (ii) such other transactions which may be exempted under the Listing Regulations, from time to time.
- iv. Approval of the Audit Committee shall not be required for any transaction which has been entered into by the Company with its wholly owned subsidiary or transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the General Meeting for Shareholder's approval. However, approval shall be required in case of Specified Transaction(s), between the Company and its wholly owned subsidiary company whose accounts are not required to be consolidated.
- v. Transactions for which prior approval has been accorded by the Audit Committee, should be placed for review by the Audit Committee at such intervals, as may be decided by the Audit Committee, but least on an annual basis
- vi. Only those members of the Audit Committee who are independent directors, shall approve

Related Party Transactions. Any member of the Audit Committee who has a potential interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

#### Omnibus approval of Related Party Transactions:

- i. In the case of repetitive transactions which are in the normal course of business of the Company, the Audit Committee may grant omnibus approval keeping in mind repetitiveness and justification for the need for the omnibus approval.
- ii. While granting omnibus approval, the Audit Committee shall satisfy itself on the need for omnibus approval for transactions of repetitive nature and such approval shall be in the interest of the Company.

#### Criteria for making the omnibus approval:

- i. The Audit Committee shall, after obtaining approval of the Board of Directors, specify the criteria for making the omnibus approval which shall inter alia include the following, namely:
  - a) maximum value of the transactions, in aggregate, which can be allowed under the omnibus route in a year;
  - b) the maximum value per transaction which can be allowed;
  - c) extent and manner of disclosures to be made to the Audit Committee at the time of seeking omnibus approval;
  - d) review, at such intervals as the Audit Committee may deem fit, Related Party Transaction entered into by the Company pursuant to each of the omnibus approval made;
  - e) Transactions which cannot be subject to the omnibus approval by the Audit Committee.
- ii. The omnibus approval granted by the Audit Committee shall indicate the following :-
  - a) name of the Related Party(ies);
  - b) nature and duration of the transaction;
  - c) maximum amount of transaction that can be entered into;
  - d) the indicative base price or current contracted price and the formula for variation in the price, if any; and

e) any other information relevant or important for the Audit Committee to take a decision on the proposed transaction:

- iii. Where need of the Related Party Transaction cannot be foreseen and above details are not available, the Audit Committee may grant omnibus approval subject to the value per transaction shall not exceed by ₹1,00,00,000/- (Rupees One Crore Only).
- iv. The Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approvals given.
- v. The omnibus approval provided by the Audit Committee shall be valid for a period not exceeding one financial year and shall require fresh approval after the expiry of such financial year.
- vi. Such omnibus approval shall not be made by the Audit Committee for the transactions in respect of selling or disposing of the undertaking of the Company.

#### IV.2.2. Approval by the Board

- i. Related Party Transaction shall require Board approval in the following cases:
  - a) If the Related Party Transaction is not in the ordinary course of business or not at Arm's Length Basis; or
  - b) the Audit Committee determines that a Related Party Transaction should be brought before the Board; or
  - c) the Board in any case elects to review any Related Party Transaction suo moto; or
  - d) the Related Party Transaction needs to be approved by the Board under any law for the time being in force.
- ii. Approval of the Board of Directors shall not be required for the transaction entered into by the Company with its wholly owned subsidiary or with any other party, if such transaction is in the ordinary course of business and on an arm's length basis.
- iii. The considerations set forth above in case of Audit Committee shall also apply to the Board's review and approval of the proposed Related Party Transaction with such modification as may be necessary or appropriate under the circumstances.

- iv. Any member of the Board who has a potential interest in any Related Party Transaction will recuse himself and abstain from discussion and voting on the approval of the Related Party Transaction.

#### IV.2.3. Approval by the Members

Unless exempted under the Act/SEBI Listing Regulations, as the case may be, all Material Related Party Transactions and Specified Transactions and subsequent Material Modifications shall require prior approval of the shareholders by way of an ordinary resolution. No Related Party(ies) shall vote to approve such resolutions whether the person/entity is a related party to the particular transaction or not.

Approval of the members shall not be required for any transaction which has been entered into by the Company with its wholly owned subsidiary or transactions entered into between two wholly-owned subsidiaries of the Company, whose accounts are consolidated with the Company and placed before the General Meeting for approval.

Type of RPT	Approving body		
	Audit Committee	Board	Shareholders
Material RPTS	●		●
Material modifications in RPTs, where RPT is material	●		●
Material modification in RPTS, where RPT is not material	●		
Not in ordinary course/ arm's length & not material	●	●	
Not in ordinary course/ arm's length & material	●	●	●

#### IV.3. Consideration by the Audit Committee/Board in approving the proposed transactions

The Audit Committee/Board shall take into account all relevant facts and circumstances including the terms of the transaction, purpose of the transaction, benefits to the Company and benefit to the Related Party and any other relevant matters.

The Audit Committee/Board shall, inter-alia, consider the following factors to the extent relevant to the transaction:

- i. Whether the terms of the Related Party Transaction are in the ordinary course of the Company's business and are on an arm's length basis;
- ii. Whether there are any compelling business reasons for the Company to enter into the Related

Party Transaction and the nature of alternative transactions, if any;

- iii. Whether the Related Party Transaction includes any potential reputational risks that may arise as a result of or in connection with the proposed transaction; and
- iv. Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company.

#### V. RELATED PARTY TRANSACTIONS NOT PREVIOUSLY APPROVED

In the event of any Director, Key Managerial Personnel or any other employee becoming aware of any Related Party Transaction(s) that the transaction has been omitted to be approved by the Audit Committee/ Board/ Members, as the case may be, or is in deviation of this Policy, such person shall promptly inform to the Chief Financial Officer/Compliance Officer about such transaction and such transaction shall be placed before the Audit Committee, Board or Members, as may be required in accordance with this Policy for review and approval. The Audit Committee, Board or Members, as the case may be, shall consider all relevant facts and circumstances and may decide necessary actions as it may consider appropriate including ratification, revision, or termination of such transaction in accordance with the provisions of the Act/Listing Regulations.

#### VI. DISCLOSURES AND REPORTING

The Company shall make all disclosures and reporting in accordance with the provisions of applicable laws, including the following -

- i. As required under section 188 of the Act read with the Rules made thereunder, all the Specified Transactions with related party(ies) as defined under the Act, which are not on arm's length basis or are material in nature, shall be disclosed in the Board's Report of the Company.
- ii. The Annual Report shall contain Related Party disclosure in accordance with all applicable laws including accounting standards and RBI Master Directions/ circulars issued or amended from time to time.
- iii. The Compliance Officer shall also make necessary entries in the Register of Contracts or Arrangement required to be maintained under the Act.
- iv. Details of all Material Related Party Transactions with its Related Parties and 'Loans and advances

in the nature of loans to firms/companies in which directors are interested by name and amount' shall be disclosed in the quarterly compliance report on corporate governance as per the provisions of SEBI Listing Regulations.

- v. The Company while publishing its half yearly and annual standalone and consolidated financial results, shall also submit, disclosures of Related Party Transactions on a consolidated basis, in the format specified in the SEBI Listing Regulations as amended from time to time and publish the same on its web site.
- vi. The Company shall disclose the Policy on dealing with Related Party Transactions on its website and also in the Annual Report, in accordance with RBI Master Directions.

## VII. NON-APPLICABILITY

Notwithstanding anything contained anywhere else in this Policy, following shall not be a related party transaction as per SEBI (LODR) Regulations:

- » The issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- » The following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:
  - payment of dividend;
  - subdivision or consolidation of securities;
  - issuance of securities by way of rights issue or a bonus issue; and

– buy-back of securities;

- » Acceptance of fixed deposits by the Company at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of Related Party Transactions every six months to the stock exchange(s), in the format as specified by the Board.

## VIII. POLICY REVIEW AND DISSEMINATION

This Policy shall be reviewed annually by the Board or at earlier intervals as deemed necessary. Consequent upon any change in the SEBI Listing Regulations/Act or any other applicable law/ regulatory guidelines, if any, such change to the extent applicable to the Company, shall be deemed to be a part of this Policy.

The Company shall upload this Policy on its website and a web link of the same will be provided in the Annual Report.

## IX. INTERPRETATION

Any ambiguities, interpretative issues, difficulties will be resolved by the Board of Directors of the Company in line with the broad intent of this Policy read with the applicable provisions of the Act, rules made thereunder, and the SEBI Listing Regulations.

In the event of any conflict between the provisions of this Policy and the Act or the SEBI Listing Regulations or any other statutory enactments or rules, the provisions of the SEBI Listing Regulations / the Act or statutory enactments, rules made thereunder shall prevail over to this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.

## Annexure I

### Material Modification on type of Related Party Transactions

Type of transaction	Variation in the value of transaction (%)	Variation in the nature	Variation in tenure (%)	Variation in exposure
Loans raised - External commercial borrowings - Non-Convertible debentures - Commercial Paper - Term Loans/ working capital loans/ Overdraft/ cash credit - Fees / charges in relation to above	10	Secured converted to unsecured or vice versa	10	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Interest expense on the loan raised	NA	Secured converted to unsecured or vice versa	10	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Fixed deposit made	10	Premature withdrawal / Variation in the basis of computation of deposit rates	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Fixed deposit accepted	10	Variation in the basis of computation of deposit rates	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Interest income/ expense on fixed deposit made/ accepted	NA	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Assignment of loan including the servicing fees earned in relation to the assignment	10	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Routine banking transactions in the current account maintained with bank in line with bank mandate (including collection or disbursement of loans and incidental bank charges)	NA	NA	NA	NA
Sale / purchase of government securities	10	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Rent, maintenance and other fees/charges	10	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.
Remuneration, sitting fees, commission etc. to Key Managerial / Management Personnel	NA	NA	NA	The underlying policy approved by the Board / Committee governing the policy.
Donation for CSR	NA	NA	NA	The underlying policy approved by the Board / Committee governing the policy.
Royalty for brand / logo	20	NA	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.

**Note:** for material modification, the variation in value, nature, tenure and exposure is in respect of ongoing or proposed related party transaction, as originally approved (omnibus) which, individually or taken together with previous modifications during a financial year, results in variation.

For example, in relation fixed deposit following variations has been defined:

Type of transaction	Variation in the value of transaction (%)	Variation in the nature	Variation in tenure (%)	Variation in exposure
Fixed deposit made	10	Premature withdrawal / Variation in the basis of computation of deposit rates	NA	Likely to exceed the thresholds prescribed by the regulator or the underlying policy approved by the Board / Committee governing the policy.

Fixed deposit to be made by PNBHFL with PNB was originally approved for ₹500 crore.

- a) PNBHFL has made a deposit of ₹520 crore, in such a case approval of ACB shall be required but same will not be considered as material modification.
- b) PNBHFL has made a deposit of ₹600 crore, (the variation in value is more than 10% of approved limit as tabulated above) in such a case approval of ACB shall be required and it will be considered as material modification.

As per SEBI guidelines, the audit committee of a listed entity shall define “material modifications” and disclose it as part of the policy on materiality of related party transactions and on dealing with related party.

Practically, approval of ACB shall be required for all related party transactions including modifications. Hence, in both the above cases approval of ACB shall be required.



## Annexure II

### INFORMATION TO BE PROVIDED IN RELATION TO THE PROPOSED RELATED PARTY TRANSACTION (TO THE EXTENT RELEVANT TO THE TRANSACTION)

- i. Name, PAN of the Related Party and nature of relationship;
- ii. Nature and duration of the contract/transaction and particulars thereof;
- iii. Material terms of the contract or arrangement or transaction including the value, if any;
- iv. In case of existing or approved contracts, transactions, details of proposed variations to the duration, current price/ value and/ or material terms of the contract or arrangement including a justification to the proposed variations;
- v. Any advance paid/ received or to be paid/ received for the contract or arrangement, if any;
- vi. Manner of determining the pricing and other commercial terms, whether or not included as part of contract;
- vii. Copy of the draft MOU, agreement, contract, purchase order or correspondence etc. if any.
- viii. Applicable statutory provisions, if any;
- ix. Valuation reports in case of sale or purchase or leasing/ renting of capital assets or securities; if any.
- x. Justification as to the arm's length nature of the proposed transaction;
- xi. Declaration whether the transaction is in the ordinary course of business;
- xii. Any other information prescribed under applicable regulation or relevant for the Committee / Board to take a decision on the proposed transaction.