INDEPENDENT AUDITORS' REPORT

To
The Members of
Family Home Finance Private Limited

Report on the Audit of the Financial Statements Opinion

We have audited the accompanying financial statements of **Family Home Finance Private Limited**, (hereinafter referred to as "the Company"), which comprise the balance sheet as at 31 March 2024, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015 as amended (Ind AS) and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.



S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Expected Credit Loss – Impairment of carrying value of loans and advances.** The value of loans as at 31 March 2024 is significant and there is a high degree of complexity and judgment involved for the Company in estimating individual and collective credit impairment provisions and write-offs against these loans. Recognition and measurement of impairment relating to the loans measured at amortized cost involves significant management judgment and as per the requirements of Ind AS 109, credit loss assessment is based on management's ECL model. The Company's impairment allowance is computed based on estimates including the historical default and loss ratios. Management exercises judgment in determining the quantum of loss based on a range of factors. The most significant areas are: - Credit worthiness of the parties to whom loans have been given; - Securities given by the parties in favor of the Company; - Loans staging criteria; - Calculation of probability of default rate / Loss given default rate; - Consideration of probability weighted scenarios; and - Forward looking macro-economic factors. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its loans to estimate the Probability of Default (PD) and Loss Giving Default (LGD) in future. There is a large increase in the data inputs required for the computation of ECL of loans. This increases the risk of completeness and accuracy of the data that has been used as a basis of assumptions in the model and therefore we identified allowance for credit losses of loans as a key audit matter. (Refer note 2, 4, 27 and 28 to the financial statements)	**We performed audit procedures set out below:** We have started our audit procedures with understanding of the internal control environment related to loans and impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. We also assessed whether the impairment methodology used by the Company is in line with Ind AS 109 "Financial instruments" requirements. Particularly, we assessed the approach of the Company regarding definition of default, Probability of Default, Loss Given Default and incorporation of forward-looking information for the calculation of ECL. For loans which are assessed for impairment on a portfolio basis, we performed particularly the following procedures: • We read and understood the methodology and policy laid down for loans given by the Company; • We have verified loan agreements and related financial and non-financial covenants on sample basis; • We have verified the existence of recovery process plan in the event of default; • We have verified the historical trends of repayment of principal amount of loan and repayment of interest; • We tested the reliability of key data inputs and related management controls; • We checked the stage classification as at the balance sheet date as per definition of default of the Company; • We have assessed the assumptions made by the Company in making provision considering forward-looking information. • Relied on the management representation regarding the factors considered for determination of ECL on loans.

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2	**IT Systems and controls** The Company financial accounting and reporting systems are highly dependent on the effective working of the operating and accounting system. The Company has separate software applications for management of its loan portfolio from origination to servicing and closure and for the routine accounting. Transfer of data from / to this software is critical for accurate compilation of financial information. Due to extensive volumes, variety and complexity of transactions the operating system is functioning, consistently and accurately, specifically with respect to following: • Interest, Fee income and other charges collected on Loans. • Bifurcation of the Loan Portfolio based on maturity pattern and Assets Classification based on ageing of default. We have identified 'IT systems and controls' as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture. Our audit outcome is dependent on the effective functioning of such operating and accounting system.	**We performed audit procedures set out below:** • We obtained an understanding of the Company's business IT environment and key changes, if any during the audit period that may be relevant to the audit. • Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the key automated and manual business cycle controls and logic for system generated reports relevant to the audit by verifying the reports/returns and other financial and non-financial information generated from the system on a test check basis. • We have tested and reviewed the reconciliations between the loan origination/ servicing application and the accounting software to mitigate the risk of incorrect data flow to/from separate application software. • We have also obtained management representations wherever considered necessary.

Information Other than the financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the annual report, namely the Directors' Report, Annexures to Board Report, Management Discussion and Analysis, but does not include the financial statements and our auditor's report thereon. The Reports are expected to be made available to us after the date of this auditors' report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board report including Annexures to Board Report, Management Discussion and Analysis, 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 (Revised) 'The Auditor's responsibilities Relating to Other Information'.



Management's Responsibility for the financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for the safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibility for the audit of the Financial Statements

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

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

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

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as, it appears from our examination of those books;

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;

   e) On the basis of the written representations received from the directors as on 31 March 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control over financial reporting;



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, the remuneration paid or provided to its directors during the year is in accordance with the provision of Section 197 of the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. a) The Management has represented that, to the best of its knowledge and belief, as mentioned in note 49 (a) to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The Management has represented, that, to the best of its knowledge and belief, as mentioned in note 49 (b) to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

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Further, the Company is using independent softwares for loan management and payroll processing which are not integrated with the accounting system of the Company. Based on the output of these softwares, the Company account for the entries related to loan and payroll on a timely basis. Accordingly, in our view, the reporting responsibility under Rule 11(g) is not applicable.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

For PYS & CO LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

SANJAY KOKATE
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Date: 2024.05.04 17:11:30 +05'30'



Sanjay Kokate
Partner
Membership No.: 130007
UDIN: 24130007BKAUYX4434

Place: Mumbai
Date: 04 May 2024

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date of Family Home Finance Private Limited)

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets, according to the information and explanations given to us and on the basis of our examination of the records of the Company:

a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets and relevant details of right-of-use assets.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

b) The Company has a regular programme for physical verification of its property, plant and equipment by which all the assets are verified every year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, all the property, plant and equipment have been physically verified by the management during the year and no discrepancy was observed in such verification.

c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. In view of this, Clause 3 (i) (c) of the Order is not applicable to the Company.

d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) and intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as of 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of the Company's inventories:

a) Considering the nature of the business, the Company does not have inventory. In view of this, Clause 3 (ii) (a) of the Order is not applicable to the Company.

b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions on the basis of security of current assets, and accordingly, reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) In respect of the Company's investments, loan, guarantee or security:

a) Since the Company is in the business of Housing Finance, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

b) During the year, the Company has made investments, granted loans and advances to companies, firms limited liability partnerships or any other parties. In our opinion, the investments made, and the terms and conditions of the grant of loans, during the year are prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided guarantee or security to any party during the year.

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c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 159 instances of 49 Loan Accounts wherein the repayments of principal or interest are not regular for one or more installments. There are 28 instances having loan outstanding balance as at year end aggregating to Rs. 236.10 Lakhs wherein the repayments of principal and interest are not regular. Out of 159 instances reported above, default in 131 instances have been regularized during the year. Having regard to the nature of the Company's business, it is not practicable to provide an itemized list of loan assets where repayment of principal and interest have not been regular.

d) In respect of loans granted by the Company, there are no amounts overdue for more than 90 days as at the balance sheet date and accordingly, reporting under Clause 3(iii)(d) of the Order is not applicable to the Company.

e) Since the Company is in the business of Housing Finance, and accordingly, reporting under Clause 3(iii)(e) of the Order is not applicable to the Company.

f) During the year, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment and accordingly, reporting under Clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans and investments in respect of which provisions of Sections 185 and 186 of the Act are attracted. Accordingly, reporting under Clause 3(iv) of the Order is not applicable to the Company. Further, the Company has not granted any guarantee and not provided any securities during the year.

(v) The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and provision of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder apply. Accordingly, the reporting under Clause 3 (v) of the Order is not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Sub-section (1) of Section 148 of the Act.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us, the Company is regular in depositing the undisputed statutory dues including provident fund, goods and service tax, income tax, cess and any other statutory dues applicable to it with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for the period of more than six months from the date they became payable. As explained to us, the Company did not have any dues on account of duty of excise, sales tax and value added tax.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and other statutory dues which have not been deposited on account of any dispute with the appropriate authorities.

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

(ix) In respect of borrowings:

(a) During the year, the Company has not defaulted in repayment of loans or other borrowings in the payment of interest thereon to any lender and hence, reporting under Clause 3(ix) (a) of the Order is not applicable to the Company.



(b) The Company is not declared a willful defaulter by any bank or financial institution or other lender and hence, reporting under Clause 3(ix) (b) of the Order is not applicable to the Company.

(c) The Company has applied for the term loans for the purpose for which the loans were obtained.

(d) During the year, no funds were raised on short term basis by the Company and accordingly the reporting under Clause 3(ix) (d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under Clause 3(ix) (e) and Clause 3(ix) (f) of the Order are not applicable to the Company.

(x) In respect of issue of shares or debt instruments:

(a) The Company has not raised money by way of an initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) In respect of frauds and whistle blower complaints:

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

(xii) The Company is not a Nidhi Company and hence, reporting under clause (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, in our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Accordingly, reporting under Clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion during the year, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) In respect of the Reserve Bank of India Act, 1934:

(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) The Company is a Housing Finance Company, and it holds a valid Certificate of Registration (CoR) from the National Housing Bank issued under Section 29A(2) of the National Housing Bank Act, 1987 for conducting housing finance business.



(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has not more than one CIC as part of the Group. The CIC company in the Group is not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

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

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company is not required to spend amounts towards Corporate Social Responsibility as it does not fulfill the condition given under section 135 of Companies Act, 2013. Accordingly, reporting on Clauses 3(xx) (a) and 3(xx)(b) of the Order are not applicable to the Company.

For PYS & CO LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

SANJAY KOKATE
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Date: 2024.05.04 17:12:56 +05'30'

PYS & CO LLP Mumbai Chartered Accountants

Sanjay Kokate
Partner
Membership No.: 130007
UDIN: 24130007BKAUYX4434
Place: Mumbai
Date: 04 May 2024

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Family Home Finance Private Limited** (the Company) as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

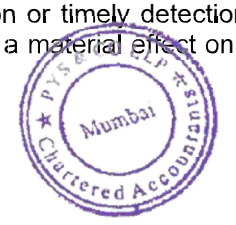
Our responsibility is to express an opinion on the Company internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For PYS & CO LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

SANJAY KOKATE
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Date: 2024.05.04 17:13:39 +05'30'

PYS & CO LLP Mumbai Chartered Accountants

Sanjay Kokate
Partner
Membership No.: 130007
UDIN: 24130007BKAUYX4434

Place: Mumbai
Date: 04 May 2024

INDEPENDENT AUDITORS' REPORT AS PER PARA 69 OF MASTER DIRECTION – NON-BANKING FINANCIAL COMPANY – HOUSING FINANCE COMPANY (RESERVE BANK) DIRECTIONS, 2021

To
The Board of Directors,
Family Home Finance Private Limited,
601-602, 6th Floor, Windsor,
Off CST Road, Kalina, Santacruz (E),
Mumbai — 400 098

1. Introduction

This report is issued in terms of our audit engagement with Family Home Finance Private Limited ("the Company") in our capacity as Statutory Auditors. Pursuant to the Paragraph 69 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Master Directions"), we have examined the matters specified in Paragraph 70 and 71 of these Directions in respect of the Company for the year ended 31 March 2024.

2. Management's Responsibility

The Management of the Company is responsible for compliance with the RBI Master Directions, Reserve Bank of India Act, 1934 ("the RBI Act") and the National Housing Bank Act, 1987 ("the NHB Act") on an ongoing basis and reporting non-compliances, if any, to the regulatory authorities and Board of Directors. This responsibility also includes –

a. creation and maintenance of proper accounting and other records based on guidelines issued by National Housing Bank ("NHB") and the Reserve Bank of India ("RBI"),

b. design, implementation, and maintenance of adequate internal control relevant to the preparation and presentation of the records and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances,

c. ensuring that the records provided to us for our examination are correct and complete.

3. Our Responsibility

Our responsibility is to express reasonable assurance in the form of an opinion based on our examination of the books of accounts and other records maintained by the Company on the matters specified in Paragraph 70 and 71 of the RBI Master Directions.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Service Engagements issued by ICAI.

4. Opinion

Based on the information and explanations given to us and shown by the records examined by us, we are of the opinion that-

A. Matters applicable to all Housing Finance Companies

1. The Company has applied for registration as required under Section 29A of the National Housing Bank Act, 1987 and has been granted the Certificate of Registration (Cora) dated 05 April 2018 from the National Housing Bank. The Company has fulfilled the Principal Business Criteria as specified in Paragraph 4.1.17 of RBI Master Direction.

2. The Company has complied with Net Owned Fund (NOF) requirement as prescribed under section 29A of the National Housing Bank Act, 1987.

3. As per Section 29C of the NHB Act, the Company is required to create a reserve fund and transfer at least 20% of net profits every year before declaration of any dividend. The Company has complied with this provision and has transferred the required amount to the Statutory Reserve Account.

4. Total borrowings of the Company i.e. the amounts referred to in sub-clauses (iii) to (vii) of sub-section (bb) of Section 45 I of the RBI Act and loans or other assistance from the National Housing Bank, are within the limit prescribed under Para 27.2 of the RBI Master Directions.

5. The Company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in the RBI Master Directions.

6. The capital adequacy ratio as disclosed in the half-yearly statutory return, submitted to the National Housing Bank in terms of NHB Circular No. NHB(ND)/DOS/Sup. Circular No. 10 /2023-24 dated 31 December 2021 as updated on 21 July 2023, has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio (CRAR) prescribed.

7. The Company has furnished Schedule II Return for half year ended 30 September 2023 with the National Housing Bank within the stipulated time as specified in the Directions issued by NHB in this regard. The due date for furnishing the return for half year ended 31 March 2024 to NHB is 12 May 2024. Accordingly, the Schedule II return for the half year ended 31 March 2024 is yet to be submitted as of date by the Company.

8. The Company is a housing finance Company not accepting/holding public deposits and having an asset size of less than 100 Crores therefore, requirement of furnishing the quarterly statutory return on Statutory Liquid Assets as specified in Paragraph 70.1.8 of the RBI Master Direction, within stipulated period, is not applicable.



9. The Company does not have branches and therefore compliance with respect to the requirements with respect to the opening of new branches/offices or in the case of closure of existing branches/offices as specified in the directions is not applicable.

10. During the year, the Company has not granted any loans against security of shares as per Paragraph 3.1.3, loan against single product – gold jewellery as per Paragraph 3.1.4 and loan against Company's own shares as per Paragraph 18 of the RBI Master Direction. Therefore, compliances in respect to the requirements of Paragraph 3.1.3, Paragraph 3.1.4 and Paragraph 18 as specified in the directions are not applicable to the Company.

11. During the year, the Board of Directors passed a resolution in the meeting of Board of Directors held on 21 April 2023 for the non-acceptance of any public deposits. Further, the Board of Directors have passed a circular resolution on 26 April 2024 for non-acceptance of any public deposits for the financial year 2023-24.

12. The Company has not accepted any public deposits during the financial year ended 31 March 2024. Accordingly, reporting on compliances with respect to Paragraph 70.2 is not applicable to the Company.

B. There are no unfavourable or qualified statement/ remarks/ notes regarding any of the items referred to in Paragraph 70 of the RBI Master Direction, as mentioned in the Paragraph 4A - 1 to 12 above. Accordingly, reporting with respect to Paragraph 71 is not applicable to the Company.

5. Restriction on use:

This report has been issued pursuant to the requirements of the RBI Master Directions. It should not be used by any other person or for any other purpose other than submission to regulatory authorities. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For PYS & CO LLP
Chartered Accountants
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SANJAY KOKATE
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Sanjay Kokate
Partner
Membership No.: 130007
UDIN: 24130007BKAUYY6858

Place: Mumbai
Date: 04 May 2024

Family Home Finance Private Limited

Balance Sheet as at 31 March 2024

Rs. in Lakhs

Particulars	Notes	As at 31-March-2024	As at 31-March-2023
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	27.51	48.59
(b) Loans	4	7,229.17	3,324.48
(c) Investments	5	487.57	678.58
(d) Other financial assets	6	31.11	15.21
Total financial assets		**7,775.36**	**4,066.86**
(2) Non-financial assets			
(a) Deferred tax assets (net)	7	8.76	5.34
(b) Property, plant and equipment	8	316.81	0.01
(c) Capital work-in-progress	9	106.15	-
(d) Intangible Assets	10	-	-
(e) Other non financial assets	11	28.12	10.00
Total non-financial assets		**459.84**	**15.35**
TOTAL ASSETS		**8,235.20**	**4,082.21**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	12	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		21.34	3.84
(b) Borrowings (other than debt securities)	13	2,984.42	1,692.86
(c) Other financial liabilities	14	343.56	2.62
Total financial liabilities		**3,349.32**	**1,699.32**
(2) Non-financial liabilities			
(a) Current tax liabilities (net)		5.97	8.49
(b) Provisions	15	1.35	0.43
(c) Other non-financial liabilities	16	9.05	3.42
Total non-financial liabilities		**16.37**	**12.34**
TOTAL LIABILITIES		**3,365.69**	**1,711.66**
EQUITY			
(a) Equity share capital	17(a)	3,850.00	2,000.00
(b) Other equity	17(b)	1,019.51	370.55
TOTAL EQUITY		**4,869.51**	**2,370.55**
TOTAL LIABILITIES AND EQUITY		**8,235.20**	**4,082.21**

Significant accounting policies -See note 2

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For PYS & CO LLP
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Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 04 May 2024

For and on behalf of the Board of Directors
Family Home Finance Private Limited

JAIN VIKAS SANTOSH

Vikas Jain
Director
DIN-07887754

ANNU GARG

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR

Ajay Tendulkar
Chief Executive Officer

MAHESH SHIVPRAKASH BHOOTRA

Mahesh Bhootra
Chief Finance Officer

SUNIDHI SINGHAI

Sunidhi Singhai
Company Secretary
(ACS:A59314)

Place: Mumbai
Date : 04 May 2024

Family Home Finance Private Limited

Statement of profit and loss for the year ended 31 March 2024

Rs. in Lakhs

Particulars	Notes	For the year ended 31-March-2024	For the year ended 31-March-2023
Revenue from operations			
Interest income	**18**	556.76	211.33
Fees income	**19**	0.06	0.07
Net gain on fair value changes	**20**	14.98	29.29
Total revenue from operations		**571.80**	**240.69**
Other income	**21**	-	0.06
Total income		**571.80**	**240.75**
EXPENSES			
Finance Cost	**22**	208.32	57.62
Employee Benefit Expense	**23**	93.71	40.01
Depreciation, amortization and impairment	**8(c)**	0.24	0.04
Impairment of financial assets		11.78	6.10
Other expenses	**24**	116.85	24.94
Total expenses		**430.90**	**128.71**
Profit before exceptional items and tax		**140.90**	**112.04**
Exceptional items		**-**	**-**
Profit before tax		**140.90**	**112.04**
Tax expense:			
Current tax		31.26	30.50
Prior period tax adjustment		0.10	(0.54)
Deferred tax expense/ (credit)		0.41	(2.94)
Profit for the year after tax [A]		**109.13**	**85.02**
Other comprehensive income, net of tax			
Item that will not be reclassified to the statement of profit and loss		-	-
Less: Income tax expense on above		-	-
[I]		**-**	**-**
Item that will be reclassified to the statement of profit and loss		-	-
Less: Income tax expense on above		-	-
[II]		**-**	**-**
Other comprehensive income for the year [I+II] [B]		**-**	**-**
Total comprehensive income for the year [A+B]		**109.13**	**85.02**
Earnings per equity share (Rs.)			
Basic and diluted earnings per share	**35**	**0.44**	**0.43**

Significant accounting policies -See note 2

The accompanying notes are an integral part of financial statements

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Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 04 May 2024

For and on behalf of the Board of Directors
Family Home Finance Private Limited

JAIN VIKAS SANTOSH

Vikas Jain
Director
DIN-07887754

ANNU GARG

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR

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Chief Executive Officer

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Mahesh Bhootra
Chief Finance Officer

SUNIDHI SINGHAI

Sunidhi Singhai
Company Secretary
(ACS:A59314)

Place: Mumbai
Date : 04 May 2024

Family Home Finance Private Limited

Statement of Cash Flow for the year ended 31 March 2024

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Cash flow from operating activities		
Profit before tax	140.90	112.04
Adjustment for:		
Depreciation, amortization and impairment	0.24	0.04
Impairment of financial assets	11.78	6.10
Net gain on fair value changes	(14.98)	(29.29)
Finance Cost	208.32	57.62
Interest income on investments	(33.06)	(26.51)
Movement in working capital:		
Increase in trade payable and other financial liabilities	19.45	5.09
Increase in other non financial liabilities	5.63	2.01
(Increase) in trade receivables and other financial assets, Loans	(3,944.16)	(1,968.41)
Increase in provisions	0.92	0.43
(Increase) in other non financial assets	(18.12)	0.12
Cash used in operations	**(3,623.08)**	**(1,840.76)**
Income tax paid	(34.80)	(27.10)
Cash used in operations [A]	**(3,657.88)**	**(1,867.86)**
Cash flow from investing activities		
Payment for acquisition of property, plant and equipment including capital advances	(58.60)	-
Interest received on investments	33.14	29.61
Payment for acquisition of Investments	205.99	230.85
Cash generated from investing activities [B]	**180.53**	**260.46**
Cash flow from financing activities		
Proceeds from long term borrowings	1,700.00	1,800.00
Repayment of long term borrowings	(408.44)	(107.14)
Repayment of lease liabilities	(16.77)	-
Issue of equity shares	1,850.00	-
Securities premium received	555.00	-
Share issue expenses	(19.00)	-
Interest paid	(204.52)	(56.93)
Cash generated from financing activities [C]	**3,456.27**	**1,635.93**
Net decrease in cash and cash equivalents [A+B+C]	**(21.08)**	**28.53**
Add: Cash and cash equivalents at the beginning of the year	48.59	20.06
Cash and cash equivalents at the end of the year	27.51	48.59

Reconciliation of liabilities arising from financing activities

Particulars	As at 31 March 2023	Cash Flows	Transaction cost	Interest accrual	As at 31 March 2024
Long-term borrowings	1,692.86	1,291.56	-	-	2,984.42
Lease liabilities	-	(24.95)	321.97	8.18	305.20
Interest on above borrowings	-	(204.52)	8.18	199.22	2.88
Total liabilities from financing activities	**1,692.86**	**1,062.09**	**330.15**	**207.40**	**3,292.50**

Particulars	As at 31 March 2022	Cash Flows	Transaction cost	Interest accrual	As at 31 March 2023
Long-term borrowings	-	1,692.86	-	-	1,692.86
Interest on above borrowings	-	(56.93)	-	56.93	-
Total liabilities from financing activities	**-**	**1,635.93**	**-**	**56.93**	**1,692.86**

Significant accounting policies - See note 2

The accompanying notes are an integral part of financial statements

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For and on behalf of the Board of Directors
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Chief Finance Officer

SUNIDHI SINGHAI

Sunidhi Singhai
Company Secretary
(ACS:A59314)

Place: Mumbai
Date : 04 May 2024

1 Corporate Information

Family Home Finance Private Limited (hereinafter referred to as the Company) was incorporated on 29 June 2017. It is a Subsidiary of A.K. Capital Finance Limited (RBI Registered NBFC); and a Step down Subsidiary of A. K. Capital Services Limited, a SEBI Category I Merchant Banker in India.The company is a non deposit taking housing finance company. The company was granted certificate of registration from National Housing Bank on 09 April 2018. The registered address of the Company is situated at 601-602, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai - 400098. The financial statements are approved for issue by the Company's Board of Directors on 04 May 2024.

2 Significant accounting policies

2.01 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Financial Statements are presented in Lakhs or decimal thereof unless otherwise specified.

The financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

2.02 Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest lakh, unless otherwise stated.

2.03 Use of estimates and judgements

The preparation of financial statements in conformity of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are:

- Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with 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. Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs/assumptions used.





- Effective interest rate computation

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial instruments are expected to be received), nature and timings of such estimated cashflows considering the contractual terms of the financial instrument. These estimations are done considering various factors such as historical behavior patterns of the instrument with respect to average repayment period and cash flows behaviors. Such estimates and assumptions are reviewed by the Company at each reporting date and changes, if any are given effect to.

- Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the Company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Taxes

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/recovered for certain tax positions.

- Measurement of defined employee benefit obligation

The cost of the defined benefit plan and the present value of the 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

- Provisions and Liabilities

Provisions and liabilities are recognized in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

2.04 Fair value measurement and hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.





The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.05 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

i. Interest income

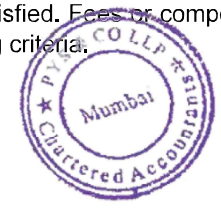
Interest income on financial instruments at amortized cost is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable. The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated considering all the contractual terms of the instrument. Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Penal Charges are recognized as income only when revenue is virtually certain which generally coincides with receipts.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognized in the Statement of Profit and Loss at initial recognition.

ii. Fees and commission income

Revenue from fee-based activities are recognized when the services are rendered. Fees earned from contract with customer is recognised as and when performance obligation is satisfied. Fees or components of fees that are linked to certain performance are recognised after fulfilling the corresponding criteria.





iii. Net gain on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss, the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain\loss on fair value changes. However, net gain / loss on derecognition of financial instruments classified as amortised is presented separately under the respective head in the Statement of Profit and Loss.

2.06 Taxes

The tax expense for the period comprises of current tax and deferred tax. Tax is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised in the other comprehensive income or equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Current income taxes are recognized in profit or loss except to the extent that the tax relates to items recognized outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subjected to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised , based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

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 deferred tax liabilities are offset, if a legally enforceable right exist to set-off current tax assets and current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.07 Property, plant and equipment

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation

Depreciation is calculated as per the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.





Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

2.08 Intangible assets

Intangible assets that are acquired by the Company, which have finite useful life, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognised in profit or loss as incurred.

Amortisation of intangible assets with finite useful lives:

Intangible assets comprising of Software are amortised on a straight line basis over its estimated useful life or maximum 5 years, whichever is shorter.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.09 Borrowing costs

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

2.10 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in books of account but its existence is disclosed in financial statements.

A contingent assets, where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect, measured using the principles set out for provisions in Ind AS 37.





2.11 Impairment of assets

a) Financial assets

Overview of the ECL principles

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

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

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.

Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances up to 0-30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 31-89 days are classified under this stage. Stage 2 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 3.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in the Statement of profit or loss.

Financial assets (and the related impairment allowances) are written off in full, when there is no realistic prospect of recovery. The Company may apply enforcement activities to certain qualifying financial assets written off.





b) **Non-financial assets**

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset. unless the asset does not generate cash inflows that are largely independent of those from other assets.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.12 Financial instruments

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

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

(a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel

(b) The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed

(c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)

(d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

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

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/ discount). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.





A Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at:

Amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Fair value through profit and loss (FVTPL): A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, is recognised in the Statement of Profit and Loss.

Fair value through other comprehensive income (FVOCI): Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss.

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

(i) Trade Receivables and loans:

Trade receivables and loans (including loans granted by way of Business Correspondence arrangement) are initially recognized at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(ii) Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a) **Measured at amortised cost:** Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) **Measured at fair value through other comprehensive income:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity in the Statement of Profit and Loss.

c) **Measured at fair value through profit or loss:** A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income , recognised in the Statement of Profit and Loss.





(iii) Equity instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value , the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

B Financial liabilities:

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. All financial liabilities are recognised initially at fair value and in the case of borrowings trade payables and other financial liabilities, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade payables, deposits and other financial liabilities.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

(a) Borrowings: Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(b) Trade and other payables: These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(c) Deposits: They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.





Offsetting of financial instruments

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

2.13 Segment reporting:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

Segment information:

Companies whole business is being considered as one segment.

2.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.15 Retirement benefits

i) Defined contribution plans (Provident fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

ii) Defined benefit plans (Gratuity)

In accordance with applicable Indian Law, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lumsump payment to vested employees, at retirement or termination of employment, and amount based on respective last drawn salary and the years of employment with the Company. The Company's net obligation in respect of the Gratuity Plan is calculated by estimating the amount of future benefits that the employees have earned in return of their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is yield at reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligation. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service cost and the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contribution to the plan.

The Company recognises all remeasurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

iii) Compensated absences

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided at the end of year and charged to the Statement of Profit and Loss.

Mumbai
Chartered Accountants
Family Home Finance Private Limited
Mumbai

2.16 Lease

As a lessee:

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.17 Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended 31 March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.





Family Home Finance Private Limited

Statement of Changes in Equity for the year ended 31 March 2024

A. Equity share capital

Rs. in Lakhs

Particulars	Number of shares	Amount
As at 31 March 2022	2,00,00,000	2,000.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at 31 March 2022	**2,00,00,000**	**2,000.00**
Issue of share capital	-	-
As at 31 March 2023	**2,00,00,000**	**2,000.00**
As at 31 March 2023	2,00,00,000	2,000.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at 31 March 2023	**2,00,00,000**	**2,000.00**
Issue of share capital	1,85,00,000	1,850.00
As at 31 March 2024	**3,85,00,000**	**3,850.00**

B. Other equity

Rs. in Lakhs

Particulars	Retained Earnings				
	Special Reserve	Securities premium	Retained earnings	Other	Total
Balance as at 31 March 2022	**31.52**	**116.87**	**137.14**	**-**	**285.53**
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance as at 31 March 2022	**31.52**	**116.87**	**137.14**	**-**	**285.53**
Profit for the year	-	-	85.02	-	85.02
Transfer to special reserve	19.48	-	(19.48)	-	-
Other comprehensive income for the period	-	-	-	-	-
Balance as at 31 March 2023	**51.00**	**116.87**	**202.68**	**-**	**370.55**
Changes in accounting policy/prior period errors	-	-	-	-	-
Restated balance as at 31 March 2023	**51.00**	**116.87**	**202.68**	**-**	**370.55**
Profit for the year	-	-	109.13	-	109.13
Addition during the year	-	555.00	-	-	555.00
Share issue Cost (Net of taxes)	-	(15.17)	-	-	(15.17)
Transfer to special reserve	22.00	-	(22.00)	-	-
Other comprehensive income for the year	-	-	-	-	-
Balance as at 31 March 2024	**73.00**	**656.70**	**289.81**	**-**	**1,019.51**

Significant accounting policies - See note 2

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For PYS & CO LLP
Chartered Accountants
Firm's Reg. No.: 012388S/S200048

SANJAY KOKATE
Digitally signed by SANJAY KOKATE
Date: 2024.05.04 17:16:37 +05'30'

Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 04 May 2024

For and on behalf of the Board of Directors
Family Home Finance Private Limited

JAIN VIKAS SANTOSH

Vikas Jain
Director
DIN-07887754

ANNU GARG

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR

Ajay Tendulkar
Chief Executive Officer

MAHESH SHIVPRAKASH BHOOTRA

Mahesh Bhootra
Chief Finance Officer

SUNIDHI SINGHAI

Sunidhi Singhai
Company Secretary
(ACS:A59314)

Place: Mumbai
Date : 04 May 2024

3 Cash and cash equivalents

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Cash on hand	0.84	0.77
Balances with banks	26.67	47.82
	27.51	**48.59**

4 Loans (at amortised cost)

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Loans		
(A)		
(i) Loans and Advances	7,250.49	3,334.02
Total (A) -Gross	**7,250.49**	**3,334.02**
Less: Impairment loss allowance	21.32	9.54
Total (A) - Net	**7,229.17**	**3,324.48**
(B)		
(i) Secured by tangible assets	7,250.49	3,334.02
Total (B)-Gross	**7,250.49**	**3,334.02**
Less: Impairment loss allowance	21.32	9.54
Total (B)-Net	**7,229.17**	**3,324.48**
(C) Loans in India		
(i) Public Sector	-	-
(ii) Others	7,250.49	3,334.02
Total (C)- Gross	**7,250.49**	**3,334.02**
Less: Impairment loss allowance	21.32	9.54
Total(C)-Net	**7,229.17**	**3,324.48**

4 (a) (i) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person which are repayble on demand as on 31 March 2024 and 31 March 2023

(ii) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are without specifying any terms or period of repayment as on 31 March 2024 and 31 March 2023

(iii) Credit quality of assets

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Stage 1	7,169.32	3,294.36
Stage 2	81.17	39.66
Stage 3	-	-

4 (b) (i) An analysis of changes in gross carrying amount and corresponding Impairment Loss allowances in relation to lending as at 31 March 2024 is as follows;

Rs. in Lakhs

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	**3,294.36**	**39.66**	**-**
New assets orginated / (repaid) [excluding write offs]	3,941.95	(25.48)	-
Transfer to / from Stage 1	-	66.99	-
Transfer to / from Stage 2	(66.99)	-	-
Transfer to / from Stage 3	-	-	-
Amount written off	-	-	-
Gross carrying amount closing balance	**7,169.32**	**81.17**	**-**

(ii) An analysis of changes in gross carrying amount and corresponding Impairment Loss allowances in relation to lending as at 31 March 2023 is as follows;

Rs. in Lakhs

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	**1,377.42**	**-**	**-**
New assets orginated / (repaid) [excluding write offs]	1,973.75	-	(17.15)
Transfer to / from Stage 1	-	56.81	-
Transfer to / from Stage 2	(56.81)	-	17.15
Transfer to / from Stage 3	-	(17.15)	-
Amount written off	-	-	-
Gross carrying amount closing balance	**3,294.36**	**39.66**	**-**

P Y & CO LLP Chartered Accountants Mumbai

Family Home Finance Private Limited Mumbai

4 (c) (i) Reconciliation of Impairment Loss allowances in relation to lending as at 31 March 2024 is as follows;

Rs. in Lakhs

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	**9.14**	**0.40**	**-**
Add/(Less): Movement (Net) due to new origination, transfer, reversals due to recovery,etc	11.37	0.41	-
Gross carrying amount closing balance	**20.51**	**0.81**	**-**

(ii) Reconciliation of Impairment Loss allowances in relation to lending as at 31 March 2023 is as follows;

Rs. in Lakhs

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	**3.44**	**-**	**-**
Add/(Less): Movement (Net) due to new origination, transfer, reversals due to recovery,etc	5.70	0.40	-
Gross carrying amount closing balance	**9.14**	**0.40**	**-**

4 (d) Loans sanctioned but undisbursed is Rs. 96.37 lakhs (Previous Year Rs. 72.04 lakhs)

5 Investments

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
(I) Mutual Fund		
i) Quoted (at fair value through profit and loss account)	185.14	235.12
(II) Debt Securities		
i) Quoted (at fair value through profit and loss account)	-	143.46
(III) AIF Investments		
i) Unquoted (at fair value through profit and loss account)	302.43	300.00
Total (A)	**487.57**	**678.58**
(i) Investments outside India	-	-
(ii) Investments in India	487.57	678.58
Total (B)	**487.57**	**678.58**
Less: Allowance for Impairment loss (C)	-	-
Total D= (A)-(C)	**487.57**	**678.58**

6 Other financial assets

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Deposits (at amortised cost)		
Rental deposits with other parties (at amortised cost)	26.51	-
Other deposits (at amortised cost)	0.53	0.03
Other receivables (at amortised cost)	0.76	11.79
	3.31	3.39
Income receivable on financial assets (at fair value through profit and loss account)		
	31.11	**15.21**

7 Deffered Tax Assets (Net)

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Deferred tax assets:		
On account of:		
Timing difference arising on preliminary expenses (Section 35D on Income Tax Act 1961)*	4.79	1.44
Impairment allowance on loans	5.37	2.40
Transaction cost on financial assets	3.58	1.96
Right-of-use assets	75.62	-
Timing difference arising on depreciation	0.08	0.30
Expenses allowable on payment basis (gratuity)	0.34	0.11
Less: Deferred tax liabilities:		
Fair value gain on investments in debt securities	(0.61)	(0.87)
Timing difference arising on Section 36 on Income Tax Act 1961	(3.60)	-
Lease liabilities	(76.81)	-
Income tax assets (net)	**8.76**	**5.34**

* Net of Share issue Expenses

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8 Property, plant and equipment

Rs. in Lakhs

Particulars	Computers	Office Equipment	Building Right-of-use (Refer note 36)	Total
Gross block				
Opening balance as at 01 April 2022	2.23	0.22	-	2.45
Additions	-	-	-	-
Disposals	-	-	-	-
As at 31 March 2023	**2.23**	**0.22**	**-**	**2.45**
Additions	1.91	3.73	333.68	339.32
Disposals	-	-	-	-
As at 31 March 2024	**4.14**	**3.95**	**333.68**	**341.77**
Accumulated depreciation				
Opening balance as at 01 April 2022	2.23	0.17	-	2.40
Additions	-	0.04	-	0.04
Disposals	-	-	-	-
As at 31 March 2023	**2.23**	**0.21**	**-**	**2.44**
Additions	0.23	0.01	22.28	22.52
Disposals	-	-	-	-
As at 31 March 2024	**2.46**	**0.22**	**22.28**	**24.96**
Net Block				
As at 31 March 2023	**-**	**0.01**	**-**	**0.01**
As at 31 March 2024	**1.68**	**3.73**	**311.40**	**316.81**

(a) The Company has not revalued any of its property, plant and equipment.

(b) There was no impairment loss on the property, plant and equipment on the basis of review carried out by the management in accordance with Accounting Standard (Ind AS) – 36 'Impairment of Assets'.

(c) Reconciliation of Depreciation

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Depreciation charged during the year		
Depreciation on Property, Plant and equipment	22.52	0.04
Depreciation on Intangible Assets	-	-
Less: Depreciation capitalised to Capital Work in Progress	(22.28)	-
Depreciation charged to Profit and Loss Account	**0.24**	**0.04**

9 Capital Work in Progress

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Leasehold improvements and other capital expenditure	83.87	-
Add: Project development expenditure (Depreciation on Right of use asset)	22.28	-
Total	**106.15**	**-**

(a) (i) CWIP aging schedule for leasehold improvements in progress

Rs. in Lakhs

Capital work-in-progress (CWIP)	As at 31-March-2024	As at 31-March-2023
Less than 1 year	106.15	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	**106.15**	**-**

(a) (ii) There is no capital work-in-progress which are temporarily suspended as on 31 March 2024 and 31 March 2023.

(b) There is no capital-work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan.

10 Intangible Assets

Rs. in Lakhs

Particulars	Intangible assets	
	Software	Total
Gross block		
Opening balance as at 01 April 2022	12.23	**12.23**
Additions	-	**-**
Deductions/adjustments	-	**-**
As at 31 March 2023	12.23	**12.23**
Additions	-	**-**
Deductions/adjustments	-	**-**
As at 31 March 2024	12.23	**12.23**
Accumulated amortisation		
Opening balance as at 01 April 2022	11.50	**11.50**
Additions	0.73	**0.73**
Deductions/adjustments	-	**-**
As at 31 March 2023	12.23	**12.23**
Additions	-	**-**
Deductions/adjustments	-	**-**
As at 31 March 2024	12.23	**12.23**
Net block		
As at 31 March 2023	-	**-**
As at 31 March 2024	-	**-**

(a) The Company has not revalued any of its Intangible Assets.

(b) There was no impairment loss on the property, intangible assets on the basis of review carried out by the management in accordance with Accounting Standard (Ind AS) – 36 'Impairment of Assets'.





11 Other non financial assets

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Prepaid expense	3.15	0.08
Balance with Government authorities	24.97	9.92
	28.12	**10.00**

12 Trade Payables

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	21.34	3.84
	21.34	**3.84**

Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company and the same has been relied upon by the auditors.

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

Outstanding of Trade Payable from due date of payment

Rs. in Lakhs

Particulars	As at 31-March-2024		As at 31-March-2023	
	MSME	Others	MSME	Others
Unbilled	-	12.60	-	3.04
Less than 1 year	-	8.74	-	0.80
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**21.34**	**-**	**3.84**

There are no outstanding of disputed trade payable from MSME or Others, from due date of payment as on 31 March 2024 and 31 March 2023

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13 Borrowings (other than debt securities) (at amortised cost)

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
(a) Term Loans		
(i) from NBFC*	2,984.42	1,692.86
Total (A)	**2,984.42**	**1,692.86**
Borrowings in India	2,984.42	1,692.86
Borrowings outside India	-	-
Total (B)	**2,984.42**	**1,692.86**
Secured	2,984.42	1,692.86
Unsecured	-	-
Total (C)	**2,984.42**	**1,692.86**

* Term loan from NBFC is repayable in 84 equated monthly installments along with interest from the date of loan. The loans are secured by by Pari- passu first charge by way of hypothecation/assignment of assets financed including current and future receivables of the Company, in favour of the NBFC.

13 (a) The Company has used the borrowings from NBFC for the specific purpose for which it was taken at the balance sheet date.

13 (b) The quarterly returns and / or statements of current assets filed by the Company with NBFC are in agreement with books of accounts and there is no discrepancies in the same.

13 (c) The Company is not declared a wilful defaulter by any bank or financial institution or other lender.

13 (d) The Company has registered the charges towards secured borrowings outstanding as on 31 March 2024 and 31 March 2023. There is no satisfaction of charge pending on secured borrowings which are repaid during the financial year ended 31 March 2024 and 31 March 2023.

13 (e) Refer Note - 52 for utilization of borrowed funds.

14 Other financial liabilities

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Employee dues	4.51	1.56
Creditors for gapital goods	30.91	-
Interest accrued but not due on borrowings	2.88	-
Income received in advance	-	0.26
Lease liabilities (Refer Note - 36)	305.20	-
Other payables	0.06	0.80
	343.56	**2.62**

15 Provisions

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Provision for employee benefits		
Gratuity (Refer Note - 30)	1.35	0.43
	1.35	**0.43**

16 Other non-financial liabilities

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Statutory dues	9.05	3.42
	9.05	**3.42**





17 (a) Share capital

Equity share capital **Rs. in Lakhs**

Particulars	As at 31-March-2024		As at 31-March-2023	
	Numbers of shares	Amount	Numbers of shares	Amount
Authorised:				
Equity shares of Rs. 10 each	4,20,00,000	4,200.00	2,20,00,000	2,200.00
Total		**4,200.00**		**2,200.00**
Issued, subscribed and paid-up:				
Equity shares of Rs. 10 each fully paid up	3,85,00,000	3,850.00	2,00,00,000	2,000.00
Total		**3,850.00**		**2,000.00**

Terms / rights attached to equity shares
The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

In the event of the liquidation of the Company, the holder 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. However there exists no preferential liability as at 31 March 2024.

Shares held by the holding company

Name of the shareholder	As at 31-March-2024		As at 31-March-2023	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
A. K. Capital Finance Limited	3,85,00,000	100.00%	2,00,00,000	100.00%

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

Name of the shareholder	As at 31-March-2024		As at 31-March-2023	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
A. K. Capital Finance Limited	3,85,00,000	100.00%	2,00,00,000	100.00%

Details of shares held by promoters in the Company :

Name of the shareholder	As at 31-March-2024		As at 31-March-2023	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
A. K. Capital Finance Limited	3,85,00,000	100.00%	2,00,00,000	100.00%

There is no percentage change in the shareholding of promoters during the financial year ended 31 March 2024 and 31 March 2023.

The reconciliation of the number of shares outstanding:

Particulars	As at 31-March-2024	As at 31-March-2023
Shares at the beginning of the year	2,00,00,000	2,00,00,000
Add :Shares issued during the year	1,85,00,000	-
Shares at the end of the year	**3,85,00,000**	**2,00,00,000**

During the year ended 31 March 2024, the Board of Directors of the Company at its meeting held on 18 December 2023 approved the allotment of 1,85,00,000 (Previous Year Nil) fully paid-up equity shares of face value of Rs. 10 per share at a premium of Rs. 3 per equity share to its holding company, A. K. Capital Finance Limited which would rank pari passu with the existing equity share capital.

(b) Other equity

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Statutory reserve as per section 29C of the National Housing Bank Act, 1987*		
Opening balance	51.00	31.52
Add: Transfer from retained earning	4.40	19.48
Closing balance of special reserve	**55.40**	**51.00**
Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve u/s 29C of National Housing, Bank Act, 1987*		
Opening balance	-	-
Add: Transfer from retained earning	17.60	-
Closing balance of special reserve	**17.60**	**-**
Security Premium Account		
Opening balance	116.87	116.87
Add: Current year addition	555.00	-
Less: Share issue cost (Net of Taxes)	(15.17)	
Closing balance of security premium account	**656.70**	**116.87**
Other Comprehensive Income		
Opening balance	-	-
Add: Profit for the year / period	-	-
Closing balance of retained earnings	**-**	**-**
Retained Earning		
Opening balance	202.68	137.14
Add: Profit for the year / period	109.13	85.02
Profit available for appropriation	**311.81**	**222.16**
Appropriations:		
Transfer to special reserves	(22.00)	(19.48)
Closing balance of retained earnings	**289.81**	**202.68**
	1,019.51	**370.55**

Refer Note - 52

*Special Reserve represents the reserve created pursuant to the National Housing Bank Act, 1987 ("the NHB Act"). In terms of Section 29C(1) of the NHB Act, a Housing Finance Company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. 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. Appropriation from this Reserve Fund is permitted only for the purpose specified by the RBI .





18 Interest income

Rs. in Lakhs

Particulars	For the year ended 31-March-2024			For the year ended 31-March-2023		
	On financial assets measured at amortised cost	Interst income on securities classified at fair value through profit or loss	Total	On financial assets measured at amortised cost	Interst income on securities classified at fair value through profit or loss	Total
Interest on loans	517.41	-	517.41	184.55	-	184.55
Processing fees income	1.86	-	1.86	0.27	-	0.27
Other Charges	3.79		3.79	-	-	-
Interest income on investments	-	33.06	33.06	-	26.51	26.51
Other interest income	0.64	-	0.64	-	-	-
	523.70	**33.06**	**556.76**	**184.82**	**26.51**	**211.33**

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19 Fees and commission Income

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Other charges recovered	0.06	0.07
	0.06	**0.07**

20 Net gain on fair value changes

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Net gain/(loss) on investments at fair value through profit and loss		
- Realised	12.55	25.83
- Unrealised	2.43	3.46
	14.98	**29.29**
Additional Information :		
Profit on sale of Investments (actual) (A)	16.01	25.89
Net gain/(loss) on investments due to fair value change (B)		
- Realised	(3.46)	(0.06)
- Unrealised	2.43	3.46
	14.98	**29.29**

21 Other income

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Interest on income tax refund	-	0.06
	-	**0.06**

22 Finance cost

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Interest on borrowings	199.22	56.93
Interest on income tax	0.92	0.69
Unwinding Interest Cost	8.18	-
	208.32	**57.62**

23 Employee benefits expenses

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Salaries and wages	88.33	37.81
Gratuity	0.92	0.43
Employers contribution to provident fund	4.32	1.75
Staff welfare expenses	0.14	0.02
	93.71	**40.01**

24 Other expenses

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Rent, rates and energy cost	3.59	0.09
Auditor's remuneration:		
As auditor	1.65	1.50
For other services	1.09	-
Selling expenses	0.39	0.17
Software expenses	53.41	-
Communication costs	0.03	0.03
Support services	13.08	6.00
Conveyance expenses	4.39	5.86
Travelling expenses	1.30	0.98
Director sitting fees	1.64	-
Legal and professional charges	14.57	8.54
Collection and sourcing fees	16.68	0.07
Miscellaneous expenses	5.03	1.70
	116.85	**24.94**

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25 Segment Reporting

In accordance with Indian Accounting Standard (Ind AS) 108, the Company operates in a single operating segment i.e. "Providing Housing Finance Loans" within India. Accordingly, no separate disclosure is required. The Board of Directors of the Company are collectively the Chief Operating Decision Makers (CODMs) of the Company.

26 Related Party Disclosures:

A Ind AS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) a person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply; (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity.(iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.(vi) The entity is controlled or jointly controlled by a person identified in (a).(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

B Related party relationships:

Ultimate holding Company
A. K. Capital Services Limited

Holding Company
A. K. Capital Finance Limited

Fellow subsidiary of holding Company
A. K. Stockmart Private Limited

Key managerial personnel
Ms. Annu Garg - Director
Mr. Ajay Tendulkar - Chief Executive Officer
Mr. Mahesh Bhootra - Chief Finance Officer
Mr. Govind Lalwani - Company Secretary (Till 23rd October 2023)
Ms. Bindu Shah - Independent Director (w.e.f. 07th September 2023)
Mr. Ashish Vyas- Independent Director (w.e.f. 07th September 2023)

Notes:

a The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (AS) - 24 'Related Party Disclosures' and the same have been relied upon by the auditors.

b The relationships as mentioned above pertain to those related parties with whom transactions have taken place during the year, except where control exist, in which case the relationships have been mentioned irrespective of transactions with the relatives.

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Notes to the financial statements for the year ended 31 March 2024

Details of transactions with Related Parties are given as under:

Disclosure in respect of transactions which are more than 10% of the total transactions of the same type during the year is as under:

Rs. in Lakhs

	Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
A)	**Transaction with related parties:**		
	Demat Charges		
	A. K. Stockmart Private Limited	0.02	0.03
	Key managerial remuneration		
	Short term benefits	52.85	34.23
	Director's sitting fees	1.50	-
	Support Services		
	A. K. Capital Finance Limited	12.00	6.00
	Loan taken		
	A. K. Capital Finance Limited	1,700.00	1,800.00
	Repayment of Loan taken		
	A. K. Capital Finance Limited	408.44	107.14
	Interest paid on loan taken		
	A. K. Capital Finance Limited	199.22	56.93
	Issuance of equity share capital (including securities premium of Rs.555.00 lakhs)		
	A. K. Capital Finance Limited	2,405.00	-

Rs. in Lakhs

	Particulars	As at 31-March-2024	As at 31-March-2023
B)	**Balances with related parties:**		
	Loan outstanding		
	A. K. Capital Finance Limited	2,984.42	1,692.86
	Interest accrued but not due on loan outstanding		
	A. K. Capital Finance Limited	2.88	-

Notes:

(i) Transaction amount is excluding taxes wherever applicable

(ii) Reimbursement of expenses has not been considered for above disclosure.

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27 Financial Instruments

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

The carrying value and fair value of financial instrument by categories as of 31 March 2024 were as follows:

Rs. in Lakhs

Particulars	At amortised cost	At fair value through profit and loss	Total carrying value	Total fair value
Assets:				
Cash and cash equivalents	27.51	-	27.51	27.51
Loans	7,250.49	-	7,250.49	7,264.71
Investments	-	487.57	487.57	487.57
Other financial assets	27.80	3.31	31.11	42.18
TOTAL	**7,305.80**	**490.88**	**7,796.68**	**7,821.97**
Liabilities:				
Trade and other payables	21.34	-	21.34	21.34
Borrowings (other than debt securities)	2,984.42	-	2,984.42	2,984.42
Other financial liabilities	343.56	-	343.56	343.56
TOTAL	**3,349.32**	**-**	**3,349.32**	**3,349.32**

The carrying value and fair value of financial instrument by categories as of 31 March 2023 were as follows:

Rs. in Lakhs

Particulars	At amortised cost	At fair value through profit and loss	Total carrying value	Total fair value
Assets:				
Cash and cash equivalents	48.59	-	48.59	48.59
Loans	3,334.02	-	3,334.02	3,341.83
Investments	-	678.58	678.58	678.58
Other financial assets	11.82	3.39	15.21	15.21
TOTAL	**3,394.43**	**681.97**	**4,076.40**	**4,084.21**
Liabilities:				
Trade and other payables	3.84	-	3.84	3.84
Borrowings (other than debt securities)	1,692.86	-	1,692.86	1,692.86
Other financial liabilities	2.62	-	2.62	2.62
TOTAL	**1,699.32**	**-**	**1,699.32**	**1,699.32**





28 Risk management

Financial risk management

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.
The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.
In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Credit risk

Revenue/Trade receivables

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Loans

Credit risk is controlled by analysing the credit limits and creditworthiness of the customer on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. An impairment analysis is performed at each reporting date on a individual basis. The Company holds collateral as security against the loans. The impairment of the credit risk on the loan is carried out through a detailed ECL model. The ECL model provides for the ECL on a 12 month ECL basis for standard to stage 1 Assets whereas the same is calculated based on a lifetime ECL for stage 2 & 3 level assets. The ECL is calculated based on a probability default (PD)X exposure at default (EAD) X (Loss given default X discount rate - LGD)). The Company calculates the PD by taking into account the past historical trends of the portfolio and its credit performance based on a homogenous charateristic of the underlying portfolio. This is calculated based on a 12 month PD perspective. In case of Impaired assets where lifetime PD is applied, the PD is extrapolated to take into account the probability of default over the life time of asset.

a) The following table gives details in respect of fees and income from loans generated from top customer and top 5 customers:

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Revenue from top customer	6.69	3.01
Revenue from top 5 customers	22.87	11.89

Exposure to credit risk

Financial assets for which loss allowance is measured using expected credit loss model:

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Financial assets		
Loans	7,250.49	3,334.02
Total	**7,250.49**	**3,334.02**

The Company's exposure to customers is diversified and no single customer contributes to more than 15% of outstanding loans which are measured at amortised cost as at 31 March 2024 and 31 March 2023.

The Company has used a practical expedient by computing the expected credit loss allowance for Loans and advances taking into account historical credit loss experience.

Balances with banks and other financial assets:

The Company held cash and cash equivalents of Rs. 27.51 lakhs as at 31-March-2024 (31-March-2023: Rs. 48.59 lakhs). The cash and cash equivalents are held with banks with good credit ratings. Also, the Company invests its surplus funds in bank fixed deposits and mutual funds, which carry no / low mark to market risks for short duration and therefore, does not expose the Company to credit risk.

For banks only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.





Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company has interest rate risk exposure mainly from changes in rate of interest on borrowings. The following table analyse the breakdown of the financial assets and liabilities by type of interest rate:

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Financial assets		
Interest bearing		
- fixed interest rate		
Loans	5,756.16	1,411.62
Investments	-	143.46
Deposits	26.51	-
- floating interest rate		
Loans	1,494.33	1,922.40
Non interest bearing		
Investments	487.57	535.12
Cash and cash equivalents	27.51	48.59
Other financial assets	4.60	15.21
Financial Liabilities		
Interest bearing		
- floating interest rate		
Borrowings	2,984.42	1,692.86
Lease Liabilities	305.20	
Non interest bearing		
Trade payables	21.34	3.84
Other financial liabilities	38.36	2.62

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Increase in basis points	50.00	50.00
Effect on profit before tax (Rs. in Lakhs)	(8.98)	1.15
Decrease in basis points	50.00	50.00
Effect on profit before tax (Rs. in Lakhs)	8.98	(1.15)

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Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimised cost.

The Company's maximum exposure to liquidity risk for the components of the balance sheet at 31 March 2024 and 31 March 2023 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The Company's major financial liabilities include term loans with maturity profile ranging between 0 to 7 years. The average credit period taken to settle trade payables is about 15 days. The other payables are with short-term durations. The following table analysis undiscounted financial liabilities by remaining contractual maturities:

Rs. in Lakhs

Particulars	On demand	Less than 3 months	3 to12 months	1 to 5 years	>5 years
Year ended 31 March 2024					
Borrowings (other than debt securities)	-	185.23	540.47	2,506.01	976.17
Trade and other payables	-	21.34	-	-	-
Other financial liablities	-	51.26	22.09	270.21	-
	-	**257.83**	**562.56**	**2,776.22**	**976.17**
Year ended 31 March 2023					
Borrowings (other than debt securities)	-	97.31	285.08	1,327.87	414.65
Trade and other payables	-	3.84	-	-	-
Other financial liablities	-	2.62	-	-	-
	-	**103.77**	**285.08**	**1,327.87**	**414.65**

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Trade payables	21.34	3.84
Borrowing (other than debt securities)	2,984.42	1,692.86
Other financial liabilities	343.56	2.62
Net debt (A)	**3,349.32**	**1,699.32**
Equity share capital	3,850.00	2,000.00
Other equity	1,019.51	370.55
Total member's capital (B)	**4,869.51**	**2,370.55**
Capital and net debt (C=A+B)	**8,218.83**	**4,069.87**
Gearing ratio (%) (A/C)	**40.75**	**41.75**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the NBFC to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

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29 Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets measured at fair value on a recurring basis as of 31 March 2024:

Rs. in Lakhs

Particulars	As at 31-March-2024	Fair value measurement at end of the reporting year using		
		Level I	Level 2	Level 3
Financial assets:				
Investments	487.57	185.14	302.43	-

The following table presents fair value hierarchy of assets measured at fair value on a recurring basis as of 31 March 2023:

Rs. in Lakhs

Particulars	As at 31-March-2023	Fair value measurement at end of the reporting year using		
		Level I	Level 2	Level 3
Financial assets:				
Investments	678.58	235.12	443.46	-

Description of techniques and valuation inputs used for Level II and Level III hierarchy are under:

Assets class	Fair value hierarchy	Valuation techniques and inputs
Debt instruments, Government securities, commercial paper and state development loan measured at FVTPL	Level II	Valuation techniques and inputs in order of first preference are as under:
		1.Cost of securities only if the securities are allotted within last 20 days or purchased within 7 days from the measurement date or, latest traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-7 days, whichever is later.
		2. Weighted average (appropriate weight considered by the company) of; -Future cash flows which are discounted using a discount rate arrived at by adding the spread provided by FIMMDA and -Latest subsequent traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-7 days.
		3.Future cash flows are discounted using a discount rate arrived at by adding the spread provided by FIMMDA or other approved agencies and annualised government security yield provided by regulatory authorities.
Alternative Investment Fund (AIF) measured at FVTPL	Level II	The valuation is done based on the rating agency valuation provided by the Alternative Investment Fund (AIF).
Unquoted equity instruments measured at FVOCI	Level III	Based on unobservable inputs which generally approximates to the carrying value of the investments unless significantly impaired. Fair value has been considered Nil for significantly impaired investments. Sensitivity change in the unobservable input does not have a significant impact in its value and accordingly, sensitivity disclosure is not given.

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents and other financial asset approximate their carrying amount largely due to short term maturity of these instruments.

30 Employee benefit obligation

A. Defined contribution plans

The following amount recognized as an expense in statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Contribution to provident fund	4.32	1.75

B. Defined benefit plans

The Company has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.20.00 Lakhs (31 March 2023 - Rs 20.00 Lakhs)

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
(a) Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	0.89	0.27
Past service cost	-	0.16
Interest cost on defined benefit obligation	0.03	-
(Gain) / losses on settlement	-	-
Total expense charged to profit and loss account (included in salaries, wages and incentives) (A)	**0.92**	**0.43**
(b) Amount recorded in Other Comprehensive Income (OCI)		
Opening amount recognised in Other Comprehensive Income outside profit and loss account		
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	0.05	-
Actuarial loss / (gain) arising from change in demographical assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	(0.05)	-
Amount recognised in Other Comprehensive Income (B)	**-**	**-**
Gratuity expense recognised in the statement of profit and loss and Other Comprehensive Income (A+B)	**0.92**	**0.43**
(c) Reconciliation of net liability		
Opening defined benefit liability	0.43	-
Expense charged to profit and loss account	0.92	0.43
Amount recognised in outside profit and loss account	-	-
Benefit paid	-	-
Closing net defined benefit liability	**1.35**	**0.43**

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30 Employee benefit obligation (continued)

Rs. in Lakhs

Particulars	**For the year ended 31-March-2024**	**For the year ended 31-March-2023**
(d) Movement in benefit obligation and balance sheet		
Opening defined benefit obligation	0.43	-
Current service cost	0.89	0.27
Past service cost	-	0.16
Interest on defined benefit obligation	0.03	-
Remeasurement during the period due to :		-
Actuarial loss arising from change in financial assumptions	0.05	-
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	(0.05)	-
Benefits paid / payable	-	-
Closing defined benefit obligation [liability / (asset)] recognised in balance sheet	**1.35**	**0.43**

(e) The principal assumptions used in determining gratuity benefit obligation for the Company's plans are shown below:

Discount rate	7.22%	7.52%
Expected rate of return on plan assets (p.a.)		
Salary escalation rate (p.a.)	5.00%	5.00%
Withdrawal rate		
Upto 30 Years	3.00%	3.00%
Upto 31-44 Years	2.00%	2.00%
Above 45 Years	1.00%	1.00%
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

(f) A quantitative analysis for significant assumption is as shown below:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Indian gratuity plan: **Rs. in Lakhs**

Particulars	**For the year ended 31-March-2024**	**For the year ended 31-March-2023**
Assumptions -Discount rate		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.50%	0.50%
Impact on defined benefit obligation -increase of sensitivity level	(0.08)	(0.02)
Impact on defined benefit obligation -decrease of sensitivity level	0.08	0.02
Assumptions -Future salary escalations rates		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.50%	0.50%
Impact on defined benefit obligation-increase of sensitivity level	0.08	0.02
Impact on defined benefit obligation-decrease of sensitivity level	(0.08)	(0.02)

The following payments are expected contributions to the defined benefit plant in future years.

Rs. in Lakhs

Particulars	**For the year ended 31-March-2024**	**For the year ended 31-March-2023**
Within 1-2 years	0.07	0.01
2-3 years	0.10	0.02
3-4 years	0.15	0.02
4-5 years	0.19	0.02
5-6 years	3.04	0.04

The average duration of the defined benefit plan obligation at the end of the reporting period is 1.79 years (previous year 1.59).

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilized leave balances is provided at the end of year and charged to the Statement of Profit and Loss.

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31 Income Tax

The major components of income tax expense for the years are:

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Current income tax:		
Current income tax charge	31.26	30.50
Adjustments in respect of previous year	0.10	(0.54)
Deferred tax:		
Relating to origination and reversal of temporary differences	0.41	(2.94)
Income tax expense reported in the statement of profit or loss	**31.77**	**27.02**

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Profit before income tax	140.90	112.04
Rate of Income tax	25.17%	25.17%
Computed expected tax expenses	35.46	28.20
Tax effect due to non-deductable expenses	0.37	0.17
Tax effect due to deductable expenses	(0.96)	-
Other adjustments	0.01	0.05
Adjustments in respect of current income tax of previous year	0.10	(0.54)
Tax effect due to recognition / non recognition of deferred tax assets/(liabilities)	(3.21)	(0.86)
Income tax expense reported in the statement of profit or loss	**31.77**	**27.02**

The Gross movement in the current income tax liability for the year ended March 31, 2024 and March 31, 2023 is as follows:

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Net current income tax liability at the beginning	(8.49)	(4.94)
Income tax paid	34.80	27.10
Current tax expenses	(31.26)	(30.50)
Interest on income tax	(0.92)	(0.69)
Excess short provision of earlier year	(0.10)	0.54
Net current income tax liability at the end	**(5.97)**	**(8.49)**

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax (liabilities) / assets:

Rs. in Lakhs

Particulars	As at 31 March 2024	As at 31 March 2023
Net deferred tax asset at the beginning of the year	5.34	2.40
Disallowance of share issue expenses	3.35	(0.49)
Property plant and equipments	(0.22)	(0.19)
Expenses allowable on payment basis (gratuity)	0.23	0.11
Transaction cost on financial assets	1.62	1.96
Impairment of financial instruments	2.97	2.40
Lease Liabilities Expenses	(76.81)	-
Right-of-use assets	75.62	-
Timing difference arising on Section 36 on Income Tax Act 1961	(3.60)	-
Fair value gain on investments in debt securities	0.26	(0.85)
Net current income tax asset at the end	**8.76**	**5.34**





32 Disaggregated revenue information

The table below represents disaggregation of the Company's revenue from contracts with the customers. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Type of goods or service		
Fees and commission Income	0.06	0.07
Total revenue from contracts with the customers	**0.06**	**0.07**
Geographical markets		
-India	0.06	0.07
-Outside India	-	-
Total revenue from contracts with the customers	**0.06**	**0.07**
Relation with customer		
-Non related party	0.06	0.07
-Related Party	-	-
Total revenue from contracts with the customers	**0.06**	**0.07**
Timing of revenue recognition		
-Service transferred over a period of time	-	-
-Service transferred over a point of time	0.06	0.07
Total revenue from contracts with the customers	**0.06**	**0.07**

Geographical revenue is allocated based on the location of the services.

33 Disclosure on Principal Business Criteria:

For the year ended 31-March-2024

Criteria-I NBFC	%	Limit
Financial assets/ Total assets (net of intangible assets) (I/IV)	94.22%	> 50%
Income from financial assets/Gross income (VII/VIII)	100.00%	> 50%

Criteria-II HFC	%	Limit
Housing finance/ Total assets (net of intangible assets) (V/IV)	81.21%	≥ 60 %
Housing finance for individual/Total assets (net of intangible assets) (VI/IV)	81.21%	≥ 50 %

For the year ended 31-March-2023

Criteria-I NBFC	%	Limit
Financial assets/ Total assets (net of intangible assets) (I/IV)	98.56%	> 50%
Income from financial assets/Gross income (VII/VIII)	99.98%	> 50%

Criteria-II HFC	%	Limit
Housing finance/ Total assets (net of intangible assets) (V/IV)	80.76%	≥ 55 %
Housing finance for individual/Total assets (net of intangible assets) (VI/IV)	80.76%	≥ 45 %

Rs. in Lakhs

Sr. No	Particulars	As at 31-March-2024	As at 31-March-2023
I	Financial assets (Refer Note-1 below)	7,747.85	4,018.27
II	Total assets	8,235.20	4,082.21
III	Intangible assets (All Intangible Assets) (Refer Note-2 below)	11.91	5.42
IV	Total assets (net of Intangible Assets)	8,223.29	4,076.79
V	Housing finance	6,678.50	3,334.02
VI	Housing finance for individual	6,678.50	3,334.02

Rs. in Lakhs

Sr. No	Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
VII	Income from financial assets (Refer Note-3 below)	571.80	240.69
VIII	Gross income	571.80	240.75

Note:

1 Cash/Bank balance and investments in fixed deposits cannot be treated as "financial assets"

2 Intangible assets includes deferred revenue expenditure and deferred tax assets.

3 Interest income on fixed deposits cannot be treated as "income from financial assets"

34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

Disclosure as per Annexure III

Rs. in Crores

	Particulars	As at 31-March-2024		As at 31-March-2023	
	Liability side	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
1	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**				
	(a) Debentures				
	: Secured	Nil	Nil	Nil	Nil
	: Unsecured	Nil	Nil	Nil	Nil
	(b) Deferred credits	Nil	Nil	Nil	Nil
	(c) Term loans	Nil	Nil	Nil	Nil
	(d) Inter-coporate loans and borowings	29.87	Nil	16.93	Nil
	(e) Commercial paper	Nil	Nil	Nil	Nil
	(f) Public deposits	Nil	Nil	Nil	Nil
	(g) Other loans (specify nature)	Nil	Nil	Nil	Nil
2	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**				
	(a) In the form of Unsecured debentures	Nil	Nil	Nil	Nil
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil	Nil	Nil
	(c) Other public deposits	Nil	Nil	Nil	Nil

Rs. in Crores

	Asset side	As at 31-March-2024	As at 31-March-2023
		Amount outstanding	**Amount outstanding**
3	**Break-up of loans and advances including bills receivables [other than those included in (4) below]:**		
	(a) Secured	72.50	33.34
	(b) Unsecured	Nil	Nil
4	**Break up of leased assets and stock on hire and other assets counting towards asset financing activities**	**As at 31-March-2024**	**As at 31-March-2023**
	(a) Lease assets including lease rentals under sundry debtors		
	(i) Financial lease	Not applicable	Not applicable
	(ii) Operating lease	Not applicable	Not applicable
	(b) Stock on hire including hire charges under sundry debtors		
	(i) Assets on hire	Not applicable	Not applicable
	(ii) Repossessed Assets	Not applicable	Not applicable
	(c) Other loans counting towards asset financing activities		
	(i) Loans where assets have been repossessed	Not applicable	Not applicable
	(ii) Loans other than (a) above	Not applicable	Not applicable

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34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

Rs. in Crores

5	**Break-up of Investments**	**As at 31-March-2024**	**As at 31-March-2023**
	Current Investments		
	(a) Quoted:		
	(i) Shares		
	(1) Equity	Nil	Nil
	(2) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	1.44
	(iii) Units of mutual funds	1.85	2.35
	(iv) Government securities	Nil	Nil
	(v) Others (Please specify)	Nil	Nil
	(b) Unquoted:		
	(i) Shares		
	(1) Equity	Nil	Nil
	(2) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government securities	Nil	Nil
	(v) Others - Units of AIF	3.02	3.00

Rs. in Crores

5	**Break-up of Investments**	**As at 31-March-2024**	**As at 31-March-2023**
	Long Term Investments		
	(a) Quoted:		
	(i) Shares		
	(1) Equity	Nil	Nil
	(2) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government securities	Nil	Nil
	(v) Others (Please specify)	Nil	Nil
	(b) Unquoted:		
	(i) Shares	Nil	Nil
	(1) Equity	Nil	Nil
	(2) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government securities	Nil	Nil
	(v) Others (Please specify)	Nil	Nil

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34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

6 Borrower group-wise classification of assets financed as in (3) and (4) above: As at 31-March-2024

Category	Amount Net of Provisions in Crores		
	Secured	Unsecured	Total
1. Related parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related Parties	72.50	Nil	72.50
Total	**72.50**	**Nil**	**72.50**
Refer note no. 1 below			

Borrower group-wise classification of assets financed as in (3) and (4) above: As at 31-March-2023

Category	Amount Net of Provisions in Crores		
	Secured	Unsecured	Total
1. Related parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related Parties	33.34	Nil	33.34
Total	**33.34**	**Nil**	**33.34**
Refer note no. 1 below			

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

Rs. in Crores

Category	As at 31 March 2024		As at 31 March 2023	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related parties*				
(a) Subsidiaries	Nil	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil	Nil
2. Other than related Parties	4.87	4.87	6.79	6.79
Total	**4.87**	**4.87**	**6.79**	**6.79**

* As per Accounting Standard notified by Central Government of India (Refer note no. 2 below)

8 Other information

Rs. in Crores

Paticulars	As at 31-March-2024	As at 31-March-2023
(i) Gross Non-performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	Nil	Nil
(ii) Net Non-performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	Nil	Nil
(iii) Assets acquired in satisfaction of debt	Nil	Nil

Notes:

1 Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

2 All Accounting Standards notified by Central Government of India and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments (except Debentures and Government Securities are valued at cost as the market value is not available) and break up/ fair value/ NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or current in (5) and (6) above.

3 The financial information in the above disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024 as on 31 March 2024 and 31 March 2023 are based on the IND AS financial statements for the year ended 31 March 2024 and 31 March 2023 respectively.

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34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

Disclosure as per Annexure IV

1 Capital **Rs. in Crores**

Particulars	As at 31 March 2024	As at 31 March 2023
(i) CRAR (%)	118.31	122.38
(ii) CRAR - Tier I Capital (%)	117.81	121.91
(iii) CRAR - Tier II Capital (%)	0.50	0.47
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

2 Reserve Fund u/s 29C of NHB Act, 1987 **Rs. in Crores**

Particulars	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	0.51	0.32
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	**0.51**	**0.32**
Addition/ Appropriation/ Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	0.04	0.19
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	0.18	-
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	0.55	0.51
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	0.18	-
c) Total	**0.73**	**0.51**

3 Investment **Rs. in Crores**

Particulars	As at 31 March 2024	As at 31 March 2023
Value of Investments		
(i) Gross value of investments		
(a) In India	4.88	6.79
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	4.88	6.79
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off / Written-back of excess provisions during the year	-	-
Closing balance	-	-

4 Derivatives

The Company did not have any transactions in Derivatives and accordingly Forward Rate Agreement (FRA)/ Interest Rate Swap, Exchange Traded Interest Rate (IR) Derivative, Disclosures on Risk Exposure in Derivatives has not been furnished.

5 Securitisation - Deleted

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Notes to the financial statements for the year ended 31 March 2024

34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

6 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as on 31 March 2024 **Rs. in Crores**

Particulars	1 day to 7days	8 days to 14 Days	15 Days to 30/31 Days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities:											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrwowings from banks	-	-	-	-	-	-	-	-	-	-	-
Market borrowings (from NBFC)	-	-	0.46	0.43	0.43	1.28	2.56	10.25	10.25	4.21	29.87
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets:											
Advances	-	0.04	0.65	0.34	0.36	1.05	2.18	9.93	11.07	47.03	72.65
Investments	1.86	-	-	-	-	-	-	3.02	-	-	4.88
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as on 31 March 2023 **Rs. in Crores**

Particulars	1 day to 7days	8 days to 14 Days	15 Days to 30/31 Days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities:											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrwowings from banks	-	-	-	-	-	-	-	-	-	-	-
Market borrowings (from NBFC)	-	-	0.22	0.22	0.22	0.65	1.30	5.21	5.21	3.90	16.93
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets:											
Advances	-	-	0.34	0.22	0.22	0.68	1.38	5.66	6.01	18.90	33.41
Investments	-	-	-	3.79	-	-	-	3.00	-	-	6.79
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Note:

Advances includes loans and advances in the nature of loans and excludes advances recoverable in cash or kind or for value to be received, advance payment of taxes and deposits.





34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

7 Exposures

A. Exposures to real estate sector — **Rs. in Crores**

Category			As at 31 March 2024	As at 31 March 2023
a)	**Direct exposure**			
	(i)	**Residential mortgages -**		
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Exposure would also include non-fund based (NFB) limits.	72.50	33.34
	(ii)	**Commercial Real Estate -**		
		Lending secured by mortgages on commercial real estate's (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
	(iii)	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures -**		
		a. Residential	-	-
		b. Commercial real estate	-	-
		Total Exposure to Real Estate Sector	**72.50**	**33.34**
b)	**Indirect exposure**			
	(i)	Fund based and non-fund based exposure on NHB and HFCs	-	-
		Total Exposure to Real Estate Sector	**-**	**-**
c)	**Direct Investment**			
	(i)	**Commercial Real Estate -**	-	-
	(ii)	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures -**		
		a. Residential	-	-
		b. Commercial real estate	-	-
		Total Exposure to Real Estate Sector	**-**	**-**
d)	**Indirect Investment**			
	(i)	Fund based and non-fund based exposure on NHB and HFCs	-	-
		Total Investment Exposure to Real Estate Sector	**-**	**-**

B. Exposures to Capital Market — **Rs. in Crores**

Particulars		As at 31 March 2024	As at 31 March 2023
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the HFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternate Investment Funds* (a) Category I (b) Category II (c) Category III	-	-
	Total Exposure to Capital Market	**-**	**-**

*For the year ended 31 March 2024, the Company has an investment amounting to Rs.3.02 Crores (previous year Rs. 3 Crores) in SEBI Registered Alternative Investment Fund - Category II Debt Fund as defined in Regulation 2(1)(i) of Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and hence not classified under Capital Market Exposure.





34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

C. Sectoral exposure

Rs. in Crores

S.No	Sectors	As at 31-March-2024			As at 31-March-2023		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1	**Agriculture and Allied Activities**	-	-	-	-	-	-
2	**Industry**						
	2.1	-	-	0.00%	-	-	0.00%
	2.2	-	-	0.00%	-	-	0.00%
	2.3 Others	-	-	0.00%	-	-	0.00%
	Total of Industry (2.1+2.2+2.3 others)	**-**	**-**	**0.00%**	**-**	**-**	**-**
3	**Services**						
	3.1	-	-	0.00%	-	-	0.00%
	3.2	-	-	0.00%	-	-	0.00%
	3.3 Others						
	Total of Services (3.1+3.2+3.3 others)	**-**	**-**	**0.00%**	**-**	**-**	**-**
4	**Personal Loan**	-	-	0.00%	-	-	0.00%
	4.1						
	4.2						
	4.3 Others						
	Total of Personal Loans (4.1+4.2+4.3 others)						
5	**Others (Housing loans & Loans against property)**	73.46	-	0.00%	34.06	-	0.00%

D. Details of financing of parent company products

The Company did not have any financing of parent company's products.

E. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC

Single Borrower Limit (SGL) / Group Borrower Limit (GBL) has not been exceeded the prudential exposure limits during the year by the Company.

F. Unsecured Advances

The Company does not have any unsecured advances as on 31 March 2024.

G. Exposure to group companies engaged in real estate business

The Company does not have any exposure to companies engaged in real estate business as on 31 March 2024.

H. Intra-group exposures

The Company does not have any intra group exposue during the year ended 31 March 2024 and 31 March 2023.

I. Unhedged foreign currency exposure

The Company does not have any unhedged foreign currency exposure as at 31 March 2024 and 31 March 2023.

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34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

8 Related Party Disclosure

Rs. in Crores

Related Party	Parent (as per ownership or control)		Subsidiaries		Directors		Relative of Directors		Key Management Personnel		Relative of Key Management Personnel		Others		Total	
Items	For the year ended/ As at 31-March-2024	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2024	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2024	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2024	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2024	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2024	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2024	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2024	For the year ended/ As at 31-March-2023
Borrowings	29.84	16.93	-	-	-	-	-	-	-	-	-	-	-	-	29.84	16.93
(Maximum o/s during the year)	31.37	16.93	-	-	-	-	-	-	-	-	-	-	-	-	31.37	16.93
Interest Paid	1.99	0.57	-	-	-	-	-	-	-	-	-	-	-	-	1.99	0.57
Others transactions:																
Support Services	0.12	0.06	-	-	-	-	-	-	-	-	-	-	-	-	0.12	0.06
Demat Charges	-	-	-	-	-	-	-	-	-	-	-	-	0.00	0.00	0.00	0.00
Remuneration	-	-	-	-	43.85	0.34	-	-	9.00	-	-	-	-	-	52.85	0.34
Sitting Fees	-	-			0.02	-	-	-	-	-	-	-	-	-	0.02	-
Loan Taken	17.00	18.00	-	-	-	-	-	-	-	-	-	-	-	-	17.00	18.00
Repayment of Loan taken	4.08	1.07	-	-	-	-	-	-	-	-	-	-	-	-	4.08	1.07
Issuance of equity Shares	24.05	-			-	-	-	-	-	-	-	-	-	-	24.05	-
Other closing balances:																
Interest accrued but not due on borrowings	0.03	-			-	-	-	-	-	-	-	-	-	-	0.03	-





34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

9 Miscellaneous

A. Registration obtained from other financial sector regulators

There is no other registration obtained from any other financials sector regulators.

B. Disclosure of Penalties imposed by NHB/RBI and other regulators

There is no penalty imposed by NHB/RBI and other regulators.

C. Related Party Transactions - Deleted

E. Rating assigned by credit rating agencies and migration of rating during the year

During the current year, Acuité Ratings & Research Limited has assigned "ACUITE AA- Stable" rating to the Company.

F. Remuneration of Directors - Deleted

G. Management- The disclosure required by this clause will be given in Director's Report for the year ended 31 March 2024.

H. Net Profit or Loss for the year, prior period items and changes in accounting policies

There are no prior period items and change in accounting policies except as reported in the Financial Statements.

I. Revenue Recognition

There are no such circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

J. Indian Accounting Standard 110 and 28- Consolidated Financial Statements (CFS)

The Company does not have subsidiary company or associates thus consolidated financial statements are not applicable to the Company.

10 Additional Disclosures

A. Provisions and Contingencies

Rs. in Crores

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account		For the year ended 31-March-2024	For the year ended 31-March-2023
(i)	Provisions for depreciation on Investments	-	-
(ii)	Provision towards NPA	-	-
(iii)	Provision made towards Income tax (Including Deferred tax and Earlier period tax adjustments)*	0.32	0.27
(iv)	Other Provision and Contingencies	-	-
(v)	Impairment on loans and advances (net)	0.12	0.06

* including recognised in other comprehensive income

Rs. in Crores

Break up of Loans & Advances & Provisions thereon		Housing		Non-Housing	
Standard Assets		As at 31 March 2024	As at 31-March-2023	As at 31 March 2024	As at 31-March-2023
(a)	Total Outstanding Amount	66.64	32.84	5.86	0.50
(b)	Provisions made	0.20	0.10	0.01	-
Sub-Standard Assets					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Doubtful Assets – Category I					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Doubtful Assets – Category II					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Doubtful Assets – Category III					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Loss Assets					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Total					
(a)	Total Outstanding Amount	66.64	32.84	5.86	0.50
(b)	Provisions made	0.20	0.10	0.01	-

A1. Divergence in Asset Classification and Provisioning

Divergence in Asset Classification and Provisioning is not applicable since either of the conditions mentioned in the clause are not met.

B. Draw Down from Reserves

There have been no drawdown from Reserves.

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34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

C. Concentration of Deposits, Advances, Exposures and NPAs

a.

Rs. in Crores

Concentration of Deposits (for deposit taking HFC)	As at 31 March 2024	As at 31 March 2023
Total deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of deposits of twenty largest depositors to total deposits of the HFC	Not Applicable	Not Applicable

b.

Rs. in Crores

Concentration of Loans & Advances	As at 31 March 2024	As at 31 March 2023
Total loans & advances to twenty largest borrowers	6.04	6.04
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	8.36%	18.12%

c.

Rs. in Crores

Concentration of all Exposure (including off-balance sheet exposure)	As at 31 March 2024	As at 31 March 2023
Total exposure to twenty largest borrowers / customers	6.15	6.14
Percentage of exposures to twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	8.37%	18.03%

d.

Rs. in Crores

Concentration of NPAs	As at 31 March 2024	As at 31 March 2023
Total Exposure to top ten NPA accounts	-	-

e.

Sector-wise NPAs	As at 31 March 2024	As at 31 March 2023
Sector	**% of NPAs to Total Advances in that Sector**	**% of NPAs to Total Advances in that Sector**
A. Housing Loans		
1. Individuals	-	-
2. Builder/project loans	-	-
3. Corporates	-	-
4. Others (specify)	-	-
B. Non-Housing Loans		
1. Individuals	-	-
2. Builder/project loans	-	-
3. Corporates	-	-
4. Others (specify)	-	-

D. Movements of NPAs

Particular		As at 31 March 2024	As at 31 March 2023
(i)	Net NPAs to Net Advances (%)	-	-
(ii)	Movement of NPA (Gross)		
	(a) Opening Balance	-	-
	(b) Additions during the year	-	0.17
	(c) Reductions during the year	-	(0.17)
	(d) Closing Balance	-	-
(iii)	Movement of Net NPA		
	(a) Opening Balance	-	-
	(b) Additions during the year	-	-
	(c) Reductions during the year	-	-
	(d) Closing Balance	-	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening Balance	-	-
	(b) Provisions made during the year	-	0.17
	(c) Write-off / write-back of excess provisions	-	(0.17)
	(d) Closing Balance	-	-

E. Overseas Assets
During the year, there are no overseas assets in the Company.

F. Off-Balance Sheet SPVs sponsored
During the year, there are no off-balance sheet SPVs sponsored by the Company.

G. Disclosure of Complaints
During the year, there are no Customer Complaints received from any Customers of the Company.

H. Corporate Governance- The disclosure required by this clause will be given in Anuual Report for the year ended 31 March 2024.

I. Breach of Covenants
There are no instances of breach of covenants of loan availed.

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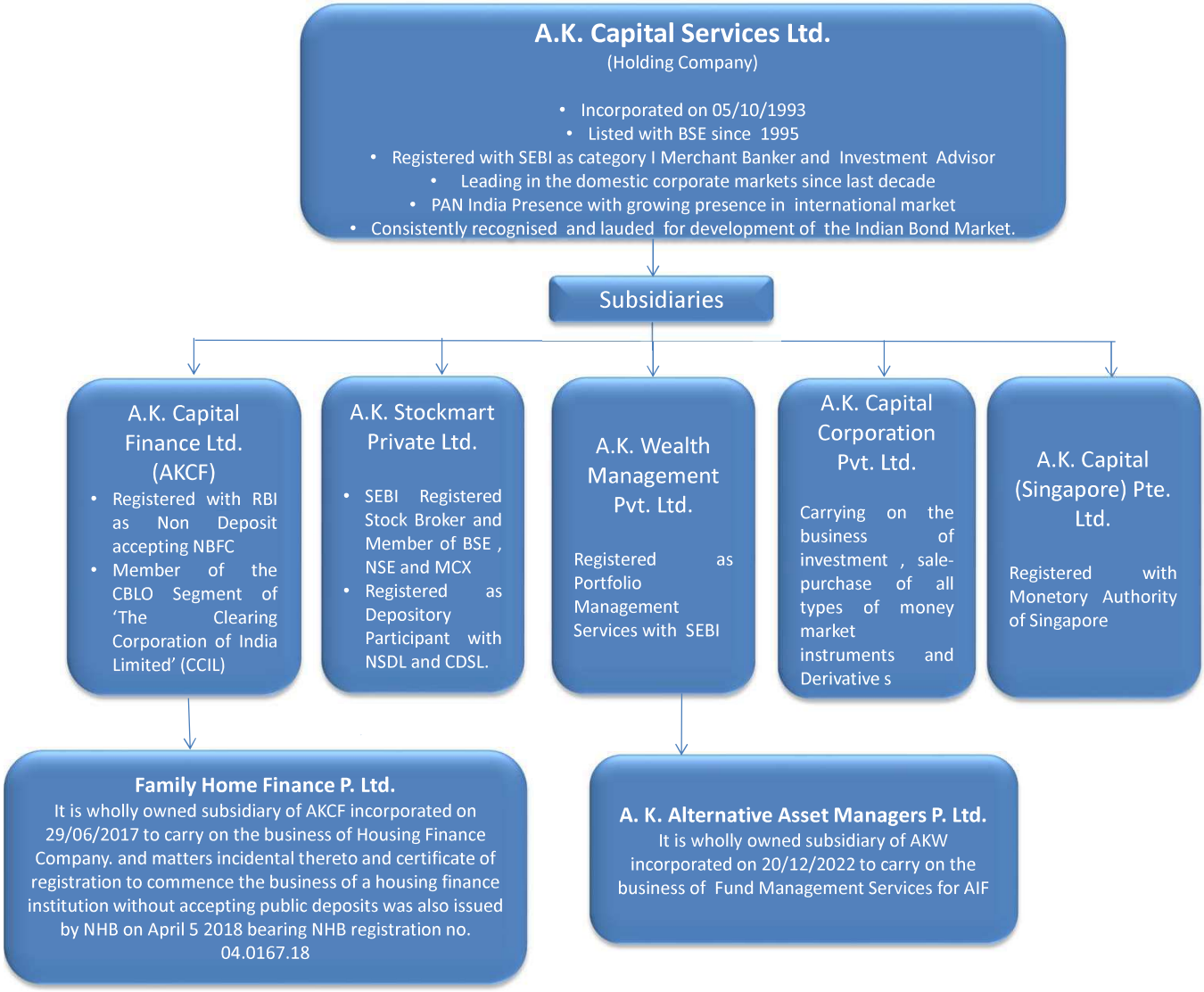
Notes to the financial statements for the year ended 31 March 2024

34 Disclosure as required by Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as updated on 21 March 2024.

9. D Group Structure



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35 Earnings Per Share:

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Net profit after tax as per profit and loss account (Rs. in Lakhs)	109.13	85.02
Weighted average number of equity shares outstanding during the year for basic earnings per share (No.)	2,48,52,459	2,00,00,000
Basic and diluted earnings per share (Rs.)	0.44	0.43
Nominal value of share (Rs.)	10.00	10.00

36 Leases

Lease commitments as lessee:

The Company has entered into agreements for taking on lease office on lease and licence basis. The lease term is for a period of 60 months. The Company has contract which have fixed rentals.

Following are the changes in the carrying value of right-of-use assets (disclosed under note 8 - property, plant and equipment) for the year ended 31 March 2024:

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Opening gross block value of account on adoption of Ind AS 116	**-**	-
Measurment on account of adoption of Ind AS 116	333.68	-
Deduction on account of termination of lease	-	-
Closing gross block value of account on adoption of Ind AS 116	**333.68**	-
Opening accumulated depreciation of account on adoption of Ind AS 116	-	-
Depreciation charged for the year	22.28	-
Deduction on account of termination of lease	-	-
Closing accumulated depreciation of account on adoption of Ind AS 116	**22.28**	-
Closing net block value	**311.40**	-

Carrying value of lease liabilities is disclosed under note 14 - other financial liabilities at Rs. 305.20 Lakhs as at 31-March-2024.

The following is the movement in lease liabilities during the year ended 31 March 2024

Rs. in Lakhs

Particulars	For the year ended 31-March-2024	For the year ended 31-March-2023
Balance at the beginning of the year	-	-
Additions	321.97	-
Finance cost accrued during the year	-	-
Payment of lease liabilities	(24.95)	-
Balance at the end of the year	**297.02**	**-**

Contractual maturities of lease liabilities:

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

Rs. in Lakhs

Particulars	As at 31-March-2024	As at 31-March-2023
Not later than one year	57.39	-
Later than one year and not later than five years	312.60	-
More than five years	-	-

The cash outflow of lease payments with respect to the above lease recognised in the statement of profit and loss for the financial year 2023-2024 is Rs. 24.95 lakhs. (previous year Nil)

37 There are no capital / other commitments and contingent liabilities at 31 March 2024 and 31 March 2023.

38 No loan was sanctioned/given to any Directors/Senior Officers/ KMP or relatives of the same in current year and previous year.

39 Code On Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and the Rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and has invited suggestions from the stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account the same once the rules are notified and become effective.





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40 Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 as required by notification DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020

Rs. in Lakhs

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	7,169.32	20.51	7,148.81	17.92	2.59
	Stage 2	81.17	0.81	80.36	0.20	0.61
Subtotal		**7,250.49**	**21.32**	**7,229.17**	**18.12**	**3.20**
Non Performing Assets						
Sub-standard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**-**	**-**	**-**	**-**	**-**
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	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		**-**	**-**	**-**	**-**	**-**
Total	**Stage 1**	**7,169.32**	**20.51**	**7,148.81**	**17.92**	**2.59**
	Stage 2	**81.17**	**0.81**	**80.36**	**0.20**	**0.61**
	Stage 3	**-**	**-**	**-**	**-**	**-**

Note:

(i) The assets includes loans and advances only

(ii) In terms of the requirement as per RBI notifications no.RBI/2019-20/170DOR(NBFC).CC.PDNo.109/22.10.106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards,Non-Banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income recognition, Asset Classification and Provisioning (IRACP) Norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at 31 March 2024 and accordingly, no amount is required to be transferred to impairment reserve.

41 Disclosures as required by RBI Notification No. RBI/2020-21/16DOR.No.BP.BC/3/21.04.048/2020-21dated 6 August 2020 "Resolution Framework for COVID-19-related Stress" read with RBI Notification No. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 "Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses" (the Notification) are given as under;

Rs. in Lakhs

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous year (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this year
Personal Loans	Nil	Nil	Nil	Nil	Nil
Corporate persons					
of which, MSMEs	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

Family Home Finance Private Limited Mumbai

Mumbai Chartered Accountants

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42 Disclosures as required by RBI Notification dated 24 September 2021 "Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" (the Notification) are given as under;

(a) (i) Details of loans acquired through assignments in respect of loans not in default during the year ended 31 March 2024

Rs. in Lakhs

Description	**Acquired**
Entity	Housing Finance Company (HFC)
Count of loan accounts acquired (in numbers)	928
Amount of loan accounts acquired	3,860.57
Retention of beneficial economic interest (MRR)	15.00%
Weighted average maturity (residual maturity in months)	135.00
Weighted average holding period (in months)	6.00
Coverage of tangible security	100.00%
Rating-wise distribution of rated loans	NA

(a) (ii) Details of loans not in default through assignments transferred during the year ended 31 March 2024 - Nil

(b) The Company has not trasnferred or acquired, any stressed loans during the year ended 31 March 2024

43 The Company does not have intangible assets under development.

44 No proceedings have been initiated during the year or are pending against the Company as of 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

45 The Company does not have any transactions with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956, during the financial year ending 31 March 2024 and 31 March 2023

46 The Company has complied with the number of layer prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

47 The ratios pertaining to Capital to risk-weighted assets ratio (CRAR), Tier I CRAR and Tier II CRAR have been duly disclosed in Note 34 of the financial statements. Liquidity coverage ratio is not applicable to the Company.

48 Information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries:

Particulars	**Information**
Area	Mumbai, Maharashtra
Country	India
Joint ventures	No Joint ventures
Overseas subsidiaies	No Overseas subsidiaries

49 Compliance with approved Scheme(s) of Arrangements: Not Applicable

50 The Company is not required to spend amounts towards Corporate Social Responsibility as it does not fulfill the condition given under section 135 of Companies Act, 2013.

51 Utilisation of borrowed funds and share premium

(a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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





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53 The Company does not traded or invested in Crypto Currency or Virtual Currency during the financial year ended 31 March 2024 and 31 March 2023

54 Balances of certain trade payables are subject to confirmation/reconciliation, if any. The management does not expect any material difference affecting the financial statements on such reconciliation/adjustments.

55 No fraud on or by the Company has been noticed or reported during the year ended 31 March 2024 and 31 March 2023.

56 The Company has been incorporated on 29 June 2017 as a non deposit taking housing finance company. The Company was granted certificate of registration from National Housing Bank on 09 April 2018. As the Company's assets size is less than 100 Crores and the Company being a non deposit taking housing finance Company ,the disclosures pursuant to Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021 are been made accordingly.

57 The Company has not received any intimation from its suppliers regarding their registration under the 'Micro, Small and Medium Enterprises Development Act, 2006'. Hence, the disclosure has been made as per information available with the Company.

58 No subsequent events have been observed which may require an adjustment to the statement of financial position.

59 Previous year figures have been regrouped or rearranged wherever considered necessary, to confirm with the current year's presentation.

Signatures to 1 to 59

As per our report of even date attached

For PYS & CO LLP
Chartered Accountants
Firm's Reg. No.: 012388S/S200048

SANJAY KOKATE
Digitally signed by SANJAY KOKATE
Date: 2024.05.04 17:17:23 +05'30'

Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 04 May 2024

For and on behalf of the Board of Directors
Family Home Finance Private Limited

JAIN VIKAS SANTOSH

Vikas Jain
Director
DIN-07887754

ANNU GARG

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR

Ajay Tendulkar
Chief Executive Officer

MAHESH SHIVPRAKASH BHOOTRA

Mahesh Bhootra
Chief Finance Officer

SUNIDHI SINGHAI

Sunidhi Singhai
Company Secretary
(ACS:A59314)

Place: Mumbai
Date : 04 May 2024