ANNUAL REPORT 2024-25

MANAPPURAM HOME FINANCE LTD.

A home for everyone

A wholly owned subsidiary of Manappuram Finance Limited

Charting the Course.
Cementing the Future.

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Charting the Course. Cementing the Future.

The journey forward isn't always a straight line.
It moves through lived realities – of people, places, and quiet aspirations waiting to be named.
We don't rush. We listen.
We find direction not just in data, but in the rhythm of communities,
in conversations across doorsteps,
in the steady hum of ambition in Tier II & III towns,
in the quiet resilience of informal earners and first-time dreamers.

To chart a course is to be deliberate –
And while we choose where we are going, we equally emphasize how we get there,
with whom, and why.
To cement the future means more than just to lock it in place –
we aim to give it form, shape, and strength,
so that what we build today endures beyond volatility,
beyond numbers,
into lives.

At Manappuram Home Finance, this is our philosophy:
Growth with meaning.
Progress with empathy.
Decisions made not only with cold strategy – but with the warmth of care.
Because the homes we help create are not just structures.
They are anchors.
And in helping others find their foundation,
we continually strengthen our own.

Enabling Futures by Empowering Aspiring Home-owners

Manappuram Home Finance Limited (MAHOFIN), a proud subsidiary of Manappuram Finance Limited, is on a mission to make the dream of home ownership a reality for under served families across India's heartland. Guided by the regulatory stewardship of the Reserve Bank of India (RBI) and the National Housing Bank (NHB), we focus on delivering accessible, affordable housing finance solutions to rural and semi-urban India. With an average ticket size of 5.87 lakh, our primary customers are first-time homebuyers and self-employed non-professionals comprise 76% of our AUM for FY25.

What sets us apart is our reach and empathy. With 89 branches across 12 states, we operate through a decentralized model that ensures timely credit decisions and disbursements. More importantly, our dedicated teams provide end-to-end support in regional languages, understanding aspirations and guiding customers through every step of their homeownership journey.

To ensure that we continue on our mission with strength, we maintain a robust liquidity profile and positive Asset-Liability Management (ALM), which reflects our financial prudence and long-term sustainability.

Through our business objective of financing homes, we're laying the foundation for stability, dignity, and a better tomorrow for everyday people.

Our Vision

To become the nation's preferred financial intermediary, affording fulfillment of the common man's aspirations.

Our Mission

To serve ordinary people by facilitating the flow of resources, at reasonable rates, enabling ownership of Affordable Housing.

MANAPPURAM HOME FINANCE LTD.
A home for everyone

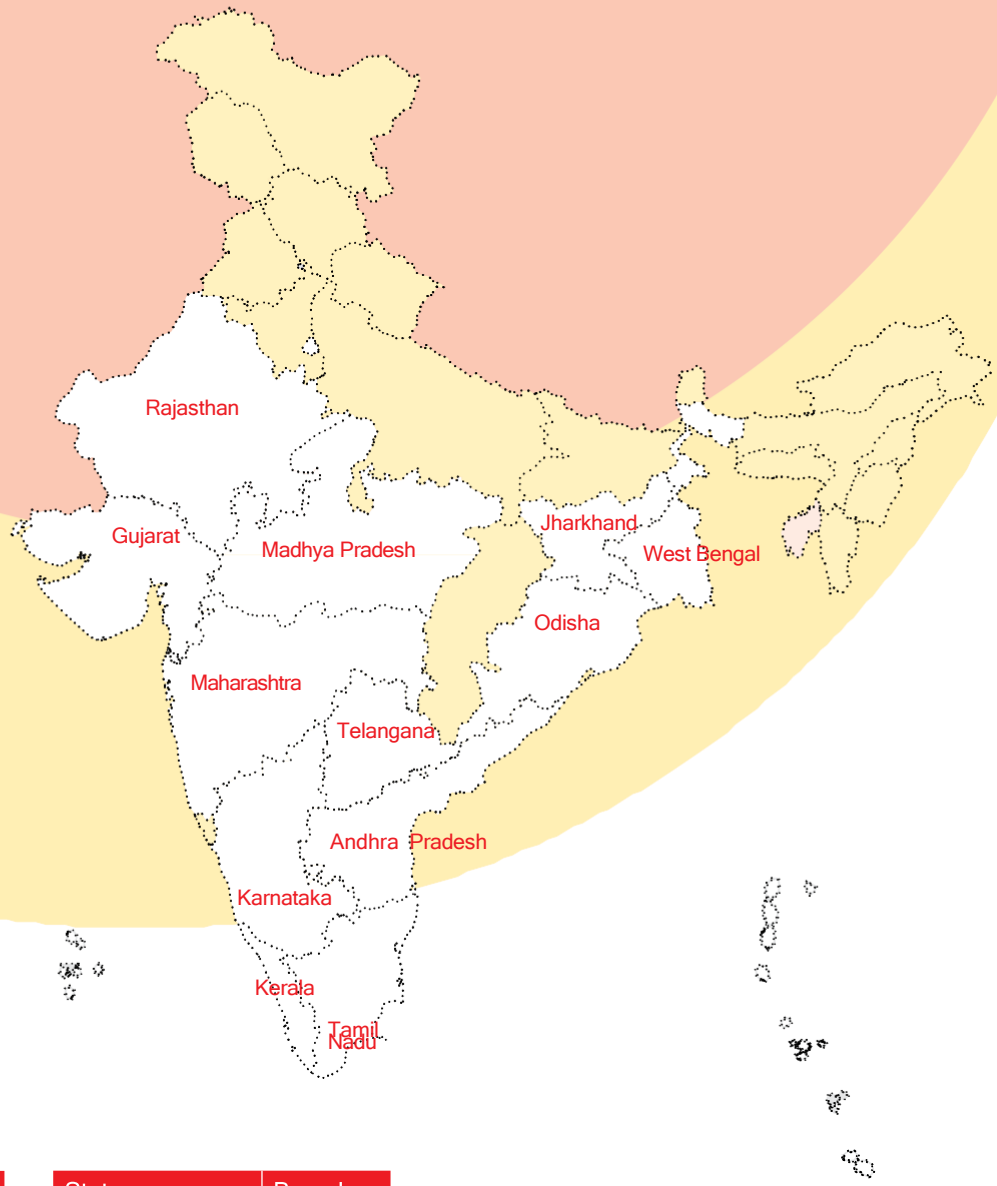
Expanding Our Presence to Amplify Our Purpose

89
Branches

12
States

422
Spokes

35,055
Customers



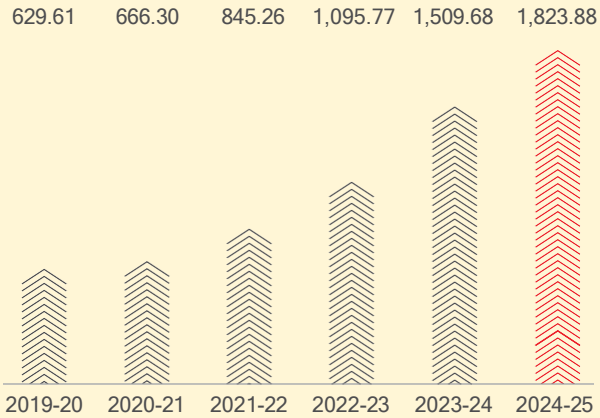
State	Branches
Karnataka	19
Maharashtra	13
Tamil Nadu	15
Andhra Pradesh	10
Kerala	8
Odisha	5
Telangana	8

State	Branches
Gujarat	2
West Bengal	3
Madhya Pradesh	3
Rajasthan	2
Jharkhand	1
Total	89

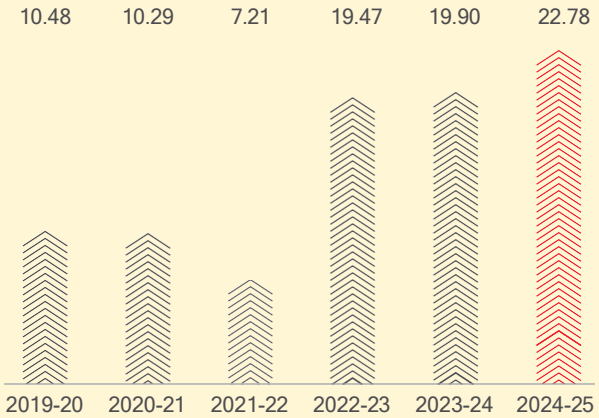
(Map not to scale. For illustrative purposes only.)

Six Years of Steady Strides

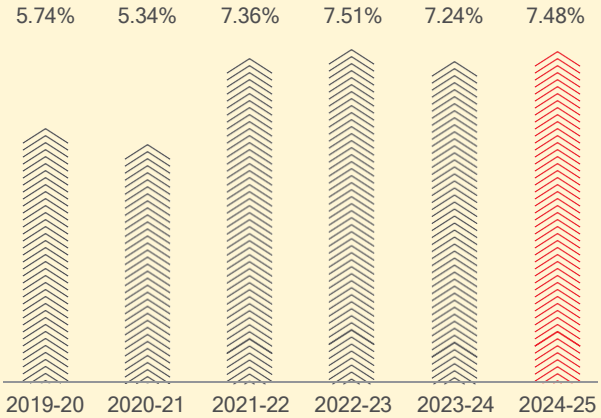
AUM (` Crore)



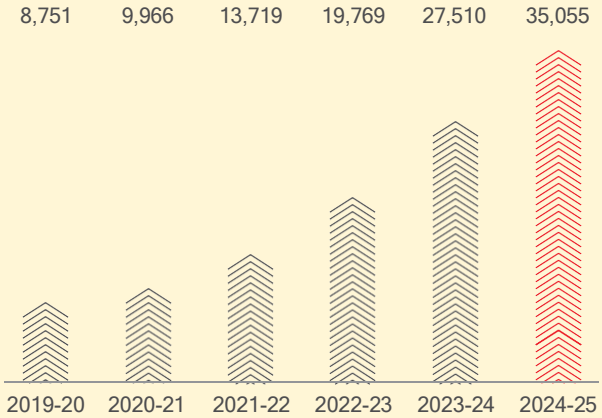
NET PROFIT (` Crore)



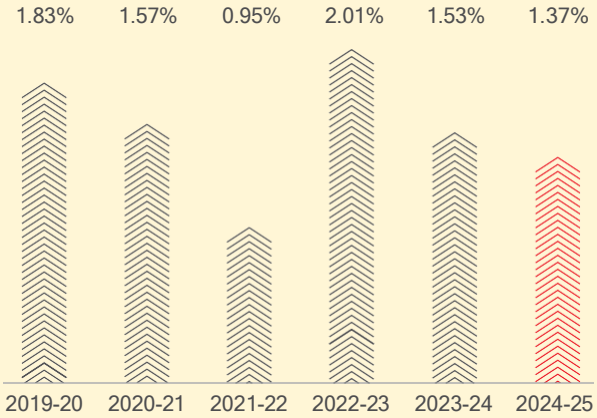
OPEX TO AUM (%)



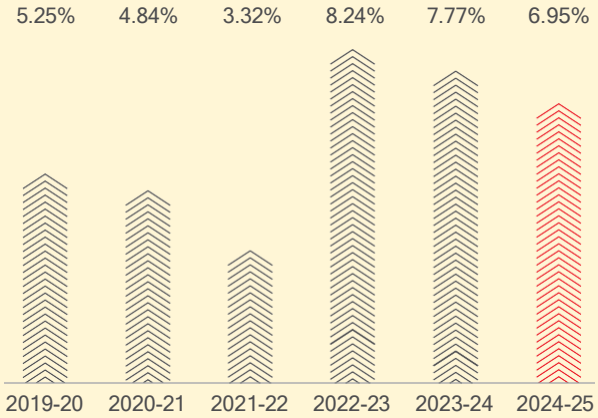
NUMBER OF CUSTOMERS



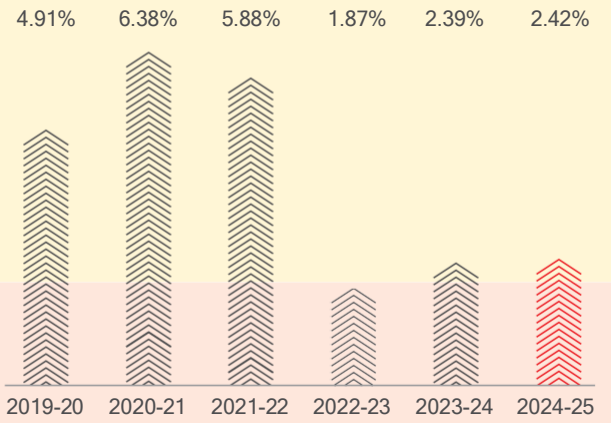
ROA (%)



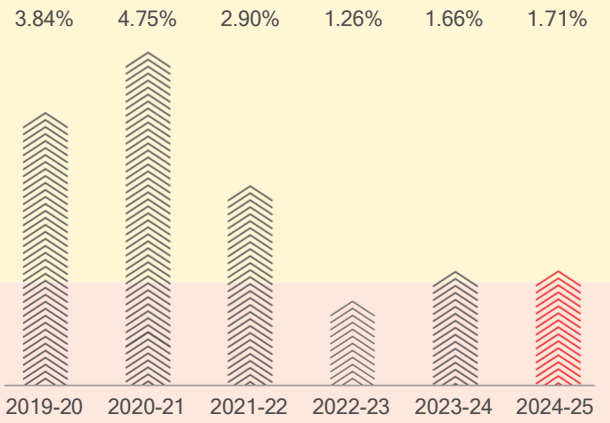
ROE (%)



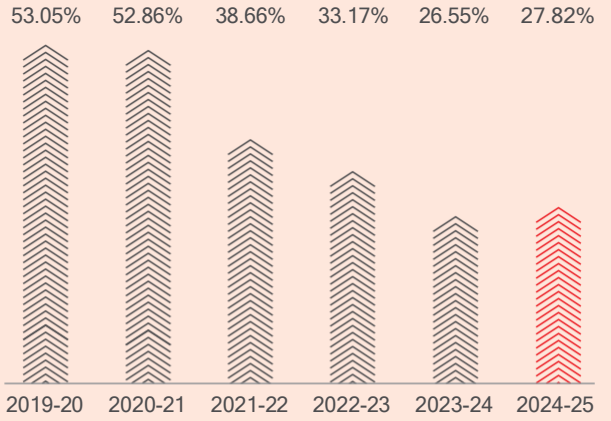
GNPA (%)



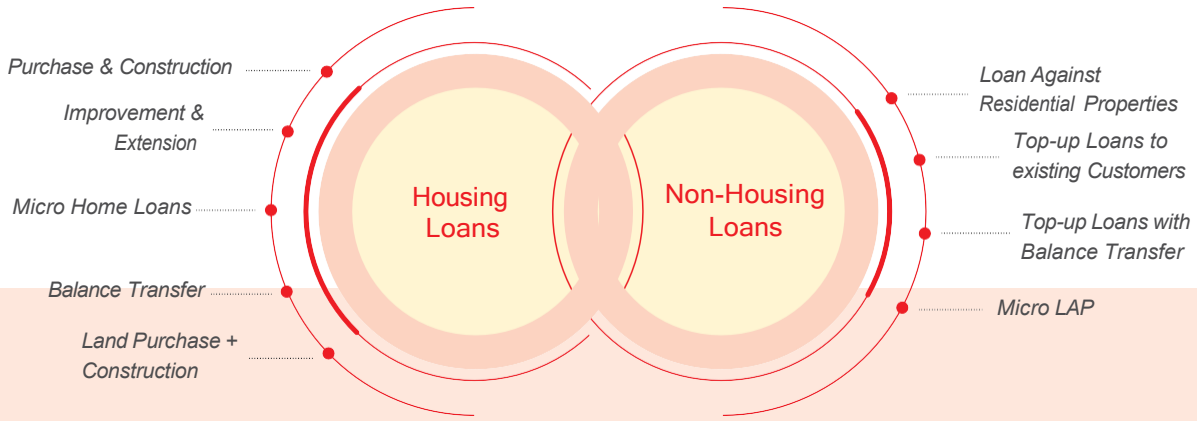
NNPA (%)



CRAR (%)



Our Products: Tailored for Progress, Designed for People



Our Customers

Diverse Livelihoods, One Aspiration - a Home

At Manappuram Home Finance, we serve people whose dreams of owning a home are often held back by the limitations of traditional banking. We look beyond paperwork to understand real potential.

Self-Employed Non-Professionals

Many of our customers are self-employed individuals who may not have formal income documents. Our trained credit officers visit their businesses, homes, and even suppliers to understand their income sources, business history, reputation, and family background. We keep the paperwork minimal and focus on fast, flexible loan disbursements – especially for those with multiple income streams.

Informal Salaried Individuals

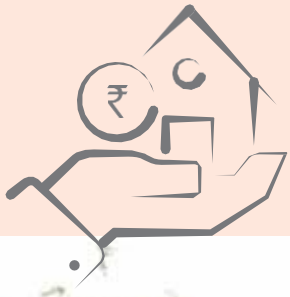
We support individuals who earn primarily in cash and often find it hard to get loans from banks. Our team carefully verifies their workplace income, assets, and savings. We assess loans for those earning as little as ₹20,000 per month individually, and up to ₹25,000 jointly - ensuring their income is fairly evaluated.

Loan Against Residential Properties (Micro LAP)

We offer top-up loans and non-housing loans secured against residential properties, including balance transfers – giving customers access to credit when they need it most.

Formal Salaried Individuals with Clubbed Income

Even salaried individuals sometimes fall short of bank loan eligibility. We go a step further by allowing income to be clubbed with a spouse's earnings – enabling families to qualify together for the home they want.



Strengths That Shape Our Journey

Solid Foundations. Purposeful Progress.

Our growth is powered by time-tested strengths and a future-ready mindset. Each pillar of our business reflects our commitment to scale with stability, serve with purpose, and lead with integrity.

Backed by a Trusted Legacy

As a wholly-owned subsidiary of Manappuram Finance Limited (MAFIL), we benefit from the strength and reputation of a brand that has earned deep trust in Indian households. Our association with MAFIL enhances our credibility, extends our customer reach through a well-established branch network, and helps us secure competitive funding.

Balanced Funding for Resilient Growth

We maintain a well-diversified funding mix, with 91.42% as term loans, 5.69% from NHB, 1.51% as CC/WC sourced from banks and financial institutions and 1.38% from non-convertible debentures and commercial papers (as of 31st March, 2025). This strategy keeps our average borrowing cost at a competitive 9.87% ensuring liquidity, financial stability, and protected interest margins.

Robust Processes. Responsible Lending.

Our lending practices are anchored in strong governance. Every application goes through multiple levels of due diligence – from KYC checks and property valuations to document and collateral verification.

Leadership with Vision and Depth

Our experienced leadership team blends financial expertise with strategic foresight. Led by Chairman Mr. V. P. Nandakumar and CEO Mr. Suveen P. S., our Board and senior management foster innovation and agility, driving a customer-first and cross-functional approach to growth.

Secured Lending. Sound Portfolio.

We focus on secured lending backed by residential, commercial properties, or land – maintaining prudent loan-to-value (LTV) ratios: up to 36.21% for Loan Against Property and up to 51.97% for Home Loans. Valuations are independently cross-verified, supporting a healthy asset quality, with gross NPAs at 2.42% and net NPAs at 1.71% (as of 31st March, 2025).

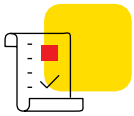
Vigilant Risk Management and Controls

Our internal controls and risk management systems are reinforced by active oversight from our Board and dedicated committees. Every new product undergoes stringent evaluation for compliance and risk. Our recovery mechanisms, including use of SARFAESI provisions and strong customer connect, ensure high collection efficiency and financial discipline.

Housing Finance Strategy

Strengthening the Foundation. Scaling with Foresight.

Building on our strong groundwork and community-focused approach, FY25 was a year of strategic refinement and credit quality enhancement at Manappuram Home Finance. While our core focus on affordability, customer-centricity, and Tier III/IV market expansion remained intact, we sharpened our operational edge through tighter credit controls, smarter income assessments, and proactive risk mitigation.



Sharpening Credit Assessment & Underwriting Discipline

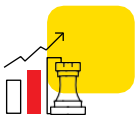
To ensure more accurate and responsible lending, we have revamped our income assessment processes:

- Credit recommendations are now restricted to Branch Credit Heads (BCH), bringing stronger checks to frontline approvals
- Personal Discussions (PD) for all loans, regardless of size, are now conducted only by Credit Officers – ensuring deeper scrutiny
- Account Aggregator frameworks are now used to source bank statements for salaried customers, reducing manual error
- PD sheet uploads have been made mandatory for all proposals
- Field officers are trained daily on oversight findings, guided by a newly appointed Credit Oversight Head
- Disincentives have been implemented to discourage poor-quality sourcing and early loan mortality

Enhancing AUM Quality & Portfolio Stability

Several measures were introduced to raise the quality and sustainability of our asset base:

- End-use verification is now mandatory: for loans up to ₹5 lakh, it is handled internally; for higher ticket sizes, an external valuer is involved
- A minimum income threshold of ₹20,000/month has been instituted to ensure financial viability
- State-wise benchmarks for minimum household expenses have been introduced to reflect realistic repayment capacities
- Customers are counseled during PD on maintaining healthy banking habits, including minimum balances, avoiding cheque bounces, and protecting their credit scores
- Turnaround Time (TAT) has been fixed for rectifying compliance issues in high-, medium-, and low-risk loan files



Consolidating Our Growth Strategy

- Continued to leverage our parent brand's equity and branch infrastructure for low-cost, scalable expansion.
- Strengthened direct sourcing efforts in semi-urban and rural markets, reducing dependency on third-party channels.
- Focused on micro home loans and LAP products, with digital on-boarding and simplified documentation for underserved borrowers.

Digitalization & Customer Engagement

- Improved usage of self-service mobile apps and digital EMI platforms.
- Ensured local-language support across touchpoints for better borrower education.
- Conducted monthly branch visits and training at high-delinquency locations to boost customer connect and recovery efficiency.

In FY25, we sought to deepening our roots while refining our path forward, ensuring that our growth is not just broad-based, but also balanced, secure, and future-ready.

MANAPPURAM HOME FINANCE LTD.
A home for everyone

Board of Directors

Guiding with Vision. Shaping the Future.

V. P. NANDAKUMAR
Chairman

V. P. Nandakumar is the Chairman of the Company, where he leads innovative financial solutions and community-focused growth. As a Certified Associate of the Indian Institute of Bankers, he has transformed Manappuram into a trusted name in Indian finance. He is also a former Chairman of the Kerala State Council of the CII. He has been associated with our Company since March 2014.

MR. GAUTAM SAIGAL

Non-Executive - Non-Independent Director

Gautam Rathindranath Saigal is a Non-Executive and Non-Independent Director of our Company. He is a qualified chartered accountant. He is the managing partner of Pachira Financial Services LLP. He is on the board of directors of several companies including Asirvad Micro Finance Limited and ZIM Health Technologies Limited and has previously served on the board of directors of several companies including Manappuram Finance Limited, ZIM Laboratories Limited, Seed Infotech Limited, Barflex Polyfilms Private Limited and Numero Uno Clothing Limited. He brings over more than 32 years of expertise in financial services.

MRS. PRATIMA RAM

Non-Executive - Independent Director

Pratima Ram is an experienced banker with three decades in Corporate, International, Investment & Retail Banking. She has worked in India, USA and South Africa. Pratima held the position of Country Head & Chief General Manager of the United States Operations of State Bank of India, in New York, and prior to this, she was the CEO of the South African operations of the Bank based at Johannesburg. At SBI Capital Markets, she assisted companies in raising funds through capital market instruments and led the Corporate Advisory, M&A, & Project Appraisal business. Her expertise and leadership enhances strategic direction and governance in the financial sector.

MS. MAYURAKSHI RAY

Non-Executive - Independent Director

Mayurakshi Ray is India's first qualified Cybersecurity Woman Independent Director and has over 26 years of expertise. A Chartered Accountant by qualification, she excels in cybersecurity, governance, risk, and compliance. She is on the board of directors of Manappuram Insurance Brokers Limited.

MR. TOM JOSE

Non-Executive - Independent Director

Tom Jose is a seasoned IAS officer with 37 years of service, including roles as Additional Chief Secretary in Kerala's Labor, Skills, and Water Resources Departments. He has also led organizations like Kochi Metro and Civil Supplies Corporation as Managing Director.

MR. SURESH PAUL ANTONY

Non-Executive - Independent Director

Suresh Paul Antony, a Fellow of IIM Lucknow is a faculty member at IIM Trichy with 14 years of corporate experience across diverse industries including automotive, financial services, and consumer marketing. His academic and industry expertise provides valuable insights into business strategy and operations.

Management Team

Steering with Strategy. Securing the Future.

MR. SUVEEN P. S.
Chief Executive Officer

Suveen P.S. holds a B.Tech in Applied Electronics and Instrumentation Engineering and a Master's in Embedded Systems. He also completed an Executive Development Programme in Operations Management from IIM-Raipur. He has 10 years of experience in various field.

MR. ROBIN KARUVELY
Chief Financial Officer

Robin Karuvely is a qualified Chartered Accountant with over 15 years of professional experience in Finance, Accounts, Audit, and Taxation. He holds a Master's degree in Commerce from the University of Madras and has completed ICWAI Inter and CFO programme from IIM-Kolkata. His previous assignments span across NBFCs, and manufacturing companies. Mr. Karuvely was associated with Manappuram Finance & Group of Companies from December 2010 to 2013.

MR. SANDEEP KUMAR
Chief Operating Officer

Sandeep Kumar brings 18 years of comprehensive experience in retail gold loan, and affordable home loans, successfully executed various assignments in business strategy, product launches, plannings, product management, front-end sales, collections, cross-sell and portfolio management. He holds a degree in Science. Sandeep Kumar has completed an advanced program in Fintech and Blockchain from IIM Calcutta, along with a leadership and change management program from IIM Trichy.

MRS. SREEDIVYA S.
Company Secretary

Sreedivya S. is a Fellow member of the Institute of Company Secretaries of India, bringing over 23 years of experience. She holds a master's degree in business administration with a specialization in Finance. Sreedivya has completed an Executive Development Program in Strategic Management from IIM, Certificate Program in Corporate Governance from IICA and Fintech from IIT.

Corporate Information

Chairman
Mr. V. P. Nandakumar

Chief Executive Officer
Mr. Suveen P. S.

Chief Financial Officer
Mr. Robin Karuvely

Company Secretary
Mrs. Sreedivya S.

Board Members
Mr. Gautam Saigal

Mrs. Pratima Ram

Ms. Mayurakshi Ray

Mr. Tom Jose

Mr. Suresh Paul Antony

Registered Office Address

Manappuram Home Finance Limited
8/596 A, Padmaprabha Building, Near Sreerama Swamy Temple, Cherpu – Thriprayar Road, Thriprayar, Thrissur, Kerala - 680567
Ph. No: 0487-3520501, 3520502
Email: hfc@manappuramhomefin.com,
E-Mail: cs.sreedivya@manappuramhomefin.com
Website: www.manappuramhomefin.com

Corporate Office Address

Manappuram Home Finance Limited
Unit No. 301-315, A Wing,
Kanakia Wall Street,
Andheri-Kurla Road, Andheri East,
Mumbai, Maharashtra - 400093
Phone: 022-66211000

Registrar and Transfer Agent

MUFG INTIME INDIA PRIVATE LIMITED
(formerly known as Link Intime India Private Limited)
C-101, 1st Floor, 247 Park,
L.B.S. Marg, Vikhroli (West),
Mumbai - 400083, Maharashtra, India
Telephone: (0) 810 811 4949
Fax: 022 - 4918 6060
Email: manappuramhomefin.ncd@linkintime.co.in

Debenture Trustees

CATALYST TRUSTEESHIP LIMITED
(formerly GDA Trusteeship Limited)
GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune - 411038
Telephone: +91-22-4922 0543
Fax: +91-22-4922 0505
Email: complianceCTL-Mumbai@ctltrustee.com
Website: www.catalysttrustee.com

Statutory Auditor

KHANDELWAL JAIN & CO.
Chartered Accountants,
6-B&C, PIL Court, 6th Floor,
111, M. Karve Road, Churchgate,
Mumbai - 400 020.
Tel. Nos. (91-22) 4311 5000
Fax No. (91-22) 4311 5050
E-mail : kjco@kjco.net
Website : www.kjco.net

Secretarial Auditor

KSR and Co Company Secretaries LLP
No.101, Indus Chambers,
Govt. Arts College Road,
Coimbatore - 641 018

MANAPPURAM HOME FINANCE LTD.
A home for everyone

Board's Report

To

The Members

Your directors are pleased to present the 15th Annual Report on the working of the Company with the Audited Accounts and the Report of the Auditors for the financial year ended 31st March, 2025.

1. Financial Results at a glance

(` in lakhs)

Description	2024-25	2023-24
Total Revenue	31,390.89	24,280.48
Profit / (Loss) Before Tax	2,947.85	2,756.65
Less: Provision for Taxes/Deferred tax	670.10	766.47
Net Profit / (Loss) after tax	2,277.75	1,990.18
Profit / (Loss) b/f from previous years	4,064.03	2,502.35
Amount available for appropriations	6,246.62	4,462.07
Less: Transfer to Special Reserve		
(Under Section 29C of the NHB Act, 1987)	83.40	398.04
(Under Section 36(1)(viii) of Income Tax Act, 1961)	372.15	-
Less: Additional provision as per RBI Guidelines	0	0
Less: Proposed dividend tax	0	0
Balance carried forward to next year	5,791.07	4,064.03
Net Worth / Total Equity	32,786.9	25,604.31
CRAR %	27.82	26.55
CRAR – Tier I Capital %	27.44	26.11
CRAR - Tier II Capital %	0.38	0.44
Retail NPA (on retail AUM) %	2.42	2.39
ROE %	6.95	7.77

During the year under review, Company has achieved AUM of ` 1,82,388.19 lakhs by the end of FY 2024-25 spread over 89 branches. The total revenue stands to 31,390.89 lakhs. Net Owned Fund (NOF) stood at ` 32,245.78 lakhs as on 31st March, 2025.

Major developments during the year

Outlook for 2025-26

The global economy in FY25 remained at a delicate crossroads, shaped by rising policy uncertainty, growing trade tensions, and a fragile recovery from recent global disruptions. As highlighted in the IMF's April 2025 World Economic Outlook titled "A Critical Juncture amid Policy Shifts", the pace of global growth is expected to slow down noticeably, from 3.3% in 2024 to just 2.8% in 2025–well below the pre-pandemic average of 3.7% recorded between 2000 and 2019. It is, however, expected to recover marginally to 3% in 2026.

In FY25, the Indian economy demonstrated strong resilience and steady momentum, even as global uncertainties and geopolitical tensions cast a shadow over the broader economic landscape. Anchored by robust domestic fundamentals, consistent policy support, and long-term structural reforms, India retained its position as one of the world's fastest-growing major economies.

India's real GDP growth for the year stood at an estimated 6.5%, with widespread contributions from consumption, investment, and government spending. Growth remained broad-based, with sectors like construction, trade, and financial services continuing to perform well. This was largely driven by ongoing infrastructure development, steady urban demand, and sustained credit flow to both households and businesses.

Manappuram Home Finance Limited (MHFL) is a leading player in India's affordable housing finance segment, with operations spanning across 243 districts in 12 states. With a strategic focus on Tier 3 and Tier 4 cities, MHFL primarily serves first-time homebuyers, particularly those from self-employed and informal income groups. The Company specializes in tailored home loan offerings, with housing loans accounting for approximately 70% of its AUM. 60% of its loans have a ticket size of ₹5-10 lakhs. Customer-centricity remains core to MHFL's operations. With a network of 89 branches, the Company serves over 35,000 customers. Trained credit teams and support staff provide region-specific service, including local language assistance, enhancing customer satisfaction and reinforcing MHFL's presence in underserved markets.

Share capital structure

Your Company's capital structure as at 31st March, 2025 is given in the below table:

Share Capital	Amount in ` lakhs
Authorized Share Capital (30,00,00,000 Equity Shares of ` 10 each)	30,000.00
Issued, Subscribed and Paid-up Share Capital (25,00,00,000 Equity Shares of ` 10 each)	25,000.00

The shareholding pattern of the Company as on the end of the financial year is as mentioned below :-

List of Shareholders & percentage of holding as on 31st March, 2025,

Name of Shareholders	No. of Equity Shares held	Percentage of shareholding
Manappuram Finance Limited (MAFIL)	24,99,99,994	99.999997
V.P. Nandakumar (J/W MAFIL)	1	0.0000005
B.N. Raveendra Babu (J/W MAFIL)	1	0.0000005
Sushama Nandakumar (J/W MAFIL)	1	0.0000005
Jyothy Prasannan (J/W MAFIL)	1	0.0000005
Sumitha Nandan (J/W MAFIL)	1	0.0000005
Suhas Nandan (J/W MAFIL)	1	0.0000005
Total	25,00,00,000	100.00

6 equity shares are held by nominee shareholders on behalf of Manappuram Finance Ltd

Financial performance

Financial summary and highlights of the Company:

(` in lakhs)

Particulars	FY 2024-25	FY 2023-24
Total Income from Operations	31,390.89	24,280.48
Less:		
Total Expenditures	28,443.04	21,523.83
Profit before Taxes and Exceptional Item	2,947.85	2,756.65
Exceptional Item	0	0
Profit before Taxes	2,947.85	2,756.65
Provision for Taxes	670.10	766.47
Profit after Taxes	2,277.75	1,990.18
Other comprehensive income	(20.16)	(30.46)
Total comprehensive income	2,257.59	1,959.72
Appropriations:		
Transfer to Special Reserve		
Under NHB Act	83.40	398.04
Under IT Act	372.15	-
Transfer to General Reserve	0	0
Transfer to Debenture redemption reserve	0	0
Proposed equity dividend	0	0
Dividend distribution tax	0	0
Retained Profits	1,802.04	1,561.68
Balance at the beginning of the year	4,064.03	2,502.35
Balance at the end of the year	5,791.07	4,064.03
Earnings per share-Basic	1.14	0.99
Earnings per share-Diluted	1.14	0.99

2. Dividend

Directors do not recommend any dividend for the year under consideration.

3. Reserves

During the year, the company has made a profit of` 2,257.59 lakhs. Further, the company has transferred 83.40 lakhs to Special Reserve as per section 29C of the NHB Act, 1987 and 372.15 lakhs to Special Reserve as per section u/s 36(1)(viii) of Income Tax Act, 1961.

4. Change in Nature of Business

There was no change in the nature of business during the financial year 2024-25.

5. Acceptance of Deposits

The company being a non-deposit taking Housing Finance Company (HFC) has not accepted public deposit during the year.

During the financial year 2024-25 the Company has not accepted deposits as per Chapter V of the Companies Act 2013.

6. Compliance with Directions/Guidelines of Reserve Bank of India

Company has adhered to the prudential guidelines issued by the Reserve Bank of India and Master Direction – Non- Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as amended from time to time.

Company has complied with the Guidelines and Directions issued by the RBI on Investments, Fair Practices Code and Customer Complaints Redressal Mechanism, Know Your Customer (KYC) and Anti Money Laundering Guidelines and other related aspects.

7. Compliance with the Secretarial Standards

The Company is in compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India.

8. Change in Directors & KMPs

- During the year Ms. Mayurakshi Ray (DIN 02968002) appointed as the Independent Directors of the Company w.e.f 1st April 2024.
- During the year Mr. Tom Jose (DIN 01971467) & Mr. Suresh Paul Antony (DIN 10634680) appointed as the Independent Directors of the Company w.e.f 23rd May 2024.
- Mrs. Pratima Ram (DIN 03518633) was re-appointed as Independent Director for another term of 5 years w.e.f 19th June 2024.

  In the opinion of the Board of Directors, Mr. Tom Jose, Mr. Suresh Paul Antony, Ms. Mayurakshi Ray & Mrs. Pratima Ram possess integrity, expertise and experience (including the proficiency) for being appointed as independent directors.
- Mr. T Balakrishnan Independent Director of the Company retired from the Company w.e.f 20th July, 2024.
- Mr. V S Radhakrishnan Independent Director of the Company resigned from the Company w.e.f 13th January, 2025.

There were no changes in the KMPs during FY 2024-25.

9. Statutory Auditors

M/s. Khandelwal Jain & Co. (Firm Reg. No 105049W) Chartered Accountants have been appointed as the statutory Auditors of the Company for a period of 3 years till the conclusion of the 17th Annual General Meeting.

There were no frauds reported by the statutory auditors to Audit Committee or Board under Section 143(12) of the Act.

The reports issued by Statutory Auditor does not contain any qualification, reservation, adverse remark or disclaimer.

10. Extract of Annual Return

Annual return in Form-MGT-07 has been posted in the website, the link of the same is mentioned below for reference
https://www.manappuramhomefin.com/annual-return/

11. Declaration from Independent Directors

The Company has received necessary declaration from each Independent Director of the Company as per Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6) of the Companies Act 2013.

12. Corporate Governance

The Company has framed the internal guidelines on Corporate Governance in terms with the Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Direction, 2021 which have been hosted on Company's website: https://www.manappuramhomefin.com/policies-codes/

As on 31st March, 2025, the Company's Board consisted of 6 Directors. Brief details on name of the Director, category, number of directorships, meeting and attendance etc. are given below: -

Name of Director & DIN	Director Since	Capacity (i.e. Executive/ Non -Executive/ Chairman and / Promoter / Nominee / Independent	No of Board Meetings		Number of other Directorships*	Remuneration		Commission	No.of shares held in and convertible instruments
			Held	Attended		Salary and Other compensation	Sitting Fee		
Mr. V. P Nandakumar Chairman DIN: 00044512	12/03/2014	Promoter & Non-Executive	8	8	17	-	-	-	1
Mr. Gautam Saigal DIN: 00640229	13/05/2015	Non-Independent & Non-Executive	8	8	3	-	7,85,000	12,56,987	-
Mrs. Pratima Ram DIN: 03518633	19/06/2019	Independent & Non-Executive	8	8	5	-	8,60,000	11,18,357	-
Mr. T Balakrishnan DIN:00052922 (till the date 20.07.2024)	18/06/2014	Independent & Non-Executive	8	1	6	-	2,35,000	2,96,439	-
Mr. VS Radhakrishnan DIN: 08064705 (till the date 13.01.2025)	06/02/2024	Independent & Non-Executive	8	5	3	-	3,90,000	7,32,055	-
Ms. Mayurakshi Ray DIN: 02968002	01/04/2024	Independent & Non-Executive	8	8	1		6,45,000	9,43,014	-
Mr. Suresh Paul Antony, DIN: 10634680	23/05/2024	Independent & Non-Executive	8	7	0		3,60,000	9,43,014	-
Mr. Tom Jose DIN: 01971467	23/05/2024	Independent & Non-Executive	8	7	2	-	5,60,000	9,43,014	-

* Directorship in both listed & unlisted companies

Details of change in composition of the Board during the current and previous financial year

Sr. No.	Name of Director	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter /nominee/	Nature of change appointment)	Effective Date
1	Mr. Jeevandas Narayan	Non Executive - Non Independent	Resignation	18/09/2023
2	Mr. V.S Radhakrishnan	Independent	Appointment	06/02/2024
3	Ms.Mayurakshi Ray	Independent	Appointment	01/04/2024
4	Mr. Tom Jose	Independent	Appointment	23/05/2024
5	Mr. Suresh Paul Antony	Independent	Appointment	23/05/2024
6	Mrs.Pratima Ram	Independent	Re-Appointment	19/06/2024
7	Mr. T Balakrishnan	Independent	Retirement	20/07/2024
8	Mr. V.S Radhakrishnan	Independent	Resignation	13/01/2025

- Mr. V.S Radhakrishnan resigned from the post of Independent Director of the company w.e.f 13/01/2025 due personal and professional preoccupations.
- Details of any relationship amongst the directors - Nil

a) Number of meetings of the Board

During the Financial year 2024-25, Board met eight times as mentioned below:-

Sl. No.	Date of the meeting
1.	23.05.2024
2.	10.08.2024
3.	16.10.2024
4.	02.11.2024
5.	18.11.2024
6.	04.02.2025
7.	18.03.2025
8.	22.03.2025

b) Disclosure on Composition of Audit Committee

The Company has constituted an Audit Committee in accordance with Section 177 of the Companies Act, 2013. Presently the Committee is chaired by Mr. Gautam Saigal (Non-Executive & Non Independent Director), Mrs. Pratima Ram (Non-Executive & Independent) Ms. Mayurakshi Ray (Non-Executive & Independent), Mr. Tom Jose (Non-Executive & Independent) as members. The Audit Committee acts in accordance with the Terms of Reference as approved by the Board and as per the policy on internal guidelines on Corporate Governance.

Audit Committee has met five times during F.Y. 2024-25 and all the recommendations made by the Committee to the Board were duly accepted. Details of the meeting along with the attendance of the members are as follows:-

Sl. No.	Date of the meeting
1.	17.05.2024
2.	10.08.2024
3.	29.10.2024
4.	31.01.2025
5.	18.03.2025

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter nominee/ Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mr. Gautam Saigal	13.08.2015	Chairman	5	5	-
2	Mrs. Pratima Ram	30.10.2019	Independent	5	4	-
3	Mr. T Balakrishnan (till the date 20.07.2024)	18.06.2014	Independent	5	1	-
4	Mr. V S Radhakrishnan (till the date 13.01.2025)	23.05.2024	Independent	5	2	-
5	Ms. Mayurakshi Ray	23.05.2024	Independent	5	4	-
6	Mr. Tom Jose	23.05.2024	Independent	5	4	-

The brief description of the scope of the Audit Committee Charter are as follows: -

1. Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the appointment, reappointment, terms of appointment and if required, the replacement or the removal of statutory auditor and the fixation of audit fee.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with management the annual financial statements before submission to the Board for approval with particular reference to:
   a) Matters required to be included in the Directors Responsibility Statement to be included in the board's report in terms of clause(C) of Sub-section 3 of section 134 of the Companies Act, 2013.
   b) Changes if any in accounting policies and practices and reasons for the same.
   c) Major accounting entries involving estimates based on the exercise of judgment by management.

d) Significant adjustment made in the financial statement arising out of audit findings.

e) Compliance with listing and other legal requirements relating to the financial statements.

f) Disclosure of any related party transactions.

g) Qualifications in the draft audit report.

5. Reviewing with the management the quarterly financial statements before submission to the board for approval.

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

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process.

8. Approval or any subsequent modification of transactions of the company with related parties.

9. Scrutiny of inter-corporate loans and investments.

10. Valuation of the undertakings or assets of the company, wherever it is necessary.

11. Evaluation of internal financial controls and risk management systems.

12. Reviewing the management, performance of the internal auditors and adequacy of the internal control system.

13. Reviewing the performance and adequacy of internal audit function if any including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

14. Discussion with internal auditors regarding any significant findings and follow-up thereon.

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

16. Discussion with statutory auditors before audit commences about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.

17. To investigate the reasons for substantial defaults in the payments to the depositors, debenture - holders, shareholders (in case of non-payment of declared dividends) and creditors.

18. To review the function of whistle blower mechanism in case the same exists.

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

20. Monitoring the end use of funds raised through public offers and related matters.

21. Carrying out any other function as mentioned in the terms of reference of audit committee.

22. Reviewing the utilization of loans and/ or advances from/ investment from the holding company.

23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, Demerger, amalgamation etc., on the listed entity and its shareholders

24. Oversee Information System Audit of the Internal systems and processes as per the regulatory requirements and approve the IS audit policy.

25. Review critical issues highlighted related to IT /information security / cyber security and provide appropriate direction and guidance.

26. Annual review of IS audit policy

Others

Reviewing the findings of any examinations by regulatory agencies and performing other activities related to this Charter or in line with the regulatory requirements of NHB as may be requested by the Board of Directors.

c) Disclosure on Composition of Nomination Compensation and Corporate Governance Committee

The Company has constituted NCCGC in accordance with Section 178 of the Companies Act 2013. Presently the Committee is chaired by Mr. Tom Jose - (Non-Executive & Independent), Mr. V.P. Nandakumar (Non-Executive & Non-Independent)& Mrs. Pratima Ram (Non-Executive & Independent) as members.

The NCCG Committee acts in accordance with the Terms of Reference made by the Board and as per the policy on internal guidelines on Corporate Governance.

NCCGC has met Five times during FY 2024-25. Details of the meeting attended by the members are as under: -

Sl. No.	Date of the meeting
1.	07.05.2024
2.	23.05.2024
3.	27.09.2024
4.	09.01.2025
5.	04.02.2025

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter / nominee/ Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mr. Tom Jose	23-05-2024	Chairman	5	3	-
2	Mr. V.P. Nandakumar	29-10-2014	Non Independent	5	5	1
3	Mrs. Pratima Ram	10-02-2022	Independent	5	5	-
4	Mr. V S Radhakrishnan (till the date 13.01.2025)	23-05-2024	Independent	5	2	-
5	Mr. T. Balakrishnan (till the date 20.07.2024)	29-10-2014	Independent	5	2	-

The brief description of the scope of the Committee are as follows: -

I. Role of Nomination:

a) The Committee shall put in place a broader policy describing the qualifications, experience and other positive attributes for selection of Executive/whole time directors including their age of retirement.

b) The committee shall formulate and put in place guiding principles to determine the qualities, qualifications, and the parameters to determine the 'fit and proper' criteria for appointment of independent Directors keeping in mind the diversity quotient the company's board shall maintain from time to time and subject to the applicable regulatory requirements.

c) Filling in a timely manner vacancy on the board of the company including the position of executive/ whole time directors.

d) Selection of directors, key management personnel and persons to be appointed in senior management positions as defined by the board and recommend to the board for their appointment and removal thereof.

II. Role of Fixing Remuneration and Evaluation of performance.

a. The committee shall formulate and recommend to the Board of Directors of the Company for its approval a policy relating to the remuneration for the Directors, Key managerial Personnel, Senior Management, and other employees from time to time.

b The policy as aforesaid shall be formulated to ensure that-

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

3. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the company and its goals.

c. The committee shall review the performance of individual directors of the company on a yearly basis at the end of each financial year or at such periodicity as the committee deem fit and recommend to the board based on such review, whether a director to be recommended for re-appointment or not.

d. The committee shall review the performance of the Executive/Whole time Directors of the company and fix suitable compensation packages in consideration of their performance, contributions, the general business environment in which the company operates and financial position of the company. The remuneration package may be a combination of fixed and performance-based bonus/incentives for the period under review.

The committee shall along with the management, review the performance of Key managerial personnel and senior management persons defined In line with the RBI circular on "Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management as per the scale-based regulations, on a periodical basis and fix their remuneration packages in accordance with the policies approved by the Board.

d) Disclosure on Composition of Asset Liability Management Committee

The Company has constituted an Asset Liability Management Committee (ALCO). Presently the Committee is chaired by Mr. V.P.Nandakumar (Chairman & Non Executive director)and Mr.Suveen PS (CEO), Mr. Sandeepkumar (COO), Mr. Robin Karuvely (CFO), Mrs. Sanu V Mony (CTO) and Mr. Samjith K.S (CRO) as members. The Committee functions under the supervision of the Board and within the regulatory framework

Terms of Reference

I. The committee shall meet once in a quarter and on need basis and transact the following business.

a. Management of liquidity position, long term and short term.

b. Review of ALM Returns to be submitted to RBI.

c. Decision on disposal of surplus funds of the company for shorter durations (up to 6 months).

d. The pricing of the products of the company depends upon the cost and benefit analysis both

on the asset side and liability side of the balance sheet.

e. Notwithstanding anything stated herein above, the committee shall consider and discharge such other functions as may be necessary for the day- to-day management of the company or such other functions as may be directed by RBI from time to time.

II. Chairman of the company shall act as the chairman of the committee and in his absence any other member shall act as the Chairman of the committee and shall chair the meeting.

III. The committee shall have power to invite such other officers or employees of the company as and when required.

IV. The minutes of the committee shall be placed before the risk management committee meeting for noting.

V. The CFO shall act as the member secretary of the committee

Discussion papers covering the following areas will be deliberated by ALCO namely.

- Liquidity risk management
- Management of market risk
- Funding and capital planning, Concentration of funding
- Profit planning and growth projection
- Stress testing
- Maturity profiling
- ALM returns review.
- Forecasting and analyzing 'What if scenario' and preparation of contingency plans

ALCO has met Four times during FY 2024-25. Details of the meeting attended by the members are as under: -

Sl. No.	Date of the meeting
1.	04.05.2024
2.	27.07.2024
3.	22.10.2024
4.	25.01.2025

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter / nominee / Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mr. V.P. Nandakumar	18.03.2015	Chairman	4	4	1
2	Mr. Suveen P.S	01.06.2021	KMP	4	4	-
3	Mr. Sandeep Kumar	30.10.2019	SMP	4	4	-
4	Mr. Robin Karuvely	16.03.2023	KMP	4	4	-
5	Mr. Samjith. K. S	22.06.2021	SMP	4	4	-
6	Mrs. Sanu V Mony	06.02.2024	SMP	4	4	-

e) Disclosure on Composition of Risk Management Committee

The Company has constituted risk management Committee to review the Risk Management Policy, document and improve risk management practices, ensure appropriate / adequate reporting to the Board, review the functioning of the Risk Management Department and any other matter as the Committee may deem fit. The Committee is involved in the process of identification, measurement, monitoring and mitigation of the various risks faced by the Company. The Committee meets periodically and reports to the top Management and Board. Committee shall function as per the charter of Risk Management Committee. Member representing risk department has made quarterly presentation on the Risk management.

Presently the Committee is chaired by Mrs. Pratima Ram (Non Executive- Independent director) and Mr.Gautam Saigal (Non Executive- Non Independent director)& Ms.Mayurakshi Ray (Non Executive- Independent director)as members.

The broad responsibilities of the Risk Management Department are:

A) To review the risk management framework and risk appetite of the Company, examine the adequacy and effectiveness of the risk management policy, and ensure appropriate and

Adequate reporting to the Board with recommendations wherever required. To this effect the RMC will:

a) Oversee the development and implementation of the risk management strategy and practices by the Company and assess the effectiveness thereof.

b) Ensure that the Company has an appropriate and effective mechanism to identify, measure, control and monitor all applicable risks on a timely basis and as accurately as feasible.

c) Call for appropriate data/ information to confirm the risk assessments of the past or projections for the future including development of any key performance or risk tolerance indicators.

d) Ensure that the risk management policy in force is in tune with regulatory requirements, corporate governance standards, emerging new risks and industry best practices.

e) Review major breaches in policy.

f) Appraise uncovered/ residual risks to the Board.

g) Continuous Monitoring of the existence of Cyber security in the Company

h) Assess the capacity of the Company to withstand major 'shocks', financial or otherwise, caused by market forces, regulatory directives, environment, any other external factors or internal upheavals.

i) To formulate a detailed risk management policy which shall include:

   a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

   b) Measures for risk mitigation including systems and processes for internal control of identified risks.

   c) Business continuity plan.

j) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.

k) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.

l) To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity.

m) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.

n) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

o) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

B) The RMC shall be empowered to call for any studies, information, data or analyses in matters pertaining to management of risk from the officers of the Company, issue orders for investigation on any risk related subject including constitution of any sub-committee for such purpose and seek the opinions or reports of independent experts/ professionals were considered desirable or essential.

C) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it is considered necessary.

D) Periodically review and update IT related risks and Cyber Security related Risk

Risk Committee has met four times during FY 2024-25.

Sl. No.	Date of the meeting
1.	07.05.2024
2.	30.07.2024
3.	29.10.2024
4.	28.01.2025

Details of the meeting attended by the members are as under: -

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter / nominee / Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mrs. Pratima Ram	30.10.2019	Chairman (w.e.f 04.02.2025)	4	4	-
2	Mr. Gautam Saigal	11.02.2016	Non-Executive-Non Independent (Chairman till the date 22.05.2024)	4	3	-
3	Mr. T. Balakrishnan (Till the date 20.07.2024)	11.02.2016	Independent (Chairman till the date13.01.2025)	4	1	-
4	Mr. V.S Radhakrishnan (Till the date 13.01.2025)	23.05.2024	Independent	4	2	-
5	Ms. Mayurakshi Ray	23.05.2024	Independent	4	3	-

f) Disclosure on Composition of Investment Committee

The Company has constituted Investment Committee to consider safety, liquidity, credit risk, Interest Rate Risk and yield of the investment while making investments. The Investment Committee shall function as per the Investment Committee Charter. Presently the committee is chaired by Mr.V.P.Nandakumar (Chairman & Non Executive director) and Mr.Suveen P.S (CEO), Mr.Robin Karuvely (CFO) as members and Mr.Samjith (CRO) as permanent invitee.

Investment Committee has met two times during FY 2024-25.

Sl. No.	Date of the meeting
1.	15.06.2024
2.	27.09.2024

Details of the meeting attended by the members are as under:

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter / nominee / Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mr.V.P. Nandakumar	10-03-2016	Chairman	2	2	1
2	Mr. Suveen. P.S	01-06-2021	KMP	2	2	-
3	Mr.Robin Karuvely	16-03-2023	KMP	2	2	-
4	Mr. Samjith K S (till the date 16.10.2024)	01-02-2023	SMP	2	2	-

The investment portfolio will be managed by the Chief Financial Officer, who will strive to invest with the judgement and care that prudent individuals would exercise in the execution of their own affairs, to maintain the safety of principal, maintain liquidity to meet cash flow needs and to provide competitive investment returns for MAHOFIN.

g) Disclosure on Composition of Financial Resource and Management Committee (FRMC)

The Board of Directors of the company has constituted the Financial Resource and Management Committee (Earlier known as Management Committee) on 29th October, 2014, for assisting the Board in the day-to-day operations and for the smooth functioning of the company. The committee shall meet as and when it becomes necessary to consider the urgent matters coming up between two board meetings. Presently the committee is chaired by Mr.V.P.Nandakumar (Chairman & Non Executive director) and Mr Gautam Saigal (Non Executive-Non Independent director) and Mr.Suveen P.S (CEO) as members. During the Financial year 2024-25, Financial Resource and Management Committee met eight times and details of the meetings held and meeting attended by the members are as under: -

Sl. No.	Date of the meeting
1.	20.05.2024
2.	17.06.2024
3.	03.09.2024
4.	30.10.2024
5.	15.02.2025
6.	27.02.2025
7.	27.03.2025
8.	29.03.2025

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter / nominee / Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mr. V.P. Nandakumar	29-10-2014	Chairman	8	8	1
2	Mr. Gautam Saigal	20-05-2017	Non Executive Director	8	8	-
3	Mr. Suveen. P.S	01-06-2021	KMP	8	8	-

A summary of the business transacted by the committee as initialed by the Company Secretary shall be presented to the succeeding board meeting for the purpose of noting and recording.

Terms of Reference

(i) Investments

(A) To deliberate and make a recommendation to the Board on all transactions and matters relating to the business of the company or its investments.

(B) Dispose the short-term surplus of the company in eligible short term investment instruments and securities with a maturity period of note more than one year as recommended by the ALM committee of the company or to meet any statutory obligations or cash collaterals as part of lending arrangement or as caution deposits and also to authorize officers or directors for the purpose.

(ii) Financial Arrangements

a) Approve financial arrangements whether as working capital demand loans or against assignment of receivables of the company or buy out of port folios or by such other means with banks and other financial institutions including the signing of such documents for facilities within the borrowing powers of the Board.

b) Approve the creation of any mortgage/charge or other encumbrance over the company's properties or assets for the above purposes.

c) Approve the issuing or providing or permitting the company to issue or provide any form of guarantee or indemnity or other financial or non-financial support in the ordinary course of business.

d) To consider the issue of commercial papers and other short term or long term instruments for raising funds from the market.

e) Approve and fix signatories for documentation with banks, financial institutions and other general Purpose of the company.

f) Approving changes in signatories in respect of accounts maintained by the company with banks and other financial institutions.

g) Authorization for opening, operation and Closing of Bank Accounts in different centers for different branches.

h) Approve fully hedged foreign currency transactions, including External Commercial Borrowings, Trade Credits, Inter Corporate Deposits and Foreign currency denominated Loans with domestic and overseas banks, investor classes, corporate and other financial institutions.

i) Buyback or Re-purchase of NCDs and other Debt Securities.

j) Allotment of Debentures and Bonds: -

a) Approve the allotment of debentures and bonds including domestic and overseas fully hedged foreign currency instruments issued by the Company within the overall limit set for the issue and the creation/ modification/ satisfaction of mortgage/charge on such debentures/bonds as the case may be.

b) Allotment of Shares under Employees Stock Option Schemes approved by Board from time to time.

k) Others:

a) Authorizing officers of the company for making necessary application for registration under different enactments for employee welfare, fiscal and other municipal or local or subordinate legislations.

b) Authorizing officers of the company by grant of power of attorneys or by resolution so as to represent before Government, Judicial or quasi - judicial bodies or other authorities for sanction, approval or other permissions on such matters affecting the business of the company.

c) Authorizing officers of the company by grant of power of attorneys or by way of resolution for matters in connection with day-to-day business activities, opening of branches, execution of rent/ tenancy agreements, represent the company before any statutory or regulatory bodies.

d) Loan sanctioning power of the committee shall be limited to 3 cr.

Reporting to the Board

A summary of the business transacted by the committee as initialed by the Company Secretary shall be presented to the succeeding board meeting for the purpose of noting and recording.

h) Disclosure on Composition of IT Strategy Committee

The Company has constituted IT strategy Committee in line with the NHB/RBI Circulars & Directions as IT Governance is an integral part of corporate governance and to advice on the strategic direction on IT and to review IT investments on Board's behalf. The IT Strategy Committee shall meet quarterly. The Committee is constituted with the following members:

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter / nominee / Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Ms. Mayurakshi Ray	01.04.2024	Chairman	7	7	-
2	Mrs. Pratima Ram	10.02.2022	Independent	7	6	-
3	Mr. T. Balakrishnan (till the date 20.07.2024)	02.11.2018	Independent	7	2	-
4	Mr. Gautam Saigal	30.10.2019	Non-Executive	7	6	-
5	Mr. Suresh Paul Antony	23.05.2024	Independent	7	5	-

During the Financial year 2024-25, IT Strategy Committee met seven times as noted below: -

Sl. No.	Date of the meeting
1.	20-04-2024
2.	14-05-2024
3.	27-07-2024
4.	23-10-2024
5.	27-01-2025
6.	28-01-2025
7.	04-03-2025

Terms of Reference

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.
- Ascertaining that management has implemented processes and practices that ensure that IT delivers value to the business.
- Ensuring IT investments represents a balance of risks and benefits, and those budgets are acceptable.

- Monitoring the method that management uses to determine the IT resources needed
- to achieve strategic goals and provide high level direction for sourcing and use of IT resources.
- Ensuring proper balance of IT investments for sustaining HFC's growth and becoming aware about exposure towards IT risks and controls
- Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the Company.
- Ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks;
- Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilized in a manner intended for meeting the stated objectives; and
- Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company.
- Review the IT capacity requirements and measures taken to address the issues.

i) Disclosure on Composition of Debenture Committee

The Company has constituted Debenture Committee for public issuance of debentures of company. The Debenture Committee shall function as per the terms of reference fixed by the Board.

Composition of Committee:

Sl No	Name of Director	Member of committee since	Capacity i.e, Executive / Non-Executive / Chairman / Promoter / nominee / Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mr. V.P. Nandakumar	09-08-2019	Chairman	-	-	1
2	Mr. Suveen. P.S	01-06-2021	KMP	-	-	-
3	Mr. Sandeep Kumar	09-08-2019	SMP	-	-	-
4	Mr. Robin Karuvely	16-03-2023	KMP	-	-	-
5	Mrs. Sreedivya. S	09-08-2019	KMP	-	-	-

During the Financial year 2024-25, there were no requirement to hold Debenture Committee meeting.

Terms of reference

i. authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as such authorized person in his/her/its absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment of the NCDs;

ii. Engage auditors, legal counsels or any other agents, approval of opinions, accounts and act upon any such opinions or accounts to be incorporated in the prospectus.

iii. giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;

iv. appointing the lead managers to the issue in accordance with the provisions of the Debt Regulations.

v. seeking, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whom the Company has entered into various commercial and other agreements, and/or any/all concerned government and regulatory authorities in India, and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the NCDs;

vi. deciding, approving, modifying or altering the pricing and terms of the NCDs, and all other related matters, including the determination of the size of the NCD issue up to the maximum limit prescribed by the Board and the minimum subscription for the NCD Issue;

vii. approval of the draft and final prospectus or disclosure document as the case may be (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalized in consultation with the lead managers, in accordance with all applicable laws, rules, regulations and guidelines.

viii. Approving the Reformatted financial statements of the Company for the purpose of incorporating in the Offering Documents.

ix. seeking the listing of the NCDs on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;

x. appointing the registrar and other intermediaries to the NCD Issue, in accordance with the provisions of the Debt Regulations;

xi. Finalization of an arrangement for the submission of the draft prospectus to be submitted to the Stock Exchange(s) for receiving comments from the public and the prospectus to be filed with the Stock Exchange(s), and any corrigendum, amendments supplements thereto.

xii. Appointing the debenture trustee and execution of the trust deed in connection with the NCD Issue, in accordance with the provisions of the Debt Regulations.

xiii. authorization of the maintenance of a register of holders of the NCDs;

xiv. Finalization of the basis of allotment of the NCDs including in the event of over- subscription.

xv. Finalization of the allotment of the NCDs on the basis of the applications received.

xvi. acceptance and appropriation of the proceeds of the NCD Issue; and

xvii. To generally do any other act and/or deed, to negotiate and execute any document/s, application/s, agreement/s, undertaking/s, deed/s, affidavits, declarations and certificates, and/or to give such direction as it deems fit or as may be necessary or desirable with regard to the NCD Issue.

j) Disclosure on Composition of Stakeholder's Relationship Committee

The Company has constituted Stakeholder's relationship committee with an objective of considering and resolving the grievances of security holders of the Company and also to ensure speedy disposal of various requests received from security holders from time to time; The Stakeholder's Relationship Committee shall function as per its Charter as follows: -

- Formulation of policies and procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from security holders from time to time.
- The main objective of the Committee is to consider and resolve the grievances of security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of, issue of new/ duplicate certificates etc.
- To approve, register, refuse to register transfer / transmission of shares and other securities.
- Monitor and review any investor complaints received by the Company or through SEBI; and SCORES and ensure its timely and speedy resolution, in consultation with the Company Secretary & Compliance officer and RTA of the Company.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

During the Financial year 2024-25, Stakeholder's Relationship Committee met once on 23rd May, 2024.

Composition of Committee:

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter / nominee / Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mrs. Pratima Ram	24.01.2020	Chairman	1	1	-
2	Mr. VP Nandakumar (Till the date 23.05.2024)	09.05.2020	Non Executive	1	1	1
3	Mr. T Balakrishnan (Till the date 20.07.2024)	24.01.2020	Independent	1	1	-
4	Ms. Mayurakshi Ray	23.05.2024	Independent	1	0	-
5.	Mr. Suresh Paul Antony	23.05.2024	Independent	1	0	-

Name, Designation and Address of the Compliance Officer

Sreedivya.S

Company Secretary & Compliance Officer

Manappuram Home Finance Limited, 8/596 A, Padmaprabha Building, Near Sreerama swamy temple, Cherpu – Thriprayar Road, Thriprayar, Thrissur, Kerala – 680567

Email id: cs.sreedivya@manappuramhomefin.com

Mobile: 9387211117

The Committee shall meet as and when required. Two members either personally present or through electronic mode shall be the quorum.

The Company Secretary shall act as the Secretary to the Committee Meetings. The adequacy of this charter shall be reviewed and reassessed by the Committee as may be deem fit by the Committee and appropriate recommendations shall be made to the Board to update the same based on the changes that may be brought about to the regulatory framework, from time to time.

k. Disclosure on Composition of Corporate Social Responsibility Committee

The Company has constituted Corporate Social Responsibility Committee (CSR Committee) which have substantial roles and responsibilities in respect of projects to be recommended to the board and for fulfilling the CSR and for monitoring of the CSR projects and reporting. Corporate Social Responsibility Policy (CSR Policy) indicate the activities to be undertaken by the Company, as approved by the Board.

During the Financial year 2024-25, Corporate Social Responsibility Committee (CSR Committee) met one time on 07th May, 2024.

Composition of Committee:

Sl No	Name of Director	Member of committee since	Capacity (i.e, Executive / Non-Executive / Chairman / Promoter / nominee / Independent)	No of meetings of the committee		No. of shares held in HFC
				Held	Attended	
1	Mr. T Balakrishnan (Till the date 20-07-2024)	09-05-2020	Chairman	1	1	-
2	Mr. Suresh Paul Antony	23-05-2024	Chairman	1	0	-
3	Mr. V.P. Nandakumar (Till the date 23.05.2024)	09-05-2020	Non Executive	1	1	1
4	Mrs. Pratima Ram	08-11-2023	Independent	1	1	-
5	Ms. Mayurakshi Ray	23-05-2024	Independent	1	0	-

Role of the Committee include: -

i) Formulate and recommend the CSR Policy to the Board for approval.

ii) Review and recommend any new CSR initiatives to be taken up by the company including the selection/ appointment of implementation agencies.

iii) Review the progress of CSR projects already undertaken by the company and the utilization of budgets for each such projects

iv) Review and recommend the CSR report to be included in the board's report.

v) Review and recommend any amendments to be made in the CSR policy of the Company.

vi) Formulate and recommend to the board the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act

vii) Formulate and recommend to the board the manner of execution of such projects or programmes:

viii) Formulate and recommend to the board the modalities of utilisation of funds and implementation schedules for the projects or programmes:

ix) Formulate and recommend to the board monitoring and reporting mechanism for the projects or programmes

x) Formulate and recommend to the board details of need and impact assessment, if any, for the projects undertaken by the company

xi) To carry such other functions as may be delegated to it by the board relating to CSR activities of the company.

l. General Body Meeting

Sl. No.	Type of Meeting	Time, Date and Place	Special Resolutions passed
1	14th Annual General Meeting	9.30 A.M, 10th August, 2024 & W-4/638A, Manappuram House, Valapad, Thrissur, Kerala-680567	Refer Note 1
2	Extra Ordinary General Meeting	05.30 P.M, 23rd May, 2024 through VC at Registered Office	Refer Note 2
3	Extra Ordinary General Meeting	9.30 A.M, 24th March, 2025 through VC at Registered Office	Refer Note 3

Note

1. i. Appointment of M/s. Khandelwal Jain & CO. (Firm Reg. No 105049W) as the Statutory Auditor of the Company to hold office from the conclusion of fourteenth (14th) Annual General Meeting till the conclusion of the Seventeenth (17th) Annual General Meeting.

   ii. Increase in borrowing power in terms of Section 180 (1) (c) of the Companies Act, 2013

   iii. Approval to create charge/Mortgage over the properties of the Company for the purpose of borrowing in the terms of section 180 (1)(a) of the Companies Act ,2013

iv. Appointment of Mr. VS Radhakrishnan as director (08064705)

v. Appointment of Mrs. Mayurakshi Ray as director (DIN: 02968002)

vi. Appointment of Mr. Tom Jose as director (DIN:01971467)

vii. Appointment of Mr. Suresh Paul Antony as director (DIN: 10634680)

2. i. To approve commission for Independent Directors & Non-Independent Non-Executive Directors

ii. Re-appointment of Mrs. Pratima Ram (DIN: 03518633) as an Independent Director

3. i. Alteration of AOA by altering the time limit for accepting the letter of offer as prescribed by law.

13. Independent Directors Meeting

During the year 2024-25, Independent Directors met on 18th March, 2025.

14. Policy on Nomination, Compensation (covering composition), Evaluation Criteria & Related Disclosure

The Board of Directors has adopted a policy on directors' appointment and remuneration for directors, KMP and other employees including criteria for determining qualification, positive attributes and independence of directors as laid down by the nomination and remuneration committee of the board which is attached to this report as Annexure I. The Board has also adopted some criteria for evaluating its own performance, its committees and individual directors viz. Structure & Composition, extent of fulfilment of duties & key responsibilities Board process, information & functioning, effectiveness of meeting, relationship with Board & management, attendance, Professional Conduct, Duties, Role & functions, contribution to the Board, Committee &management.

15. During the year 2024-25, the Company has not provided/ made any loan, guarantee as per Section 185 & 186 of the Companies Act 2013.

16. During the year 2024-25, no case of fraud on the Company as per Sec 177 of the Companies Act 2013, by an employee, were reported by the Auditors to the Audit Committee.

17. Annual Evaluation

Pursuant to section 35b (ii) of the Companies (Amendment) Bill 2016, Board of directors has carried out Annual evaluation of its own performance, its Committees and of individual directors. Nomination Committee reviewed the performance of the non-Executive directors (including Independent Director) based on the criteria such as attendance, Board composition, Board procedure, level of participation, contribution to the meetings and its decision making, Independence, Risk management, continuity on the board, and performance appraisal questionnaire etc. In addition, the Chairman was also evaluated on the key aspects of their role. The performance of the board and committee also evaluated by the board after seeking inputs from all the directors based on the criteria such as the composition and structure, effectiveness of board processes, information, and functioning.

For the FY 2024-25 Company has paid commission to the following Non-Executive Directors considering their service contribution to the functioning of the Board and their seniority, in Compliance with the relevant provisions of the Companies Act and the rules made there under.

Sl No	Name of Director	Commission
1	Mr. T Balakrishnan	` 2,96,439
2	Mr. Gautam Saigal	` 12,56,987
3	Mrs. Pratima Ram	` 11,18,357
4	Mr. VS Radhakrishnan	` 7,32,055
5	Ms. Mayurakshi Ray	` 9,43,014
6	Mr. Tom Jose	` 9,43,014
7	Mr. Suresh Paul Antony	` 9,43,014
	Total	` 62,32,877

18. Particulars of contracts and arrangement with related parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were on an arm's length basis. Form AOC-2, as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules 2014 is annexed as part of Board Report. (Annexure II)

Further, as mandated under the Directions issued by the Reserve Bank of India and Master Direction – Non- Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as amended from time to time, the Company has formulated a Policy on Related Party Transactions and the Policy is Annexed as part of this Boards Report. (Annexure III). The same has also been hosted on the Company's Website.

19. A. Resources

The Company, as an NBFC, mobilization of resources at optimal cost and its deployment in the most profitable and secured manner constitutes the two important functions of the Company. Management has been making continuous efforts to broaden the resource base of the Company will be able to raise adequate resources for onward lending in line with its business plan.

B. Capital Adequacy

As of 31st March, 2025, the Company's total Capital Adequacy Ratio (CAR) stood at 27.82% which is well above the regulatory minimum of 15%

20. Credit Rating

CARE & CRISIL has assigned ratings as mentioned.

Instrument	Credit rating agency	Ratings Assigned (CY)	Ratings Assigned (PY)
Long Term Bank Facilities	CARE Rating	CARE AA- Stable	CARE AA- Stable
NCD Public Issue	CARE Rating	CARE AA- Stable	CARE AA- Stable
Long Term Bank Facilities	CRISIL Rating	CRISIL AA- Stable	CARE AA- Stable
Market Linked debentures	CARE Rating	CARE PP MLD AA- Stable	CARE PP MLD AA- Stable

There is no migration of the credit rating during the year.

21. Conservation of energy & Technology absorption

Since the Company is not engaged in any manufacturing activity and its operations are not energy intensive, the disclosure relating to conservation of energy and technology absorption as stipulated under Section 134(3) (m) read with Rule 8 of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

The Company actively pursues a culture of technology adoption, leveraging on the advancements in technology to serve customers better, manage process more efficiently and economically and strengthen control systems.

22. Foreign exchange earnings and outgo

During the year 2024-25, there were no foreign exchange earnings and outgo.

23. During the year 2024-25, the Company has not paid any Remuneration to the Non-Executive Directors except the sitting fee for attending the Board & Committee meetings and Commission as mentioned in Para 2 of the Clause 16 as above.

24. During the year 2024-25, Company has not entered on any pecuniary relationship or transactions with the non-executive directors of the Company.

25. Statement on Risk Management Policy

The Company has a Board approved Risk Management Policy wherein all material risks faces by the Company viz. Credit Risk, Operational Risk, Regulatory Risk, Price, and Interest rate Risk are identified and assessed. Risk Management Department headed and managed by competent professionals for identification, assessment, and managing / mitigating risk related issues across the organization. For each of the Risks identified in the process, corresponding controls are assessed, and policies and procedure are put in place for monitoring, mitigating and reporting risk on a periodic basis.

The Company has a duly constituted the risk management Committee from 11/02/2016. Chief Risk Officer will be a permanent invitee of the Risk Management Committee. Company Secretary shall be the Secretary of the RMC.

26. Disclosure under Sexual Harassment of Women at workplace (POSH Act 2013)

The Company has in place a Policy in line with the requirements of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints, as and when received regarding Sexual Harassment and all employees are covered under this policy. The policy has been posted on the Company's website. During the year 2024-25, there were no complaints received under POSH.

27. Whistle Blower Policy

The Company has adopted a whistle Blower policy and established the necessary vigil mechanism for Directors and employees to report genuine concerns about un-ethical behavior, pursuant to the provision of section 177(9) and (10) of the Companies Act,2013. The mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and makes provision for direct access to the designated Member of the Audit Committee in appropriate or exceptional cases. It is hereby affirmed that no personnel of the Company have been denied access to the Audit Committee. There were no complaints from the employees during the year 2024-25. The whistle Blower policy has been hosted on the Company's Website which can be accessed at https://www.manappuramhomefin.com/policies-codes/.

28. The Directors' Responsibility Statement

As required under clause (c) of sub-section (3) Section 134 of the Companies Act 2013, the Board of Directors to the best of their knowledge and ability, confirm that: -

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

b. They have selected such accounting policies and applied them consistently and made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.

c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

d. They have prepared the annual accounts on a going concern basis.

e. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively

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

29. Disclosure of contingent liabilities: -

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

30. Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the Board's Report. (Annexure IV).

31. Secretarial Auditors

In terms of Section 204 of the Companies Act, 2013 and the Rules there under, the Company has appointed M/s KSR & Co, Practicing Company Secretary firm, for conducting Secretarial Audit of the Company for the Financial Year 2024-25.

No Fraud has been reported by the Secretarial auditors under Section 143(14) of Companies Act 2013.

The Secretarial Audit Report for the Year, in Form MR-3 as prescribed under the Companies Act 2013 is annexed to this Board's Report (Annexure V).

The reports issued by Secretarial Auditor does not contain any qualification, reservation, adverse remark or disclaimer.

32. Particulars of employees and related disclosure

Particulars of employees and related disclosures are annexed herewith as Annexure VI as per Section 197 of the Act.

33. Applicability of CSR provision under Sec 135

The provisions of sec 135 of the Companies Act 2013 pertaining to the Corporate Social Responsibility is applicable to the Company during the Financial Year 2024-25. Details of the disclosures as per CSR rules are given in Annexure VII.

34. Information systems Audit

In terms of the Master Direction on Information Technology Framework, HFCs are required to have an information system audit at least once in a year.

In compliance with the same, we are doing the Information Systems Audit at least once in every year. The Company has engaged M/s. KPMG for conducting this audit for the FY 2024-25. The scope of the audit covers the effectiveness of the policies, IT systems, adequacy of internal controls, effectiveness of BCP and DR, compliance to legal and statutory requirements and the security testing of critical applications.

35. Details of adequacy of Internal Financial Controls and Internal Audit

Your Company has put in place, well defined and adequate Internal Control System and Internal Financial Control (IFC) mechanism commensurate with size, scale and complexity of its operations to ensure control of entire business and assets. The functioning of controls is regularly monitored to ensure their efficiency in mitigating risks. A comprehensive internal audit department functions in house to continuously audit and report gaps if any, in the diverse business verticals and statutory compliances applicable.

During the year, Internal Financial Controls were reviewed periodically by the management and Audit Committee. Key areas were subject to various statutory and internal audits in order to review the adequacy and strength of IFC followed by the Company. As per the assessment, Controls are strong and there are no major concerns. The internal financial controls are adequate and operating effectively so as to ensure orderly and efficient conduct of business operations.

Your Company has an internal audit function headed by Mr. Binoy John whose appointment is done in terms of Section 138 of Companies Act 2013, to carry out regular internal audits to test the design, operations, adequacy and effectiveness of its internal control processes and also to suggest improvements to the management. Their observations along with management response are periodically reviewed by Audit Committee and Board and necessary actions are taken.

36. Names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year

The company being a subsidiary, doesn't have any subsidiary, joint venture or associate during the Financial Year 2024-25 therefore this provision is not applicable to the company.

37. Material Event Subsequent to the Date of Financial Statement

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the FY 2024-25 and the date of this report.

38. Maintenance of Cost Records

The Company is a NBFC, and hence the requirement under sub-section (1) of section 148 of the Companies Act, 2013 w.r.t Maintenance of cost records is not applicable.

39. Significant & Material orders passed by the regulators

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals against the Company, impacting its going concern status or its future operations.

40. Web link for Director's familiarization programme posted on https://www.manappuramhomefin.com/familiarization-programme/

41. Disclosure as per Master Direction – Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Direction, 2021.

(i) The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance company after the date on which the non-convertible debentures became due for redemption: 294

(ii) The total amount in respect of such Debentures remaining unclaimed or unpaid beyond the date of such debentures become due for redemption: ` 6,18,943.

42. Loan & Advances to SMPs/KMPs/ Directors

During the year, there were no loan & advance to Directors, KMPs/ SMPs.

43. The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year

The company has not made any application or proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year therefore this provision is not applicable to the company.

44. Details of non-compliance with requirements of Companies Act, 2013

There were no non-compliance with requirements of Companies Act, 2013.

45. Details of penalties and strictures

There were no penalties or strictures imposed by any regulators.

46. Remuneration of Directors

Remuneration / fees paid to directors are provided in Corporate Governance part of this report. Apart from this, Non-executive Directors do not have any pecuniary relationships / transactions.

47. Breach of covenant

During the FY 2024-25 there were 2 breaches of covenant.

48. Additional Disclosure for HFCs in Upper Layer

Not Applicable

49. Details of dividend declared during the financial year 2024-25

There was no dividend declared during the financial year.

Accounting period	Net profit for the accounting period (Crore)	Rate of dividend (per cent)	Amount of dividend (per cent)	Dividend Payout ratio (per cent)
		NIL		

50. Unclaimed amount transferred to IEPF under section 125(2) of the Companies Act 2013

During the FY 2024-25 there were no requirements for the unclaimed amount to be transferred to IEPF under Section 125(2) of the Companies Act.

51. Details of Remuneration/Commission received by the Managing Director/Whole Time Director of the company from its holding/subsidiary companies

During the FY 2024-25 the company does not have Managing Director/Whole Time Director therefore the said provision is not applicable to the company.

52. Acknowledgement

Your Directors acknowledge and place on record its sincere appreciation and gratitude to the employees of the company at all levels for their dedicated service and commitments, to the National Housing Bank, Governments and its statutory agencies for the support, guidance and co-operation, to the Investors, shareholders Bankers and other financial institutions and customers for the whole hearted support and confidence reposed on the company and the management and to the general public at large for their blessings and good wishes the company has been receiving in good measure over the years.

For and on behalf of the Board of Directors of
Manappuram Home Finance Limited

Sd/-
V. P. Nandakumar
Chairman (DIN: 00044512)

Place: Valapad
Date: 02/05/2025

Annexure I
Nomination & Compensation Policy

As per section 178 of the Companies Act 2013, Board of directors has constituted Nomination and Remuneration Committee ("the Committee") which is a combination of Independent and Non-executive Directors. Committee in line with the Companies Act 2013 and regulatory framework for Non-Banking Financial Companies (NBFCs) issued by Reserve Bank of India (RBI), has formulated a Nomination and Compensation policy on the criteria for determining the qualifications, positive attributes and Independence of a director and recommend to the Board a policy on the remuneration for the directors , KMPs and other employees. In line with the above statutory requirement under sections 149 and 178 of the Companies Act, 2013 the following policies are proposed to be adopted for the appointment of directors and the matters connected therewith.

Definitions

Unless the context otherwise requires, the following words and expressions shall have the meaning provided herein: -

i. Act - means the Companies Act, 2013 including any amendments and reenactments from time to time.

ii. Board - means the collective body of directors of the Company.

iii. Director - means a director appointed on the board of the company.

iv. Independent director - means an independent director referred to in sub-section (5) of section 149 of the Companies Act, 2013

v. Nomination Committee - means the Nomination Compensation and Corporate Governance Committee of the Board.

vi. Committee - means the committees of directors constituted by the Board.

Board diversity & composition

The Nomination Committee is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified persons to occupy Board positions with the prescribed requirements in consultation with the Board.

While all appointments to the Board will continue to be made on merit, the Committee will consider the benefits of diversity (including but not limited to the attributes listed above) in identifying and recommending persons for Board membership, as well as in evaluating the Board and its individual members.

Board diversity is largely framed to address the importance of a diverse Board in harnessing the unique and individual skills and experiences of the members in a way that collectively benefits the organization and business. The basic essence is to provide a framework for leveraging on the differences within the expertise of the Board, offering a broad range of perspectives that are directly relevant to the business. A truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that the Company retains its competitive advantage.

The Company believes that a diverse Board will amongst others-

a. Enhance the quality of decision making and ensure better business performance.

b. Encourage diversity of perspectives thereby fueling creativity and innovation.

c. Complement and expand the skills, knowledge, and experience of the Board as a whole.

d. Provide better Corporate Governance.

The board of Directors of the Company should have a fair combination of executive and non-executive Directors with not less than 50 percent being Non-Executive Directors. The Company shall maintain the strength of Independent Directors on its board keeping in mind the regulatory requirements and guidelines on Corporate Governance.

The Company shall appoint Directors keeping in mind an ideal diversity in knowledge or expertise that could add value to the overall performance of the board and of the Company. The desired diversity may be fixed by the Nomination and Remuneration Committee ("the Committee") based on the nature of business of the Company from time to time. The diversity of the total board may include the following.

Expertise in;

i. Banking, Finance, Accountancy, Taxation

ii. Governance, Regulatory background, Law and practice

iii. Management, Administration

iv. Engineering, Human resource, Subject of social relevance

v. IT, Marketing

Considering the need for professional experience in managing the affairs of NBFCs, at least one of the directors shall have relevant experience of having worked in a bank/ NBFC.

All Board appointments will be done on merit, in the context of skills as required for the areas of our business operations, management and also expertise in the fields of regulatory, legal, research, human capital management, strategic planning, marketing and general administration.

Further, commonality of Directorships with any Bank is likely to impede timely flow of working funds from such Bank/s to the Company due to regulatory directions in respect of credit sanction by a Bank in such a situation leading to changes in Bank's internal approval chain and delays. As the seamless flow of working funds is important, the company shall refrain from considering any candidates for on-boarding as a Director any prospective candidate who is already serving on any Bank Board. In the event of any candidate joining after leaving a Bank board with whom the company has borrowing relationships, such induction shall be effective after a cooling period of 3 Months from the date of exit from the Bank Board. In case any serving member is desirous of joining any Bank Board such member may exercise choice between the Company and the Bank with due notice to the Company.

The Committee is responsible for reviewing and assessing the composition and performance of the Board, as well as identifying appropriately qualified people to occupy Board positions.

Any new member proposed to be inducted in the Board, preferably to be with Corporate Board Experience of at least 3 years in any related customer facing and regulated company.

Further, the Committee will ensure that no person is discriminated against on grounds of religion, race, gender, pregnancy, childbirth or related medical conditions, national origin or ancestry, marital status, age, sexual orientation, or any other personal or physical attribute which does not speak to such person's ability to perform as a Board member. Accordingly, the Committee shall:

1. assess the appropriate mix of diversity, skills, experience and expertise required on the Board and assess the extent to which the required skills are represented on the Board
2. make recommendations to the Board in relation to appointments, and maintain an appropriate mix of diversity, skills, experience, and expertise on the Board, and
3. periodically review and report to the Board requirements, if any, in relation to diversity on the Board.

(I) Appointment of Independent Director

The company shall maintain the strength of independent directors on its board keeping in mind the regulatory requirements issued from time to time and as per the present norms, Company shall have at least Two directors as Independent Directors. On selection of an independent director, the Chairman of the Board/ Managing Director shall issue a letter of appointment to the director.

The independent directors appointed in the company will have a tenure of 5 years. They can be re-appointed for another term of 5 years in compliance with the applicable provisions of the Companies Act. Any intermittent vacancy caused of an independent director shall be filled up by the Board within a period of 3months or at the next board meeting whichever is earlier.

An independent director shall not be on the Board of more than three NBFCs (NBFC-ML or NBFC-UL) at the same time. A timeline of two years is provided with effect from 01st October, 2022, to ensure compliance with these norms. Further, the Board shall ensure that there is no conflict arising out of their independent directors being on the Board of another NBFC at the same time. There shall be no restriction to directorship on the Boards of NBFC-BLs, subject to applicable provisions of Companies Act, 2013.

II Criteria for Determining Qualifications, Positive Attributes & Independence of Director:

1. Qualifications of Independent Director:

An Independent director shall possess appropriate skills, experience, and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, or other disciplines related to the company's business.

2. Positive attributes of Independent Directors:

An independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the company in implementing the best corporate governance practices.

3. Independence of Independent Directors:

While considering the appointment of an independent director, the nomination committee and the board shall ensure that the incumbent satisfies the test of independence as provided under the Companies Act, 2013 as below: -

(a) who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience.

(b) (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;

(ii) who is not related to promoters or Directors in the company, its holding, subsidiary or associate company;

(c) who has or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten per cent. of his total income or such amount as may be prescribed, with the company, its holding, subsidiary or associate

company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;

(d) none of whose relatives–

(i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year:

Provided that the relative may hold security or interest in the company of face value not exceeding fifty lakhs rupees or two per cent. of the paid-up capital of the company, its holding, subsidiary or associate company or such higher sum as may be prescribed;

(ii) is indebted to the company, its holding, subsidiary or associate company or their promoters, or Directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;

(iii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or Directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or

(iv) has any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent. or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii);

(e) who, neither himself nor any of his relatives–

(i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

Provided that in case of a relative who is an employee, the restriction under this clause shall not apply for his employment during preceding three financial years.

(ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of–

(A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;

(iii) holds together with his relatives two per cent. or more of the total voting power of the company; or

(iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company

(f) An independent director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

(g) None of the relatives of an independent director, for the purposes of sub-clauses (ii) and (iii) of clause (d) of sub-section (6) of section 149, -

(i) is indebted to the company, its holding, subsidiary or associate company or their promoters, or directors; or

(ii) has given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters, or directors of such holding company, for an amount of fifty lakhs rupees, at any time during the two immediately preceding financial years or during the current financial year.

The board shall on a continuous basis ensure that the independent directors continue to maintain their independence during their tenure on the board. To ensure the same, the board may obtain proper declarations from the directors at the time of appointment, annually and at such intervals as the board may deem fit.

Institutionalized Process and procedure for sourcing (including internal candidates) screening, selection and appointment of KMPs.

Any appointment to the role of Key Managerial Personnel, excluding the position of Managing

Director shall be proposed to the Nomination and Remuneration Committee of the Board after an initial screening and selection by a panel constituting the Managing Director and Head of HR.

Institutionalised Process for sourcing, screening, selection, and appointments for whole time Directors (MDs and EDs (if applicable)).

Any appointment to the role of Managing Director/ Executive Director (if applicable) shall be proposed to the Nomination and Remuneration Committee of the Board after an initial screening and selection by a panel constituting of 3 or more Directors as may be decided by the Board, which shall mandatorily include the Chairman of Nomination and Remuneration Committee and Chairman of the Board. The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.

The Nomination Committee shall periodically review the mix of Executive/Non -Executive, Independent/Non-Independent Directors vis-à-vis the extant regulations. The Committee shall also review the skillsets required for a proposed candidate and the process for sourcing, selection, and appointment of Independent / Non -Executive Directors, once a vacancy is identified including impending vacancies based on future retirements.

Succession planning for appointment to board and senior management positions.

The board may identify suitable persons to be appointed to the board positions for filling up vacancies. The vacancies caused by the exit of an Independent Director may be filled by the appointment of an Independent Director. However, if the vacancy does not affect the strength of the minimum required Independent Directors, the board may or may not fill the vacancy as it may deem fit. Suitable candidates may be identified by the Directors from reputable references or from data banks maintained by industry associations, professional bodies, or nongovernmental organizations or by inviting applications through any media.

Vacancies in senior positions in the Company may be filled by a system of promotion of existing employees based on appropriate screening procedures set by the Nomination committee from time to time. In the event of no suitable candidate being found fit for promotion, a suitable person from any of the group companies, or from outside may be chosen.

The company may identify critical positions and shall devise a system of proper mentoring to identify officers of the Company to take up the senior positions wherever a vacancy is caused to ensure the business continuity in the best interest of the Company.

(III) Performance Evaluation

The nomination committee and the board shall put in place a mechanism for the review of performance of the Board, Committees, and individual directors. The review of Performance shall be undertaken annually preferably before the next Annual General Meeting and a statement indicating the way formal annual evaluation has been made by the Board of its own performance and that of committees and individual directors shall be annexed to the Directors Report.

(IV) Remuneration Policy for Executive Directors and Non- Executive Directors/ Independent Directors

- The remuneration and commission of Executive and Non- Executive Directors/ Independent Directors shall be recommended by the Committee to the Board of Directors and shall be subject to the provisions of Companies Act, 2013.
- The remuneration for Executive Directors shall be arrived at by considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry, future contribution, etc. The elements of the remuneration and limits are applicable as defined in the Companies Act, 2013 and rules/ schedules made thereunder.
- The remuneration of Executive Directors shall be divided into two components i.e. fixed and variable. The fixed component comprises salary, allowances, perquisites, provident fund, gratuity etc. The variable component comprises annual performance pay which may be a fixed amount as decided by the Board.
- At the beginning of each financial year NRC with the approval of the Board shall prescribe KPIs for MD and Executive Directors.
- Any variable pay shall be in compliance with RBI guidelines contained in circular dated 29th April, 2022
- The Non-Executive and Independent Directors of the Company would be paid sitting fees within the permissible limits prescribed under the Companies Act, 2013 and rules framed thereunder for attending meetings. The sitting fee shall be decided by the Board from time to time on the recommendation of the Committee.

  In addition to the sitting fees, the company will bear or reimburse the normal travelling, boarding, and lodging expenses of directors incurred for the purpose of attending board/committee meetings or for attending any other duties on behalf of the company.

- In case of profits/inadequate profits/ losses, the Directors may also be paid remuneration by way of Commission as defined in the Companies Act, 2013 read with Schedule V of the said act. The Committee shall recommend to the Board the payment of Commission to Directors.
- The Board of Directors shall decide the actual amount to be paid to each Non-Executive/ Independent Director based on factors such as meetings attended by the Director, time and effort put in and the contribution made by them.
- Independent Directors shall not be entitled to stock options.

REMUNERATION TO KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT TEAM

As per RBI directives contained in its circular dated 29th April, 2022, the Company has framed a compensation policy applicable to KMPs and Senior Management personnel (SMPs) details of which are annexed as Annexure A to this policy document.

(V) Applicability of Law

Changes in the underlying Act / Regulations or guidelines may supersede the provisions of this policy. At any time if there is any amendment to the applicable laws or regulations or guidelines affecting the provisions of this policy, the policy shall be deemed as amended to the extend applicable and the amended provisions will take effect from the date of Change in the underlying laws/ regulations or guidelines.

VI) Amendment to the policy.

The provisions of this policy may be amended by the Board at any time on the recommendation of the Nomination Committee.

Annexure A

Compensation policy

(Applicable for Key Managerial Personnel (KMPs) and Senior Management Personnel (SMPs) and Other Employees)

Effective from: This Policy is effective for the financial year 2023-2024 and onwards.

Background

RBI has issued a circular DOR.GOV.REC. No.29/18.10.002/2022-23 dated 29th April, 2022. The circular provides broad guidance to NBFCs in formulating and governing the compensation for Key Managerial Personnel (KMP) and Senior Management personnel (SMP). This compensation policy is being defined to be in-compliance with the guidelines issued.

1. Objective of the policy

The policy seeks to achieve the following objectives.

a) To establish guidelines for remunerating employees fairly and in keeping with Statutes

b) To determine a level of compensation based on the Company's business outlook, financial position, growth and trends and practices on remuneration prevailing as the best practices in competitive compensation based on fairness and equity.

c) To align reward and recognition mechanism directly to the effort, commitment, performance, dedication, and achievement relating to the Company's operations

d) To attract, retain, motivate, and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

e) To 'Pay for Performance' i.e., the compensation shall be linked to the performance and to strike the right balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the goals of the company.

f) To ensure compliances and maintain high standards to governance In the context of the aforesaid, the following policy has been formulated

2. Scope of the policy

This Policy is applicable to all Key Managerial Personnel (KMPs) including MD &CEO, Executive Director and other members of the Key Managerial Personnel, Senior Management personnel (SMPs) of the Company (together referred to as "Covered Employees").

3. Definition(s)

3.1. "Key Managerial Personnel" (KMP) as defined in section 2(51) of the Companies Act, 2013("the Act") means:

(i) the Chief Executive Officer or the Managing Director.

(ii) the Company Secretary.

(iii) the Whole-time Director.

(iv) the Chief Financial Officer.

(v) such other officer, not more than one level below the CEO who is in whole time employment, and designated as Key Managerial Personnel by the Board: and

(vi) such other officer as may be prescribed.

3.2. "Senior Management" shall mean officers/personnel of the Company who are members of its Core Management Team and are specially designated by the management with the approval of the NRC/Board and may include all members of management one level below the chief executive officer/managing director/whole-time director and who does not come under the KMPs.

3.3. Nomination, Remuneration and Corporate Governances Committee ("NRC") shall mean a committee of the Board having the constitution, powers, functions and duties as laid down in section 178 of the Companies Act, 2013, applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI Guidelines and other applicable legal provisions.

3.4. A "malus" arrangement shall mean where the Company prevents the vesting of all or part of the amount of a deferred remuneration.

3.5. A "clawback" arrangement shall mean a contractual agreement between the Covered Employees and the Company in which the Covered employee agrees to return previously paid or vested remuneration to the Company under certain circumstances or empowers the Company to recover previously paid or vested remuneration by the company under certain circumstances.

3.6. "Retention period" shall mean a period of time after the vesting of instruments which have been awarded as deferred compensation during which they cannot be sold or accessed.

4. Underlying Principles for the policy.

The policy is prepared based on certain specific principles in the context of our operations as detailed below.

- To align the compensation with the long-term interests of the Company and its shareholders
- To be transparent as far as possible simultaneously ensuring less complexity.
- Align the parameters to annual business performance of the company.

- To ensure meritocracy and is linked to key performance and business drivers.
- Reflective of market competitiveness so as to attract the best talent.

5. Compensation Structure

The broad structure of compensation payable to covered employees shall be as under:

Fixed pay which has components like basic salary & other allowances as per the grade and position fixed by the Company based on the scale and position of the employee in the company in accordance with the HR policy in force and may include.

Benefits such as company provided car, medical & dental benefit, loans, insurance benefits, vehicle fuel and maintenance expenses, club membership, mobile instruments, etc., as per the Policy of the Company Retirals such as PF, Gratuity & contribution towards pension fund, Joining / sign-on bonus for new KMP / Senior management hiring may not be part of fixed pay.

Any one-time sign on Bonus paid shall not counted as part of the Fixed pay.

5.1 Variable Pay

a) Annual component - based on individual performance against the Key Performance Indicators (KPIs) agreed and also to include the overall company performance. The KPIs will be set by the NRC in respect of Whole time Directors/ KMPs and SMPs who are subject to variable pay and the same shall fixed by the NRC

b) Deferred compensation – in the form of Long-Term benefits in cash or otherwise as decided by the Management.

5.2 Procedure for application of Variable pay to Individual cases.

a) At the beginning of each accounting year Management in consultation with NRC shall devise the detailed sets of KPIs applicable to employees being considered for payment of variable pay (in cash or non-cash) along with the parameters applicable to each employee. The exercise will cover, besides setting goals/KPIs for the year under review, the quantum of variable pays in cash, the portion of variable pay to be considered for deferral, the non-cash component of variable pay, applicability of Malus, Clawback etc. within the overall ratio of fixed versus variable pay prescribed in the policy/regulations. Accordingly, the final KPI will be signed off by the Management with the employee individually.

b) At the end of the accounting year (review year) management through the reporting authority will carry out the assessment of performance of individual employee vis a vis KPIs assigned and signed off at the beginning of the year. This exercise by the reporting authority/s will determine the final amount of the variable pay for the year and the split between cash, non-cash and the portion of the amount subjected to deferral, claw back and Malus, the period for which these will prevail. The amount so decided will be communicated to the employee.

6. Role of NRC:

a) NRC shall be responsible for framing, review, modifying and implementation of this Policy, subject to the approval of the Board of the Company.

b) NRC shall recommend to the Board all remuneration, in whatever form, payable to KMPs and Designated Senior management personnel (SMPS) .

c) NRC shall ensure that related RBI Guidelines pertaining to the composition and

d) proportion of fixed and variable pay shall be adhered to while determining the compensation of the KMPs and SMPs, including but not limited to the following conditions:

- The compensation shall achieve a fine balance between the attractiveness for the concerned employee on the one hand and profitability & capital adequacy of the Company on the other hand.
- For all reimbursements, which are part of the fixed pay, there should be a monetary limit specified in the internal grade-wise policies of the Company.
- The proportion of variable pay vis a vis Fixed pay shall be dependent on the level of the employee, roles they carry.
- The variable pay can be reduced to zero based on the performance at an individual, business unit and company- wide level.
- NRC shall also determine a representative set of situations for invoking the malus / claw back arrangements.

7. Malus Clause/ Claw back:

a) Any deferred compensation will be subject to malus/claw back.

b) arrangements in the event of occurring of agreed events during the period for which the conditions will be applicable. Such conditions may be fixed by the NRC in consultation with the Board.

c) The terms of appointment of KMPs, and Senior Management of the Company shall contain suitable clauses on malus/clawback, as recommended by the NRC and approved by the Board.

7.1. Malus: A malus is a feature of a remuneration arrangement that reduces the amount of a deferred incentive/ bonus, so that the amount of the payout is less than the amount of the bonus/incentive awarded. Accordingly once Malus is invoked/triggered the amount

of the pay out is less than the amount of the incentive. Examples are stock options granted and is waiting to be vested. Malus arrangement does not reverse a vested right after it has already occurred.

7.2. The term clawback refers to any money or benefits that have been given out but are required to be returned (clawed back) due to special circumstances or events, such as the monies having been received as the result of a defined event triggered due to a clawback provision in the compensation.

This policy proposes to make the variable (in full or part) part of the compensation subject to Malus /Clawback arrangement. While a malus arrangement permits the company to prevent vesting of all or part of the amount of a deferred remuneration and clawback, on the other hand, it is a deemed contract between the employee and the Company based on which the employee have to return previously paid or vested remuneration to the bank under certain circumstances.

7.3. Applying of Malus / Clawback arrangement on entire or part of variable pay on occurrence of the following Situations: • identified fraud / misconduct by the executive (whole-time directors, Chief Executive Officers / Material Risk Takers (MRTs)) pertaining to the corresponding period for which the clause to be applied. Malus & Clawback awards of variable pay will be subject to ex-ante / ex-post risk-based assessment, on an annual basis at the time of allocation / vesting. 'Malus' (the reduction or cancelation of unvested awards) or 'Clawback' (recovery of payments already made) shall be implemented as under;

The Company shall, as a matter of principle prior to any action under this provision, will ensure due regard to the principles of fairness and Natural Justice in the administration of the process of implementing the provisions.

8. Circumstances under which application of Malus and Clawback is to be considered:

Variable pay part of Compensation will be subject Malus and Clawback arrangements in the event of occurrence or circumstances as detailed below.

NRC may duly take into consideration factors that were within control of the person (the subject employee), and/ or beyond reasonable control on account of conditions such as macro events, market conditions, industry performance, changes in legal/regulatory requirements, force majeure events like occurrence of natural disasters, pandemic, other socio-economic conditions etc in administering the Malus and clawback provisions.

Certain instances of such events (not exhaustive) are given below;

a) Material breach of company's Code of Conduct, any Non-Disclosure Agreement, regulatory procedures, internal rules and regulations or any other such instance for which the NRC, in its discretion, deems it necessary to apply Malus or / and Clawback provisions.

b) Fraud, breach of trust, dishonesty, or wrongful disclosure by the employee of any confidential information

c) Wilful misinterpretation / misreporting of financial performance of the company

d) Any misconduct pertaining to moral turpitude, theft, misappropriation, corruption, forgery, embezzlement or of criminal nature.

e) Non-disclosure of material conflict of interest by the employee or any misuse of official powers

f) An act of wilful, reckless, grossly negligent conduct which is detrimental to the interest or reputation of the company.

g) Malus may also be applied in the situation of significant deterioration of financial or risk performance from one financial year to the next. The performance measures defined as part of goal setting process of the company, business threshold metric and sustainable business strategy framework would form the primary considerations for evaluating the application of Malus in this condition

h) Any events such as relating to information security events, fraud, consumer abuse, regulatory inspection observations (including awarding of lower (adverse) grades by the regulator) resulted on account of lack or deficiency or inadequacy of oversight by the subject person

i) Any other events in the opinion of NRC/Board that has resulted in significant financial and or reputational loss

j) Above events are to be considered by the NRC for application of Malus and Clawback where they result in significant loss to the company or its shareholders.

k) Circumstances that may trigger Malus or Clawback provisions will be reviewed periodically by the NRC.

10. Application of Malus & Clawback provisions

a) NRC will review the requirement to invoke the Malus or Clawback provisions in the event one or more of the circumstances come to light.

b) The review by the NRC will aim to determine the involvement, accountability, severity and wilful nature of the act of the concerned person/s.

c) Bonafide errors of judgment will not be subject to Malus provisions.

d) The provision of a Malus arrangement would entail cancellation of deferred portion of variable pay. The NRC may decide to apply Malus on part, or all of the unpaid cash portion of variable pay, level of involvement, proportionality and impact.

e) The provision of Clawback arrangement would entail return of already paid variable pay in cash in a given reference year to which circumstances triggering the provisions of Malus and Clawback are related.

f) The NRC may decide to apply Clawback on part, or all of variable pay basis level of involvement, proportionality and impact.

g) That variable pay upto and inclusive of ` 25 lacs may be exempt from the application of these provisions.

11. Operational procedure Malus/Clawback

a) As detailed above, the exercise will be done for invoking deferral payment (retention) of cash incentives, malus and claw back provisions. Once the exercise is finalized appropriate advice/agreement will be signed with the subject employees upon granting.

b) Subsequent to granting the arrangement concluded at the end of the accounting year will be reviewed by the NRC/Board every year to decide on invocation of one or more arrangements with the beneficiary employees.

c) In the event of a decision by the NRC/Board to invoke the arrangement vis a vis any of the subject employee management will initiate actions with appropriate notices to the employee concerned.

d) Period: Retention, Malus and clawback provision on any individual cases shall apply for a period of 3 years after the date of grant of the underlying variable pay, to the employee concerned.

12. Approval and Amendments

a) The Board may, subject to applicable laws, amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the policy entirely with a new policy, based on the recommendation(s) of NRC, from time to time.

b) Statutory/ regulatory provisions and any amendments thereon, made from time to time shall be binding on the Company and will be complied with even if not specifically incorporated in this Policy.

13. Limitation

In the event of any conflict between the provisions of this Policy, SEBI Listing Regulations/ the Act, and rules thereunder, RBI Guidelines or any other statutory enactments, the SEBI Listing Regulations /the Act, and rules thereunder, RBI Guidelines or any other statutory enactments shall prevail over this Policy.

MANAPPURAM HOME FINANCE LTD.
A home for everyone

Annexure II
AOC-2

Particulars Pursuant to clause (H) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

   All transactions entered into by the Company during the year with related parties were on an arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

   The transactions entered into by the Company during the year with related parties on an arm's length basis were not material in nature. However, the transaction details are as follows.

a) Names (s) of the related party & nature of relations	b) Nature of Contracts/ arrangements/ transactions	c) Duration of the contracts/ arrangements/ transaction	d) Salient terms of the contracts or arrangements or transaction including the value if any	e) Date of approval by the Board	f) Amount paid as advance, if any
Manappuram Finance Limited, Holding Company	A. Unsecured Loan B. Rent C. Interest Paid D. DA service payment E. DA Book assignment collection receipt F. LMS Training G. Capital Infusion	Yearly renewal	As per the agreement executed	18-03-2024 29-03-2025	Nil
Manappuram Travels, Promoter entity	Travel expenses	Not specified	Not specified	18-03-2024	Nil
Manappuram Comptech and Consultants Limited, Group company	Software Purchase	Not specified	As per the agreement executed	18-03-2024	Nil
Manappuram Foundation, Promoter controlled entity	CSR expenses	Yearly	As per the agreement executed	18-03-2024	Nil

For and on behalf of the Board of Directors of
Manappuram Home Finance Limited

Sd/-
V. P. Nandakumar
Chairman (DIN: 00044512)

Place: Valapad
Date: 02/05/2025

Annexure III

Policy on Materiality of Related Party and Manner of Dealing with Related Party Transactions.

Objective

Manappuram Home Finance Ltd (MAHOFIN or Company) is governed, amongst others, by the rules and regulations framed by the Reserve Bank of India/National Housing Bank. RBI has mandated every HFC to frame & disclose the policy on dealing with Related Party Transactions and the materiality of Related Party Transactions on its website and in the Annual Report vide their Master direction date 17th February, 2021.

Accordingly, the Company has formulated this policy on Materiality of Related Party Transactions and to dealing with Related Party Transactions (Policy). This Policy regulates all transactions between the Company and its related parties.

1. Title and commencement: -

This policy will be known as the Related party Policy of Manappuram Home Finance Ltd. and will be effective from the date as may be specified by the Board.

2. Important definitions

"Act" means the Companies Act 2013 and rules made there under as amended from time to time

"Audit Committee" or the "Committee" means the committee of the Board of Directors of the company constituted under the Companies Act 2013 or its earlier enactment.

"Board" means Board of Directors of the Company.

"Holding Company" shall have the meaning as specified under Section 2(46) of the Companies Act 2013

"Key managerial personnel" means.

i. Managing Director & Chief Executive Officer, Executive Directors, and Directors in the whole-time employment of the company

ii. Chief Financial Officer

iii. Company Secretary.

iv. And any other person as may be prescribed by the Central Government and to be applicable to the company.

"Material Modification" means such modification to existing related party transaction which in the opinion of Independent Directors is material

"Material related Party transactions" Means a transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company or Rupees 1000 Crores whichever is lower as per the last audited financial statements of the company.

A transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity

"Related party"

Related party, with reference to a company, means-

i) A director or his relative.

ii) Key managerial personnel or his relative.

iii) A firm in which a director, manager or his relative is a partner.

iv) A private company in which a director or manager is a member or director.

v) A public company in which a director or manager is a director or holds along with his relatives, more than two percent of its paid-up share capital

vi) Any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instruction of a director or manager.

vii) Any person on whose advice, direction, or instructions a director or manager is accustomed to act

Provided that nothing in sub clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity.

viii) Any company which is

A) A holding, subsidiary, or an associate company of such company

B) A subsidiary of a holding company to which it is also a subsidiary

ix) And such other entity which is a related party as provided under the applicable accounting standards

"Relative" means relative as defined under sub-section (77) of section 2 of the Companies Act,2013 and rules prescribed there under.

"Related party transactions"means a transaction involving a transfer of resources, services or obligations between:

(i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or

(ii) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries with effect from 1st April, 2023; regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Provided that the following shall not be a related party transaction:

a) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

b) the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

   i. payment of dividend.

   ii. subdivision or consolidation of securities.

   iii. issuance of securities by way of a rights issue or a bonus issue; and

   iv. buy-back of securities.

c) acceptance of fixed deposits by banks/Non-Banking Finance Companies at the terms uniformly applicable/offered to all shareholders/public, subject to disclosure of the same along with the disclosure of related party transactions every six months to the stock exchange(s), in the format as specified by the Board:

3. Policy

All Related Party Transactions and subsequent material modifications to such material modification shall be approved by the Audit Committee and the same shall be recommended to the board for its approval if the same is not in the ordinary course of business and arm's length basis. All material related party transactions and subsequent material modifications as defined by audit committee shall require the approval of shareholders by way of ordinary resolution.

No related party shall vote on a resolution even if such party is not related to the particular transaction under consideration and the same shall be passed in the general meeting.

3. Approval of Audit Committee of Holding company

The prior approval of Audit committee of Listed holding company shall be required for a related party transaction involving listed subsidiary and any other person but listed holding company is not a party to such transaction if Regulation 23 and Regulation 15(2) of SEBI (Listing Obligation & Disclosure Requirement) Regulations 2015 is not applicable to such listed subsidiary.

4. Identification of Potential Related Party Transactions

Each director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/ Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The Company strongly prefers to receive such notice of any potential Related Party Transaction well in advance so that the Audit Committee/Board has adequate time to obtain and review information about the proposed transaction.

5. Manner of dealing with related party transactions.

i. Company will entertain only such transactions which are in the interest or beneficial to the company and are at arm's length basis.

ii. All the related party transactions other than the remuneration/ compensation to any director or key managerial personnel in connection with the discharge of his or her duties in the company, its holding, subsidiary or associate company including the re- imbursement of reasonable expense towards travel, boarding and lodging, other perquisites or benefits as per the terms of employment or contract of service or as per the tradition or practice or pursuant to any provision of any statue and shall require the prior approval of the board after the review and recommendation by the audit committee.

iii. The approval of the Board for a transaction shall be by means of a resolution passed at its meeting.

6. Manner of dealing with material related party transactions

i. Company may enter in to any material related party transactions as defined in this policy only with the prior approval of the shareholders by way of a resolution passed either at a meeting of the shareholders.

ii. Any proposal for a material related party transaction shall be reviewed by the audit committee and recommend to the board before it is placed before the shareholders for approval.

iii. The related party shall not cast votes on the resolution even if he is not a related party to the transaction placed for approval by shareholders.

7. Non material transactions and pecuniary relationships

i. For this policy, directors, including independent directors and key Managerial personnel may enter transactions

with the company in the ordinary course of its business at arm's length prices where such transactions do not involve a consideration or commercial value exceeding ` 10 million in the aggregate during a financial year. However, they shall not enter any negotiated transactions, contracts, or other arrangements with the company without complying with the other provisions of this policy.

ii. Any transaction in which the Related Party's interest arises solely from ownership of securities, if any, issued by the Company and all holders of such securities receives the same benefits pro rata as the Related Party.

8. Parent & Associate companies

a. All related party transactions with the Parent company & its associates require the prior approval of the audit committee and the board.

The company may enter into a transaction with its Parent company & its associates if they are urgent in nature and have to be undertaken in between two scheduled board /audit committee meetings and in such case the same shall be approved by resolution by circulation and the same shall be taken note of at the next board / committee meetings with all relevant particulars.

9. Review and Approval of Related Party Transactions

While considering any related party transaction, the Committee shall consider all relevant facts and circumstances including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters. Any member of the Committee who has a potential interest in any Related Party Transaction will refuse himself or herself and abstain from the discussion and voting on the approval and abstain from discussion and voting on the approval of the Related Party Transaction.

The Committee shall be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters. In addition, while reviewing the transactions, the committee shall be entitled to call for additional information or opinions of expertise at the cost of the company and to demand for the attendance of any officer or other employee of the company.

Prior to the approval, the Committee may, inter-alia, consider the following factors to the extent relevant to the transaction:

- Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company and in the ordinary course of business
- Whether the Related Party Transaction would affect the independence of an independent director.
- Whether the proposed transaction includes any potential reputational risk issues that may arise because of or in connection with the proposed transaction.
- While considering the arm's length nature of the transaction, the Committee may consider the facts and circumstances as were applicable at the time of entering into the transaction with the Related Party. The Committee may also take into consideration subsequent events (i.e., events after the initial transactions have commenced) like evolving business strategies / short term commercial decisions to improve / sustain market share, changing market dynamics, local competitive scenario, economic / regulatory conditions affecting the global / domestic industry, may impact profitability but may not have a bearing on the otherwise arm's length nature of the transaction.
- Whether the Related Party Transaction would affect the independence or present a conflict of interest for any Director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial interest or benefit to the Director, Key Managerial Personnel or other Related Party concerned, the direct or indirect nature of the Director's interest, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Committee deems relevant.

10. Omnibus Approval

In the case of frequent / regular / repetitive transactions which are in the normal course of business of the Company, the Audit Committee may grant omnibus approval. For granting omnibus approval, the committee shall specify the following details:

- Name of the related party.
- Nature of the transaction.
- Period of the transaction.
- Maximum amount of the transactions that can be entered in to
- Indicative base price / current contracted price and formula for variation in price, if any.
- Justification for the omnibus approval.

Provided that where the need for Related Party Transactions cannot be foreseen and aforesaid details are not available Audit committee may grant omnibus approval for such transactions subject to their value not exceeding ` 1 Crore for each transaction

Such transactions will be deemed to be pre-approved and may not require any further approval of the Audit Committee for each specific transaction for the specific period approved.

The omnibus approval shall be valid for a period of one financial year and fresh approval shall be obtained after the expiry of one year.

11. Manner of dealing with unregulated related party transactions.

Where the company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision, or termination of the Related Party Transaction.

The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy and shall take any such action it deems appropriate or submit their recommendation to the Board.

12. Disclosure and Recording of Related Party Transactions:

a. Company shall disclose each year in the Audited Financial Statements transactions with Related Parties as prescribed in the applicable Accounting Standard as well as accounting policies governing transactions with Related Parties.

b. Disclosure in the Board's Report to the shareholders shall be made as prescribed under Companies Act, 2013.

c. The Company Secretary shall make necessary entries in the Register of Contracts required to be maintained under the Companies Act, 2013.

13. Amendment to the policy

The policy may be updated or modified in accordance with the changes to the threshold limits or as may be required by the amendments to the applicable laws and regulations with the approval of Board of directors.

14. Communication of the policy

This Policy will be published on the website of the company and a link will be provided in the annual report of the company. The publication on the web site will constitute a notice to all to whom it is applicable.

15. Effective date and applicability

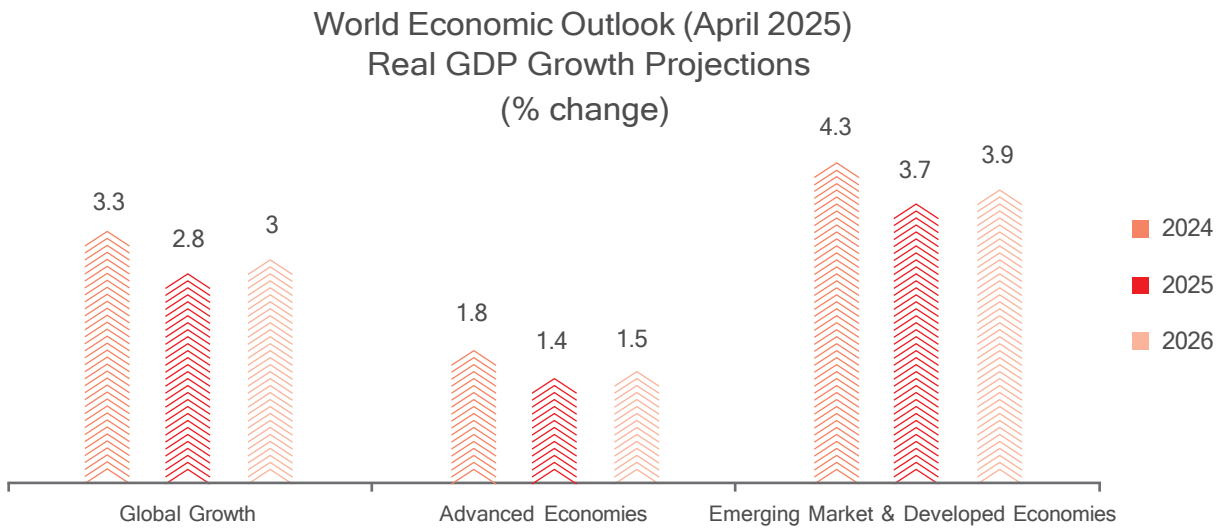
The policy shall be effective from the date of approval of the policy by the Board.

Annexure IV
Management Discussion and Analysis Report

ECONOMY

Global Economy

The global economy in FY25 remained at a delicate crossroads, shaped by rising policy uncertainty, growing trade tensions, and a fragile recovery from recent global disruptions. As highlighted in the IMF's April 2025 World Economic Outlook titled "A Critical Juncture amid Policy Shifts", the pace of global growth is expected to slow down noticeably, from 3.3% in 2024 to just 2.8% in 2025 - well below the pre-pandemic average of 3.7% recorded between 2000 and 2019. It is, however, expected to recover marginally to 3% in 2026.



This deceleration was largely driven by renewed protectionist sentiment. Broad-based tariff tensions - particularly involving the United States and its key trading partners - is disrupting global supply chains, dampening investor confidence, and introducing fresh uncertainties into trade and capital flows.

Growth across advanced economies remained subdued. The United States expanded by 1.8%, while the Euro area registered a slower 0.8% growth rate, constrained by tight financial conditions and policy-induced demand moderation. Meanwhile, emerging markets and developing economies grew at 3.7%, but faced persistent challenges from capital outflows, exchange rate volatility, and constrained fiscal capacity.

Inflationary pressures gradually eased during the year. Headline inflation declined to 4.3% and was projected to moderate further to 3.6% in 2026. However, services inflation remained sticky, and real interest rates continued to stay elevated across most major economies.

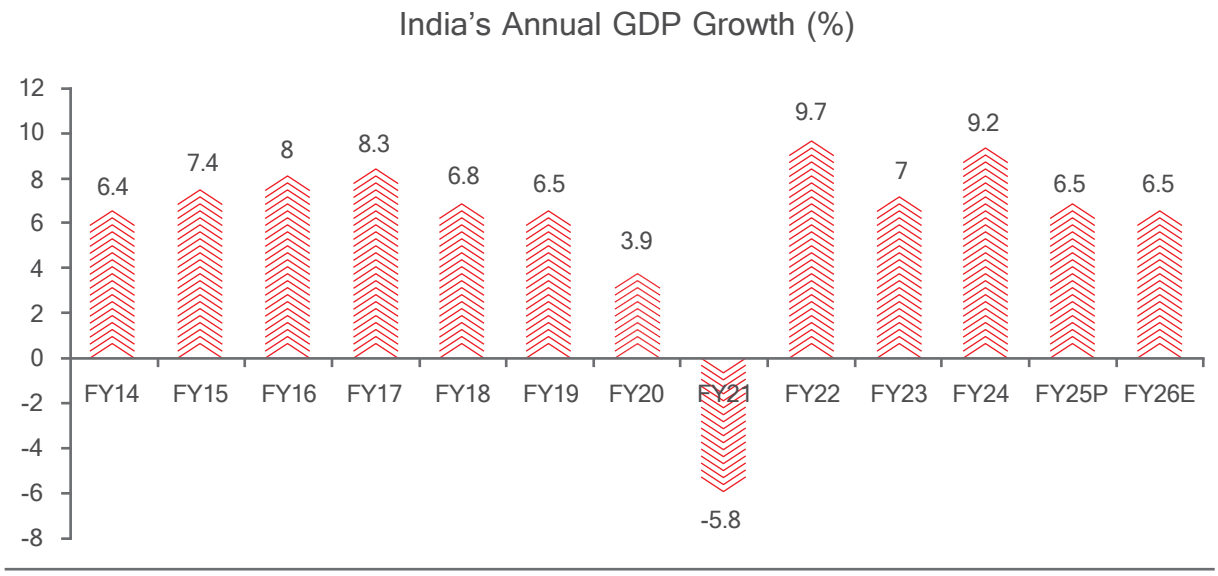
The risks to the global outlook remained skewed to the downside, with on-going geopolitical conflicts, financial market volatility, and a retreat from multilateral cooperation threatening to disproportionately affect lower-income and highly indebted nations.

In this environment, the IMF reiterated the need for coordinated, transparent policy actions to preserve macroeconomic stability. For India and its financial institutions, these global dynamics underscored the need to maintain resilience, deepen financial inclusion, and reinforce credit quality to weather external headwinds.

Indian Economy

In FY25, the Indian economy demonstrated strong resilience and steady momentum, even as global uncertainties and geopolitical tensions cast a shadow over the broader economic landscape. Anchored by robust domestic fundamentals, consistent policy support, and long-term structural reforms, India retained its position as one of the world's fastest-growing major economies.

India's real GDP growth for the year stood at an estimated 6.5%, with widespread contributions from consumption, investment, and government spending. Growth remained broad-based, with sectors like construction, trade, and financial services continuing to perform well. This was largely driven by ongoing infrastructure development, steady urban demand, and sustained credit flow to both households and businesses.



Note: Figure for FY24 and FY25 are as per the First Revised Estimates; *Estimate for FY26 is as* per RBI Issues April 2025 Policy Update.

Inflation dynamics also provided comfort during the year. Headline consumer price inflation eased to 3.6% by February 2025 - its lowest level in seven months - primarily due to cooling food prices. However, core inflation stayed modestly elevated at 4.1%, indicating some underlying pricing pressures. In response, the Reserve Bank of India adopted a balanced approach, cutting the repo rate by 25 basis points to 6.0% in April 2025, thus maintaining supportive liquidity while reinforcing inflation control.

Despite global financial volatility, India's external sector held firm. While foreign portfolio investment outflows persisted intermittently, strong domestic institutional participation provided a cushion to capital markets. The rupee saw some depreciation during the year, reflecting global pressures but remained broadly stable overall.

The employment landscape showed marked improvement. Urban unemployment fell to 6.4%, the lowest in recent years. The manufacturing sector recorded its second-best employment gains since the inception of the PMI survey, while the services sector continued to add jobs on the back of sustained demand and output expansion.

India's economic scale continued to grow rapidly, with GDP estimated at USD 4.3 trillion by the end of FY25, closely trailing Japan's USD 4.4 trillion. At this pace, India is expected to become the world's fourth-largest economy, with projections indicating it may surpass Germany by 2027. However, the gap with China remains significant, as the latter's GDP is projected at USD 19.5 trillion.

Liquidity conditions improved during the year, supported by increased government spending and timely RBI interventions. This helped stabilize short-term borrowing costs and enhanced overall credit availability, reinforcing financial system stability.

Looking ahead, the RBI projects 6.5% GDP growth in FY26, with inflation remaining near the 4% target. As India advances toward becoming a global economic powerhouse, a stable macroeconomic environment, expanding domestic demand, and growing digital inclusion will continue to present opportunities for financial institutions like Manappuram Home Finance to grow sustainably and inclusively.

INDUSTRY OVERVIEW

Financial Services Industry

India's financial services industry is rapidly evolving, driven by economic growth, rising incomes, and digital adoption. It spans a wide spectrum - from banks and NBFCs to insurance, mutual funds, and fintechs. Government and the RBI are constantly crafting policy initiatives to ensure that the ecosystem continues to grow, while protecting the interests of all stakeholders. Continued policy support and growing financial literacy are also expected to expand the industry's reach and customer base, reinforcing its role in inclusive economic development.

NBFCs in India

India's NBFC sector has become a key driver of financial inclusion and credit delivery, especially in underserved segments. By filling the gaps left by traditional banks, NBFCs have grown to contribute nearly 25% of total credit in the financial system. Retail loans - home, personal, and vehicle finance - have led this surge, supported by rising incomes, aspirational spending, and increased credit awareness. In 2024, retail loans grew by 18%, with strong demand from urban and semi-urban markets. Technology-led innovations like digital onboarding, BNPL, and faster disbursals have enhanced accessibility. Looking ahead, the sector is expected to grow at a 15-20% CAGR. Greater technology adoption (AI, ML, blockchain), deeper penetration into Tier-2 and Tier-3 cities, and evolving regulations such as

co-lending norms will shape the future. ESG-aligned lending and strategic partnerships with fintechs and banks will further strengthen the ecosystem. NBFCs are set to play a central role in India's consumption-led growth and financial inclusion efforts in 2025 and beyond. (Source: IANS)

Housing Finance

India's housing finance sector is on a strong growth trajectory, projected to more than double from `33 Lakh Crore in 2024 to `81 Lakh Crore by 2029, according to CareEdge Ratings. This expansion is driven by rising urban aspirations, structural tailwinds, and supportive government policies. While banks dominate the market with a 74.5% share due to their lower funding costs and wide reach, Housing Finance Companies (HFCs) hold a steady 19% share. HFCs saw their loan book grow by 13.2% in FY24 to `9.6 Lakh Crore, and are expected to grow at 12.7% in FY25 and 13.5% in FY26, largely fueled by the retail segment. A key trend is the move toward higher-ticket home loans, reflecting a shift in buyer preference toward premium and larger homes. HFCs focusing on semi-urban and underserved markets are well-placed to capture growth in both affordable and mid-segment housing. Continued policy support, rising incomes, and growing financial literacy are likely to further accelerate the sector's momentum.

Affordable Housing Finance

Over the past few years, rapid urbanization and migration to cities resulted in urban housing shortage, particularly among the economically weaker sections (EWS) of society. With this, new housing projects mushroomed, leading to a sharp rise in disbursements by affordable-housing finance companies (AHFCs).

Throughout FY24, the demand for housing remained robust but slowed down towards the end of the year due to the prolonged period of high interest rates. Nevertheless, AHFCs witnessed robust growth in FY25, continuing the momentum from previous years. According to CareEdge Ratings, AHFCs experienced a 29% year-on-year growth in FY24 and are projected to grow by an additional 30% in FY25, driven by strong demand in underserved markets and supportive government initiatives.

To mitigate margin pressures amid rising funding costs, AHFCs have diversified their portfolios. This strategic shift includes a focus on products like loans against property (LAP), catering to the credit needs of self-employed individuals and small businesses. Despite these expansions, profitability faced headwinds. Return on Total Assets is projected to moderate in FY24 and then further in FY25, due to increased operating expenses and higher cost of funds.

Asset quality remained stable, with Gross Non-Performing Assets (GNPA) expected to be around 1.2% as of 31st March, 2024, supported by improved collection efficiencies and strategic write-offs. However, the sector's exposure to self-employed borrowers, who are more susceptible to income volatility, continues to pose credit risks.

Capital structures of AHFCs are anticipated to remain robust, with a gearing ratio of approximately 2.9x expected as of 31st March, 2024. Banks are likely to continue being a primary funding source for AHFCs.

(Sources: *CARE Ratings, ETBFSI.com, ICRA*)

Government initiatives

In FY25, the Government of India strengthened its focus on affordable housing with major allocations and initiatives. Under the Pradhan Mantri Awas Yojana (PMAY), ` 10 Lakh Crore was committed to building homes with central support over five years. The government has also allocated ` 19,794 Crore towards the original iteration of the Pradhan Mantri Awas Yojana for the upcoming year. The new iteration of PMAY is meant to provide one crore houses to people with low-to-middle incomes over a five-year period, while the government has also extended to the rural version of the scheme, PMAY-Gramin, allocating ` 54,232 Crore for FY26. Further, an interest subsidy scheme was introduced to help middle-income families in informal housing buy or build their own homes.

COMPANY OVERVIEW

Manappuram Home Finance Limited (MHFL) is a leading player in India's affordable housing finance segment, with operations spanning across 243 districts in 12 states. With a strategic focus on Tier 3 and Tier 4 cities, MHFL primarily serves first-time homebuyers, particularly those from self-employed and informal income groups. The Company specializes in tailored home loan offerings, with housing loans accounting for approximately 70% of its AUM. 60% of its loans have a ticket size of `5-10 lakhs.

MHFL's business model is underpinned by a robust financial foundation, including a strong liquidity pipeline and a positive Asset-Liability Management (ALM) position that ensures long-term stability and resilience in a dynamic market environment. Its decentralized approach to credit underwriting and loan disbursement empowers local teams to make agile, market-aligned decisions.

Customer-centricity remains core to MHFL's operations. With a network of 89 branches, the Company serves over 35,000 customers. Trained credit teams and support staff provide region-specific service, including local language assistance, enhancing customer satisfaction and reinforcing MHFL's presence in underserved markets.

BUSINESS PERFORMANCE

Operational Performance

- By FY25, Manappuram Home Finance's number of customers grew to over 35,055 up from 27,510 in FY24
- Assets under Management (AUM) increased by 20.81% to `1,823.88 Crore as of FY25, compared to `1,509.68 Crore in FY24
- Disbursements rose by 1.90% to `642 Crore in FY25, up from `630 Crore in FY24

- Gross Non-Performing Assets (GNPA) stood at 2.42% of AUM at the end of FY25, compared to 2.39% in FY24
- Capital adequacy continued to exceed NHB norms at 27.82%, and the gross debt-to-equity ratio stood at 4.86:1
- Manappuram operated 89 branches in 243 districts as of FY25-end, up from 65 branches in 150 districts in FY24
- Salaried customers accounted for 20% of Gross AUM, while self-employed customers made up the balance 80%
- Approximately, 49% of customers availing disbursements in FY25 were new-to-credit
- The average ticket size of AUM stood at ` 5.87 lakhs, with an average loan-to-value ratio of 47.21% as of 31st March, 2025

Financial Performance

- Total Income – Gross income of the Company as of 31st March, 2025 stood at ` 31,390.89 lakhs, compared to ` 24,280.48 lakhs in FY24
- Operating Expenses – Operating expenses were ` 28,443.04 lakhs in FY25, up from ` 21,523.83 lakhs in FY24
- Net Profit – Net Profit for FY25 stood at `22.78 Crore, up from `19.90 Crore in FY24
- Return on Assets (ROA) - 1.37% in FY25, compared to 1.53% in FY24
- Return on Equity (ROE) - 6.95% in FY25, compared to 7.77% in FY24

Outlook

Manappuram Home Finance Limited (MHFL) remains well-positioned to serve as a key catalyst in expanding homeownership across India's evolving affordable housing market. Backed by strong financial fundamentals, a decentralized operating model, and a deep commitment to customer-centricity, MHFL is poised for sustained and inclusive growth.

Looking ahead, MHFL's growth strategy is anchored in leveraging the brand equity and pan-India reach of its parent company, enabling it to expand efficiently across geographies. Its cost-effective operational model - through co-location with the parent company's branches - enhances scalability and accessibility, particularly in underserved regions.

The Company also places strong emphasis on human capital development. By investing in continuous learning through online platforms and skill enhancement programs, MHFL ensures its teams remain agile and well-equipped to address the evolving needs of its diverse customer base.

Through these strategic drivers - geographic expansion, operational efficiency, and talent development - MHFL aims to scale sustainably, enrich customer experiences, and reinforce its leadership in India's affordable housing finance sector.

Risks and Mitigation

Risk management is integral to Manappuram Home Finance's business strategy and operational resilience. As a financial services provider, we are exposed to various risks inherent in lending and our broader operating environment - including credit, liquidity, market, operational, and regulatory risks.

To address these effectively, we have implemented a comprehensive risk management framework, approved by the Board of Directors. This framework outlines structured procedures for identifying, assessing, monitoring, and mitigating risks across all business functions. It is dynamic and evolves continuously to remain responsive to changes in the internal and external risk environment.

We employ a layered control system comprising preventive, detective, and corrective mechanisms. Each business unit actively manages risks specific to its operations, ensuring timely and informed mitigation. Regular reviews and refinements of our processes help maintain agility and preparedness in the face of emerging threats.

Key risks and our mitigation strategies include:

- Credit Risk: Mitigated through stringent underwriting practices, comprehensive due diligence, and strong borrower assessment procedures
- Liquidity Risk: Managed via diversified funding sources, effective cash flow planning, and prudent asset-liability management
- Interest Rate Risk: Addressed by closely monitoring rate movements and adopting strategies to minimize earnings volatility
- Market and Price Risk: Controlled by investing surplus funds in low-risk instruments, following a prudent investment policy
- Operational Risk: Minimized through robust ERP-based systems, internal audits, and enhanced process automation - especially as we expand into new geographies
- Regulatory Risk: Handled by a dedicated compliance team ensuring adherence to evolving regulations and guidelines
- Competition: Countered through our diverse product portfolio, strong local presence, and trusted lender relationships
- Human Resource Risk: Managed by fostering an empowering work culture, investing in training, and aligning employee growth with organizational goals

Through this vigilant and proactive approach, Manappuram Home Finance ensures long-term sustainability, operational stability, and readiness to navigate an evolving risk landscape.

Information Technology

At Manappuram Home Finance, technology is a key enabler of both operational efficiency and customer experience. By leveraging the expertise of our in-house team and collaborating with trusted technology partners, we have built an integrated digital ecosystem that supports our business end-to-end.

Our core platforms - the Loan Origination System (LOS) and Loan Management System (LMS - ensure seamless processing across the entire lending lifecycle, including lead generation, application, sanction, disbursement, customer relationship management (CRM), and collections. These systems streamline operations, improve turnaround times, and enhance service quality.

Beyond lending, our technology infrastructure extends to essential support functions such as accounting, financial management (FMS), audit, vigilance, and human resource management (HRM). These integrated tools improve governance, support compliance, and facilitate data-driven decisions.

We are equally focused on enhancing the digital experience for our customers. Our user-friendly, intuitive applications offer smooth, responsive interactions - ensuring convenience at every touchpoint.

This cohesive tech-driven approach strengthens internal processes and reinforces our commitment to delivering efficient, transparent, and customer-first financial solutions.

Human Resource Development

At Manappuram Home Finance Limited, human capital is the cornerstone of sustainable growth and operational excellence. Recognizing the pivotal role of its employees, the Company adopts a holistic approach to attracting, nurturing, and retaining talent. A supportive, inclusive, and performance-driven work environment is actively fostered to enable individuals to thrive and contribute meaningfully.

The Company invests in continuous learning and development through structured training programs that focus on both technical competencies and soft skills, promoting well-rounded professional growth. A strong emphasis is placed on employee well-being, safety, and engagement to ensure a motivated and high-performing workforce.

As of 31st March, 2025, Manappuram Home Finance employed 2,404 individuals, underscoring its commitment to building a skilled and future-ready team. Through these initiatives, the Company aims to empower its people, strengthen organizational capabilities, and drive long-term value creation.

Internal Control

Manappuram Home Finance has established a strong internal control framework aligned with the scale and nature of its operations. These controls are designed to uphold integrity, ensure regulatory compliance, prevent fraud, and promote ethical business conduct.

The system encompasses continuous monitoring and evaluation of financial and operational processes to ensure their effectiveness and adequacy. Key elements include transaction-level checks, robust data backup mechanisms, and well-defined contingency plans to maintain business continuity.

Independent audit firms are appointed to conduct regular internal and process audits. Their findings are reviewed by the Audit Committee, which oversees the timely implementation of corrective measures. This proactive and structured approach ensures that the Company maintains operational efficiency, safeguards its assets, and complies with all relevant regulatory standards.

Cautionary Statement

Past performance does not necessarily indicate future results, and some information in this Management Discussion and Analysis section may contain forward-looking statements. The Company has based these forward-looking statements on its present beliefs, expectations, and intentions regarding the facts, actions, and events that may occur in the future. Forward-looking statements typically include words such as 'believe', 'plan', 'anticipate', 'continue', 'estimate', 'expect', 'may', 'will', or other similar words. A forward-looking statement may also include a statement of the assumptions or basis underlying the forward-looking statement. The Company made these assumptions or basis in good faith and believes that they are reasonable in all material respects. However, it cautions that forward-looking statements and assumptions typically differ from actual results, and the differences can be significant depending on the circumstances. Investors should also be aware that any forward-looking statement made by the Company in this MDA or elsewhere only reflects its views as of the date of the statement. As new risks and uncertainties emerge from time to time, it is impossible to predict these events' outcomes or how they may affect the Company. Therefore, it has no obligation or intention to update or modify the forward-looking statements in this MDA after the publication date. Due to these risks and uncertainties, any forward-looking statement made in this MDA or elsewhere may or may not occur, and investors should understand and read it along with this supplemental disclosure.

Annexure V

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the Financial Year ended 31st March, 2025

To,

The Members,
Manappuram Home Finance Limited
8/596 A, Padmaprabha Building,
Near Sreerama swamy temple,
Cherpu - Thriprayar Road,Thrissur, Kerala - 680567

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Manappuram Home Finance Limited (CIN U65923KL2010PLC039179) (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on 31st March, 2025 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Audit, we hereby report that in our opinion, the Company has, during the period covered under the Audit as aforesaid, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 and the Rules made there under.

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under.

(iv) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.

(v) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 (limited to obligations of the company)

(vi) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(vii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

(viii) Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993.

(ix) The National Housing Bank Act, 1987

(x) The Housing Finance Companies (NHB) Directions, 2010

(xi) RBI Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021

(xii) Housing Finance Companies Corporate Governance (National Housing Bank) Directors, 2016

(xiii) Housing Finance Company Issuance of Non-Convertible Debentures on Private Placements (NHB) Directions, 2014;

We have also examined compliance with the applicable clauses of the following:

(i) The Secretarial Standards 1 & 2 issued by the Institute of Company Secretaries of India

(ii) Listing Agreement for debt securities entered into with BSE Limited.

Based on the information and explanation provided, the Company had no transactions during the period covered under the Audit requiring the compliance of the provisions of:

a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

b) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021

c) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under.

We further report that

The Board of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The changes made to the composition of the Board

of Directors was duly carried out during the period covered under the Audit.

Adequate notice and detailed notes on Agenda were given to all Directors at least seven days in advance to schedule the Board Meetings and Committee Meetings. There exists a system for seeking and obtaining further information and clarifications on the Agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through and recorded as part of the minutes. We understand that there were no dissenting members' views requiring to be captured in the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period covered under the Audit, the Company has not made any specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above. The Company has neither raised any debt through public issue nor through private placement.

For KSR & Co Company Secretaries LLP

Sd/-
Dr. C. V. Madhusudhanan
Partner
(FCS : 5367; CP : 4408)
UDIN: F005367G000250403
Firm Registration No.P2008TN006400

Place: Coimbatore
Date: 02nd May, 2025

MANAPPURAM HOME FINANCE LTD.
A home for everyone

KSR/CBE/M179/99A/2025-26

To
The Members,
Manappuram Home Finance Limited
8/596 A, Padmaprabha Building,
Near Sreerama swamy temple,
Cherpu - Thriprayar Road,Thrissur, Kerala - 680567

Our Secretarial Audit Report of even date Manappuram Home Finance Limited (CIN U65923KL2010PLC039179) (hereinafter called "the Company") is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We had conducted our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic mode as enabled by the company. We state that we have not done a physical verification of the original documents and records. The management has confirmed that the records provided to us for audit through electronic mode are final, true and correct.

3. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial Year ended on 31st March, 2025.

4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis. Further compliance of provisions of The National Housing Bank Act, 1987 and The Housing Finance Companies (NHB) Directions, 2010 read with NBFC-HFC (Reserve Bank) Directions, 2021 and Housing Finance Company Issuance of Non-Convertible Debentures on Private Placements (NHB) Directions, 2014 is limited to compliance of corporate governance provisions and verification of filing of forms and returns thereunder.

7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KSR & Co Company Secretaries LLP

Sd/-
Dr. C. V. Madhusudhanan
Partner
(FCS : 5367; CP : 4408)
UDIN: F005367G000250403
Firm Registration No.P2008TN006400

Place: Coimbatore
Date: 02nd May, 2025

Annexure VI

Details Pertaining to Remuneration as Required Under Section 197 of the Companies Act, 2013 Read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2024-25, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No	Name of Director/ KMP and designation	% Increase in Remuneration in the Financial Year 2024-25	Ratio of remuneration of each Director/KMP/to median remuneration of employees
1	Mr. Gautam Saigal (Director)	24.6%	3:1
2	Mrs. Pratima Ram (Director)	21.1%	4:1
3	Ms. Mayurakshi Ray (Director)	-	3:1
4	Mr. Tom Jose (Director)	-	2:1
5	Mr. Suresh Paul Antony (Director)	-	2:1
6	Mr. T Balakrishnan (Director) (till the date 20.07.2024)	-66.9%	1:1
7	Mr. V. S. Radhakrishnan (Director) (till the date 13.01.2025)	387.5%	2:1
8	Mr. Suveen P S (CEO)	2.12%	28:1
9	Mr. Robin Karuvely, (CFO)	-4.56%	14:1
10	Mrs. Sreedivya S (CS)	8.07%	19:1

i. The median remuneration of employees of the Company during the financial year 2024-25 was ` 2,29,944.

ii. In the financial year, there is a decrease in the median remuneration of employees.

iii. There were 2404 permanent employees on the rolls of Company as on 31st March, 2025.

iv. Average percentage increase made in the financial year 2024-25 was 7.5% whereas the increase in the managerial remuneration for the same financial year was 7.5%.

v. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, and other Employees.

TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE FINANCIAL YEAR 2024-25

Sr. No.	Employee Name	Designation	Nature of Employment	Age (yrs)	Date of joining	Qualification & Experience	Previous employment	Gross Remuneration paid 2024 - 2025
1	SUVEEN P S	EXECUTIVE VICE PRESIDENT	CHIEF EXECUTIVE OFFICER	35.7 Yrs	6/1/2021	MTECH	MAFIL	6290971
2	SREEDIVYA S	GENERAL MANAGER	COMPANY SECRETARY	50.10 Yrs	3/14/2014	CS	MAFIL	4341933
3	SANDEEP KUMAR	SENIOR GENERAL MANAGER	CHIEF OPERATING OFFICER	41.0 Yrs	03/02/2015	LLB	MAFIL	3687915
4	ASHWIN G KRISHNAN	DEPUTY GENERAL MANAGER	CHIEF COMPLIANCE OFFICER	39.0 Yrs	7/16/2021	CA	MAFIL	3357605
5	ROBIN KARUVELY	DEPUTY GENERAL MANAGER	CHIEF FINANCIAL OFFICER	42.5 Yrs	03/16/2023	CA	MAFIL	3240464
6	BINOY JOHN	DEPUTY GENERAL MANAGER	HEAD AUDIT	40.1 Yrs	2/18/2022	CMA	MAFIL	3027015

Sr. No.	Employee Name	Designation	Nature of Employment	Age (yrs)	Date of joining	Qualification & Experience	Previous employment	Gross Remuneration paid 2024 - 2025
7	POLIYEDATH SURESH	GENERAL MANAGER	GM CREDIT MONITORING	62.1 Yrs	12/11/2023	JAIIB	RETIRED BANKER	1844742
8	MANJUNATHA K	ASSISTANT GENERAL MANAGER	REGIONAL MANAGER	34.2 Yrs	08/08/2016	B COM	Religare Housing Development Ltd	1587399
9	NEENA K P	SENIOR GENERAL MANAGER	HEAD HRM E	48.10 Yrs	07/26/2023	MBA	Asirvad Micro Finance Limited	1543385
10	SANU V	SENIOR ASSISTANT GENERAL MANAGER	CHIEF TECHNOLOGY OFFICER	43.6 Yrs	01/23/2024	MTECH	MAFIL	1494446

EMPLOYEES DRAWING A REMUNERATION OF 10.20 MILLION OR MORE PER ANNUM DURING THE FINANCIAL YEAR 2024-25

Sr. No.	Employee Name	Designation	Educational Qualification	Age	Nature of Employment	% of equity shares held by the employee in the company	Experience (Yrs.)	Date of Joining	Gross Remuneration paid	Previous employment & designation	Whether employee is a relative of any director or manager of the company
						NA					

EMPLOYEES DRAWING A REMUNERATION OF 0.85 MILLION OR ABOVE PER MONTH FOR PART OF THE FINANCIAL YEAR 2024-25

Sr. No.	Employee Name	Designation	Educational Qualification	Age	Nature of Employment	% of equity shares held by the employee in the company	Experience (Yrs.)	Date of Joining	Gross Remuneration paid	Previous employment & designation	Whether employee is a relative of any director or manager of the company
						NA					

For and on behalf of the Board of Directors of
Manappuram Home Finance Limited

Sd/-
V. P. Nandakumar
Chairman (DIN: 00044512)

Place: Valapad
Date: 02nd May, 2025

Annexure VII
(Pursuant to Section 135 of Companies Act 2013, read with relevant Rules.)

1. Brief outline on CSR Policy of the Company

Manappuram Foundation, a charitable organisation set up in October 2009, is implementing and driving forward the Corporate Social Responsibility (CSR) of Manappuram Home Finance Ltd. (MAHOFIN). Manappuram Foundation's strategy is to collaborate with internal as well as external stakeholders to make an impact in the community through grass root programmes in Quality Education, Healthcare and Community Development. The financial audit and social audit is also conducted periodically in the Manappuram Foundation. The CSR policy of the Company can be accessed through the following link https://www.manappuramhomefin.com/policies-codes/

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Suresh Paul Antony	Chairman – Independent Director	1	- (He was appointed as member of the committee w.e.f 23/05/2024)
2	Ms. Mayurakshi Ray	Member- Independent Director	1	- (She was appointed as member of the committee w.e.f 23/05/2024)
3	Mrs. Pratima Ram	Member- Independent Director	1	1

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

https://www.manappuramhomefin.com/csr/

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Rules, 2014, if applicable (attach the report). NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

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

6. Average net profit of the company as per section 135(5) - ` 21,13,07,279.33

7. a) Two percent of average net profit of the company as per section 135(5) - ` 42,26,145.59

   b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. NA

   c) Amount required to be set off for the financial year, if any - NA

   d) Total CSR obligation for the financial year (7a+7b- 7c) - ` 42,26,145.59

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

Total Amount Spent for the Financial Year (in `)	Amount Unspent (in `)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount transfer	Date of transfer	Name of the Fund transfer	Amount	Date of transfer
42,26,146	-	-	NA	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in `)	Amount spent in the current financial Year (in `)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in `)	Mode of Implementation Direct yes/No	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

C) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in `)	Mode of Implementation Direct yes/No	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1.	Providing Scholarship to the meritorious students of KUFOS	Promotion of Quality education	Yes	Kerala	Thrissur	4,00,000	No	Manappuram Foundation	CSR00004545
2	Supporting students from Under privilege Family for Higher education	Promotion of Quality education	Yes	Kerala	Thrissur	84,100	No	Manappuram Foundation	CSR00004545
3	Construction/ Renovation of Houses for Underprivileged People	Rural Development	Yes	Kerala	Thrissur	37,42,046	No	Manappuram Foundation	CSR00004545
	TOTAL					42,26,146			

(d) Amount spent in Administrative Overheads : NA

(e) Amount spent on Impact Assessment, if applicable : NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ` 42,26,146

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in `)
(i)	Two percent of average net profit of the company as per section 135(5)	42,26,145.59
(ii)	Total amount spent for the Financial Year	42,26,146
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

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

Sl No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in `)	Amount spent in the reporting Financial Year (in `)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in `)
				Name of The Fund	Amount (in `)	Date of transfer	
NIL							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in `)	Amount spent on the project in the reporting Financial Year (in `)	Cumulative amount spent at the end of reporting Financial Year (in `)	Status of the project- Completed /Ongoing
NIL								

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). NA

   (a) Date of creation of acquisition of the capital asset(s).

   b) Amount of CSR spent for creation or acquisition of capital asset.

   (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

   (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).NA

Sd/-
Suveen P S
(Chief Executive Officer)

Sd/-
Suresh Paul Antony
(Chairman - CSR Committee)

CSR Initiatives 2024-25

Independent Auditor's Report

To the Members of
Manappuram Home Finance Limited

Report on the Audit of Ind AS Financial Statements

1. Opinion

We have audited the accompanying Ind AS financial statements of Manappuram Home Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as 'Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended of the state of affairs of the Company as at March 31, 2025, its profits, total other comprehensive income, changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Ind AS financial statements.

3. Key audit matters

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

Sr. No.	Key Audit Matter	Auditors Response
1.	Expected Credit Loss (ECL) on Loans and Advances	
	The estimation of ECL on financial instruments involves significant judgement and estimates. As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. The elements of estimating ECL which involved increased level of audit focus are the following: a) Data inputs - The application of ECL model requires several data inputs. b) Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.	We performed the following audit procedures: a) Testing the design and effectiveness of internal controls over the following: Key controls over the completeness and accuracy of the key inputs, data and assumptions into the Ind AS 109 impairment models. Key controls over the application of the staging criteria consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors. Management's controls over authorisation and calculation of post model adjustments and management overlays to the output of the ECL model. b) Also, for a sample of ECL allowance on loan assets tested in respect of key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of

Sr. No.	Key Audit Matter	Auditors Response
	c) Qualitative and quantitative factors used in staging the loan assets measured at amortized cost. d) Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward- looking basis reflecting a range of future economic conditions.	data, reasonableness of economic forecasts, weights, and model assumptions applied. We tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. We have reviewed the PD and LGD calculation provided by the Company on sample basis. c) Testing management's controls on compliance with disclosures to confirm the compliance with the provisions of relevant provisions of Ind AS 109 and the RBI and verified impairment methodologies and reasonableness of assumptions used. d) For models which were changed or updated during the year, evaluating whether the changes were appropriate by assessing the updated model methodology. e) Read and assessed the disclosures included in the Ind AS financial statements in respect of expected credit losses with the requirements of Ind AS 107 Financial Instruments: Disclosure ("Ind AS 107") and Ind AS 109.
2.	Information Technology (IT) Systems and Control	
	The Company's key financial accounting and reporting processes are highly dependent on the automated controls over the Company's information systems, such that there exists a risk that gaps in the IT general control environment could result in a misstatement of the financial accounting and reporting records. Accordingly, we have considered user access management, segregation of duties and controls over system change over key financial accounting and reporting systems, as a key audit matter.	We performed the following audit procedures: Tested key controls operating over the information technology in relation to financial accounting and reporting systems, including system access and system change management, program development and computer operations. Obtained management's evaluation of the access rights granted to applications relevant to financial accounting and reporting systems and tested resolution of a sample of expectations. We tested the design and operating effectiveness of automated controls critical to financial accounting and reporting. Tested the design and operating effectiveness of compensating controls and, where necessary, extended the scope of our substantive audit procedure. Considered the reports issued by the professional consultants with respect to Information Systems (IS) Audit and IT Infrastructure of the Company.

4. Other Information (Information other than the Ind AS financial statements and Auditor's report thereon)

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Annual Report, but does not include the Ind AS financial statements and our auditor's report thereon. The Other Information is expected to be made available to us after the date of our auditor's report.

Our opinion on the Ind AS 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 Ind AS 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 Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

5. Management's responsibility for the Ind AS 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 Ind AS 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate material 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 Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

6. Auditor's Responsibilities for the Audit of the Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Standards on auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

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

i) Identify and assess the risks of material misstatement of the Ind AS 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.

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

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

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 Ind AS 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of Ind AS financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public

disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

i) 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.

ii) 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 purpose of our audit of the Ind AS financial statements.

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, Statement of Profit and Loss including Other comprehensive income, the 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 Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.

e) On the basis of written representations received from the directors of the Company as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

g) With respect to the other matters to be included in the Auditors 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 / provided by the Company to its directors during the year is in accordance with the provisions 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, 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 on its financial position in its Ind AS financial statements.

ii. The Company does not have any long- term contracts including derivative contracts for which there are 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 no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on audit procedures that we have considered reasonable and appropriate, 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 sub-clause iv(a) and iv(b) above, contain any material misstatement.

v. The Company has neither declared nor paid any dividend during the year.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For KHANDELWAL JAIN & CO.
Chartered Accountants,
Firm Registration No.: 105049W

Sd/-
(BHUPENDRA KARKHANIS)
PARTNER
Membership No.: 108336
UDIN: 25108336BMJNOR2394

Place: Mumbai
Date: May 02, 2025

Annexure 'A' to the Auditors' Report of even date on the Ind AS financial statements of Manappuram Home Finance Limited - Statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020.

Referred to in paragraph 7 (i) under Report on Other Legal and Regulatory Requirements of our report of even date

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

i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right-of-use Assets.

B) The Company has maintained proper records showing full particulars of Intangible Assets.

b) According to the information and explanations given to us by the management and in our opinion, Property, Plant and Equipment and Right-of-use Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

c) According to the information and explanations given to us by the management and in our opinion, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company.

d) According to the information and explanations given to us by the management and in our opinion, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.

e) According to the information and explanations given to us by the management, no proceedings have been initiated or is pending against the Company during the year for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

ii) a) The Company is primarily engaged in the lending business and thus it does not hold any inventory. Accordingly, the reporting under clause 3(ii)(a) of the Order is not applicable.

b) The Company has been sanctioned working capital limits in excess of five crore rupees during the year from banks and financial institutions on the basis of security of current assets. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the company with such banks and financial institutions when compared with the books of account and other relevant information provided by the Company.

iii) a) The Company is primarily engaged in the lending business and accordingly, the reporting under clause 3(iii)(a) of the Order is not applicable.

b) Considering that the Company is a Non-Banking Finance Company, the investments made, security given and the terms and conditions of the grant of all loans are not prima facie prejudicial to the Company's interest. According to information and explanations provided to us, the Company has not provided any guarantees during the year.

c) The Company is a Non-Banking Financial Company ('NBFC'), registered under provisions of the Reserve Bank of India Act, 1934 and rules made thereunder and is regulated by various regulations, circulars and norms issued by the Reserve Bank of India and National Housing Bank. In respect of loans granted by the Company, we report that the schedule of repayment of principal and payment of interest has been stipulated and the repayments/ receipts of principal and interest are regular except as disclosed in Note 40 of the financial statement.

d) In respect of loans granted by the Company, there is no overdue amount for more than ninety days as at the Balance Sheet date except for the following cases as on March 31, 2025:

(In Crores)

No of Cases	Principal Amount overdue	Interest Amount overdue	Total Amount due
1015	2.81	4.95	7.76

e) The Company is primarily engaged in the lending business and accordingly, the reporting under clause 3(iii)(e) of the Order is not applicable.

f) Basis the information and explanations provided to us by the management, the Company has not granted any loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment and accordingly, the reporting under clause 3(iii)(f) of the Order is not applicable to the Company.

iv) In our opinion and according to the information and explanations given to us by the management, there are no loans, investments, guarantees, and securities given in respect of which provisions of sections 185 and 186 of the Companies Act 2013 are applicable, and hence reporting under clause 3(iv) of the Order is not applicable.

v) According to the information and explanations given to us by the management, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year from public within the meaning

of the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder and thus the reporting under clause 3(v) of the Order is not applicable.

vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company and thus the reporting under clause 3(vi) of the Order is not applicable.

vii) a) According to the information and explanations given to us by the management, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, and any other statutory dues except for Tax deducted at source, Provident Fund and Profession Tax wherein certain delays in payments were observed during the year ended March 31, 2025. As informed to us, there were no dues on account of Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess.

According to the information and explanations given to us by the management, there were no undisputed amounts in respect of Goods and Service Tax, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues which were due for more than six months from the date they become payable as at the year-end as on March 31, 2025. As informed to us, there were no dues on account of Sales Tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess.

b) According to the records examined by us and as per the information and explanations given to us by the management, there were no statutory dues as at March 31, 2025 which have not been deposited on account of disputes.

viii) According to the information and explanations given to us by the management, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) a) According to the information and explanations given to us by the management and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or our lender.

b) According to the information and explanations given to us by the management, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) According to the information and explanations given to us by the management and records examined by us, the Company has applied the term loans for the purpose for which the loans were obtained.

d) According to the information and explanations given to us by the management and on an overall examination of the financial statements of the Company, the Company has not utilized funds raised on short term basis during the year for long term purposes.

e) The Company does not have any subsidiary, associate or joint venture and accordingly, the reporting under clause 3(ix)(e) of the Order is not applicable.

f) The Company does not have any subsidiary, associate or joint venture and accordingly, the reporting under clause 3(ix)(f) of the Order is not applicable.

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

b) During the year, the company has allotted 5,00,00,000 equity shares on 29/03/2025 of face value of ` 10 each at a price of ` 10 per equity shares on Right Issue basis and has compiled with the requirements of Section 62 of the Companies Act, 2013. The company has used part proceeds of issue towards the purpose for which shares were issued and parked the balance funds in Fixed deposit / Current Account pending utilization. The Company has not made any preferential allotment of shares or convertible debentures (fully, partially or optionally convertible) during the year.

xi) a) Based upon the audit procedures performed and according to the information and explanations given by the management, there has been no instance of fraud on the Company as disclosed in Note 39(L) to the Ind AS financial statements. We have not come across any instance of fraud by the Company which 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) According to the information and explanation given to us by the management, the Company has not received any whistle blower complaints during the year.

xii) The Company is not a nidhi company and hence reporting under clause 3 (xii)(a) to 3 (xii)(c) is not applicable.

xiii) According to the information and explanation given to us by the management and based on our verification of the records of the Company and on the basis of review and approvals by the Board of Directors and Audit Committee, the transactions with the related parties are in compliance with Section 188 and 177 of the Act where applicable and the details have been disclosed in the notes to the Ind AS financial statements as required by applicable accounting standard.

xiv) a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered the internal audit reports for the period under audit issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.

xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in section 192 of the Act and hence reporting under clause 3 (xv) it's not applicable.

xvi) a) According to the information and explanations given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3 (xvi)(a) is not applicable.

b) The Company is a registered Housing Finance Company (HFC) and holds a valid Certificate of Registration (CoR) from National Housing Bank and is not required to obtain a Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934 and hence reporting under clause 3 (xvi)(b) is not applicable.

c) According to the information and explanations given by the management, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence reporting under clause 3 (xvi)(c) is not applicable.

d) According to the information and explanations given by the management, the Group does not have any CIC as part of the group and hence reporting under clause 3 (xvi)(d) is not applicable.]

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

xx) a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

b) According to the information and explanations given to us, no amount is remaining unspent under sub- section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.

For KHANDELWAL JAIN & CO.
Chartered Accountants,
Firm Registration No.: 105049W

Sd/-
(BHUPENDRA KARKHANIS)
PARTNER
Membership No.: 108336
UDIN: 25108336BMJNOR2394

Place: Mumbai
Date: May 02, 2025

Annexure 'B' to the Auditors' Report of even date on the Ind AS financial statements of Manappuram Home Finance Limited

Report on the Internal Financial Controls with reference to Ind AS financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

Referred to in paragraph 7 (ii) (f) under Report on Other Legal and Regulatory Requirements of our report of even date

1. We have audited the internal financial controls with reference to Ind AS financial statements of Manappuram Home Finance Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Ind AS financial statements 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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Ind AS financial statements, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

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

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Ind AS financial statements

4. A company's internal financial control with reference to Ind AS financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Ind AS financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Ind AS financial statements

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

Opinion

6. In our opinion, to the best of our information and according to the explanations given to us by the management, the Company has, in all material respects, an adequate internal financial controls system with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For KHANDELWAL JAIN & CO.
Chartered Accountants,
Firm Registration No.: 105049W

Sd/-
(BHUPENDRA KARKHANIS)
PARTNER
Membership No.: 108336
UDIN: 25108336BMJNOR2394

Place: Mumbai
Date: May 02, 2025

MANAPPURAM HOME FINANCE LTD.
A home for everyone

To,

Board of Directors
Manappuram Home Finance Limited
8/596 A, Padmaprabha Building,
Near Sreerama Swamy Temple,
Cherpu – Thriprayar Road,
Thriprayar, Thrissur – 680 567
Kerala

Dear Sir / Madam,

Re.: Auditor's Report pursuant to Chapter XII of Master Direction - Non- Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021

1. This Report is issued in accordance with the terms of our engagement letter with Manappuram Home Finance Limited (the Company, MHFL) dated August 12, 2024.

2. We, Khandelwal Jain & Co. Chartered Accountants (Firm's Registration Number 105049W), were the Statutory Auditors of Manappuram Home Finance Limited ('the Company') for the year ending March 31, 2025.

3. Pursuant to the Chapter XII of the Master Direction - Non -Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 as amended, ("The Direction) we have examined the matters specified in the Paragraph 70 of the Directions in respect of the Company for the year ended March 31, 2025 ('Statement').

Management's Responsibility

4. The Management of the Company is responsible for the compliance with the extant Master Direction- Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021 on an ongoing basis and reporting non- compliance, if any, to the regulatory authorities, Board of the Company and its Audit committee. This responsibility includes preparation and maintenance of proper books of accounts and such other relevant records and documents and designing, implementing and monitoring internal controls relevant to the preparation and presentation of the Statement and applying appropriate basis of preparation, and making estimates that are reasonable in the circumstances.

Auditor's Responsibility

5. It is our responsibility to express a reasonable assurance in the form of an opinion based on our examination of the books of account and other records maintained by the Company on the matters specified in Paragraph 70 of the Chapter XII of the Directions, 2021 based on our audit.

6. We conducted our examination of the records and information in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. 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 Services Engagements.

Opinion

8. Based on our examination, evidences obtained and the information and explanation provided to us, along with the representations provided to us by the management, we are of the opinion that:

   a. The Company has obtained a certificate of registration (COR) from the NHB as required under section 29A of the NHB Act, 1987 with registration No. 08.0158.17 dated August 22, 2017. The Company as at March 31, 2025, has met the Principal Business Criteria as specified in para 4.1.17 of the RBI Directions.

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

   c. The Company has complied with provisions of section 29C of the NHB Act, 1987, relating to transfer of amounts to the Statutory Reserve.

   d. The total borrowings of the Company are within the limits prescribed under paragraph 27.2 of the RBI Directions.

   e. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements for the year ended March 31, 2025 and according to the information

and explanations given to us, we report that the Company has complied with the prudential norms on income recognition, Indian accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosures in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investment, as specified in the RBI Directions.

f. The Capital Adequacy Ratio as disclosed in the Half Yearly statutory return, submitted to the National Housing Bank (NHB), in terms of the directions issued by NHB, as amended, has been correctly determined and such ratio is in compliance with the minimum capital to risk weighted asset ratio (CRAR) prescribed therein.

g. The Company has furnished to the National Housing Bank within the stipulated period the Schedule-II (Half Yearly) return as specified in the Housing Finance Companies (NHB) Directions, 2021, as amended.

h. The filing of schedule III return on Statutory Liquid Assets as specified in the NHB directions is not applicable to the Company since the Company is non-deposit taking Housing Finance Company.

i. The Company has complied with the requirements contained in the RBI Directions in the case of opening of new branches / offices or in the case of closure of existing branches / offices.

j. The Company has not advanced any loan against security of shares or against security of single product gold jewellery or against Company's own shares.

k. The Company is not accepting / holding public deposit and the board of directors has passed the resolution for non-acceptance of any public deposits in its meeting held on May 12, 2012.

l. The Company has not accepted any public deposits during the financial year 2024-2025.

Restriction on Use

9. The certificate is addressed to the Board of the Company for the purpose of its submission to the National Housing Bank solely for the purpose of enabling it to comply with the requirements of Master Directions which inter alia, requires it to submit the Report by the statutory auditors pursuant to Paragraph 69 of Chapter XII of the Directions and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For KHANDELWAL JAIN & CO.
Chartered Accountants,
Firm Registration No.: 105049W

Sd/-
(BHUPENDRA KARKHANIS)
PARTNER
Membership No.: 108336
UDIN:25108336BMJNPH2757

Place: Mumbai
Date: May 02, 2025

MANAPPURAM HOME FINANCE LTD.
A home for everyone

Balance Sheet

as at March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

		Notes	As at March 31, 2025	As at March 31, 2024
I	ASSETS			
1	Financial assets			
	Cash and cash equivalents	3A	2,780.21	3,739.41
	Bank balances other than cash and cash equivalents	3B	256.24	799.13
	Receivables			
	(I) Trade Receivables	4	493.08	187.99
	Investment	5	5,894.33	3,598.45
	Loans	6	1,83,355.58	1,51,408.36
	Other Financial assets	7	280.23	385.15
2	Non-financial Assets			
	Current tax assets (Net)	8	259.81	180.92
	Deferred tax assets (Net)	28	75.78	178.09
	Property, plant and equipment	9	815.12	244.09
	Right of use Asset	10	422.29	304.22
	Other Intangible assets	11	68.78	108.77
	Capital work-in-progress	12	-	-
	Other non financial assets	13	459.61	474.50
	Total assets		1,95,161.05	1,61,609.08
II	LIABILITIES AND EQUITY			
1	Financial Liabilities			
	Payables			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises	14	31.00	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	131.31	95.06
	Borrowings (Debt security)	15	2,189.83	10,518.08
	Borrowings (Other than Debt Security)	16	1,56,383.87	1,21,937.34
	Other Financial liabilities	17	3,110.27	3,075.44
2	Non-financial Liabilities			
	Current tax liabilities (Net)	18	-	-
	Provisions	19	348.87	218.12
	Other non-financial liabilities	20	179.00	160.73
	Total Liabilities		1,62,374.15	1,36,004.77
3	Equity			
	Equity share capital	21	25,000.00	20,000.00
	Other equity	22	7,786.90	5,604.31
	Total Liabilities and Equity		1,95,161.05	1,61,609.08

The notes on accounts form an integral part of the financial statements
As per our report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg No. 105049W

Sd/-
Bhupendra Karkhanis
Partner
M. No. 108336

Place: Mumbai
Date: 02-05-2025

For and on behalf of the Board of Directors of
Manappuram Home Finance Ltd

Sd/-
V.P. Nandakumar
Chairman
DIN : 00044512

Sd/-
Suveen P S
Chief Executive Officer

Sd/-
Robin Karuvely
Chief Financial Officer

Sd/-
Sreedivya S
Company Secretary
M. No. F7590

Place: Valapad
Date: 02-05-2025

Statement of Profit and Loss

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

			Notes	Year ended March 31, 2025	Year ended March 31, 2024
		Revenue from operations			
	(i)	Interest income	23(i)	30,599.86	23,528.35
	(ii)	Other operating income	23 (ii)	791.03	752.13
(I)		Total Income		31,390.89	24,280.48
		Expenses			
	(i)	Finance cost	24	14,706.16	10,640.54
	(ii)	Impairment of financial instruments	25	299.54	620.85
	(iii)	Employee benefit expenses	26	8,250.19	6,322.25
	(iv)	Depreciation and amortization	11A	284.60	301.55
	(v)	Other expenses	27	4,902.55	3,638.64
(II)		Total Expenses		28,443.04	21,523.83
(III)		Profit before exceptional items and tax (I - II)		2,947.85	2,756.65
(IV)		Exceptional items		-	-
(V)		Profit before tax (III +/- IV)		2,947.85	2,756.65
(VI)		Tax Expense:			
		(1) Current tax	28	560.99	581.97
		(2) Deferred tax	28	109.11	291.42
		(3) Income tax for earlier years	28	-	(106.92)
				670.10	766.47
(VII)		Profit for the year (V - VI)		2,277.75	1,990.18
(VIII)		Other Comprehensive Income			
	A	(i) Items that will not be reclassified to profit or loss			
		Actuarial Gain / (Loss) on defined benefit obligation		(26.94)	(40.71)
		(ii) Income tax relating to items that will not be reclassified to profit or loss		6.78	10.25
		Subtotal (A)		(20.16)	(30.46)
	B	(i) Items that will be reclassified to profit or loss		-	-
		(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		Subtotal (B)		-	-
		Other Comprehensive Income (A +/- B)		(20.16)	(30.46)
(IX)		Total Comprehensive Income for the year (VII+VIII)		2,257.59	1,959.72
(X)		Earnings per equity share			
		Basic (`)	29	1.14	0.99
		Diluted (`)	29	1.14	0.99

The notes on accounts form an integral part of the financial statements
As per our report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg No. 105049W

Sd/-
Bhupendra Karkhanis
Partner
M. No. 108336

Place: Mumbai
Date: 02-05-2025

For and on behalf of the Board of Directors of
Manappuram Home Finance Ltd

Sd/-
V.P. Nandakumar
Chairman
DIN : 00044512

Sd/-
Suveen P S
Chief Executive Officer

Sd/-
Robin Karuvely
Chief Financial Officer

Sd/-
Sreedivya S
Company Secretary
M. No. F7590

Place: Valapad
Date: 02-05-2025

MANAPPURAM HOME FINANCE LTD.
A home for everyone

Cash Flow Statement

for the period ended 31st March, 2025

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Operating activities		
Profit before tax	2,947.85	2,756.65
Adjustments for:		
Depreciation and amortization	284.60	301.55
Impairment on financial instruments	297.66	614.37
Bad Debts Written off	1.88	6.47
Interest on Lease liability	49.35	34.38
Profit on sale of fixed assets	0.56	(2.96)
Net actuarial (loss)/gain that will not be reclassified to profit and loss (OCI)	(20.16)	(40.71)
Working capital changes		
(Increase) / Decrease in Loans	(32,246.76)	(42,378.76)
Increase / (Decrease) in Trade payables and contract liability	67.24	(179.86)
Increase / (Decrease) in Other Financial Liability	(105.33)	1,034.12
Increase / (Decrease) in Other Non Financial Liability	149.02	176.08
(Increase) / Decrease in Other Financial Assets	104.92	758.81
(Increase) / Decrease in Other Non Financial Assets	14.89	(242.60)
(Increase) / Decrease in Trade Receivable	(305.09)	(152.11)
(Increase) / Decrease in Investment	(2,295.87)	(1,266.17)
Income tax paid (net)	(641.54)	(720.02)
Net cash flows used in operating activities	(31,696.78)	(39,300.76)
Investing activities		
Purchase of Tangible and intangible assets	(712.51)	(157.87)
Bank balances other than cash and cash equivalents	542.89	(245.00)
Sale of fixed and intangible assets	-	7.14
Net cash flows used in investing activities	(169.62)	(395.73)
Financing activities		
Proceeds from issue of share capital	5,000.00	-
Equity share issue expense	(75.00)	-
Proceeds from borrowings other than debt securities	58,300.00	62,060.00
Repayment of borrowings other than debt securities	(23,853.47)	(21,369.37)
Repayment of borrowings - debt securities	(8,328.25)	(2,484.95)
Lease payments	(136.09)	(194.09)
Net cash flows generated from financing activities	30,907.20	38,011.59
Net increase/(decrease) in cash and cash equivalents	(959.20)	(1,684.90)
Cash and cash equivalents as at the beginning of the year	3,739.41	5,424.31
Cash and cash equivalents at the end of the year	2,780.21	3,739.41

The notes on accounts form an integral part of the financial statements
As per our report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg No. 105049W

Sd/-
Bhupendra Karkhanis
Partner
M. No. 108336

Place: Mumbai
Date: 02-05-2025

For and on behalf of the Board of Directors of
Manappuram Home Finance Ltd

Sd/-
V.P. Nandakumar
Chairman
DIN : 00044512

Sd/-
Suveen P S
Chief Executive Officer

Sd/-
Robin Karuvely
Chief Financial Officer

Sd/-
Sreedivya S
Company Secretary
M. No. F7590

Place: Valapad
Date: 02-05-2025

Statement of Changes in Equity

for the year ended March 31, 2025

a. Equity Share Capital

Equity shares of ` 10 each issued, subscribed and fully paid

	As at 31 March 2025	As at 31 March 2024
Balance as on 01 April 2024 / 01 April 2023	20,000.00	20,000.00
Changes in equity share capital due to prior period errors	-	-
Restated Balance as on 31 March 2024 / 31 March 2023	20,000.00	20,000.00
Changes in equity share capital during the year	5,000	-
Balance as on 31 March 2025 / 31 March 2024	25,000.00	20,000.00

b. Other Equity

	Reserves and Surplus				Total
	Statutory Reserve	Employee Share Option Outstanding of Parent Company	Impairment Reserve	Retained Earnings	
Balance as at April 1, 2023	1,020.80	-	121.44	2,502.35	3,644.59
Amount transferred from Retained Earnings to Statutory Reserve	398.04	-	-	(398.04)	-
Total Comprehensive Income for the year	-	-	-	(30.46)	(30.46)
Profit / (loss) after tax	-	-	-	1,990.18	1,990.18
Balance as at March 31, 2024	1,418.84	-	121.44	4,064.03	5,604.31
Balance as at April 1, 2024	1,418.84	-	121.44	4,064.03	5,604.31
Amount transferred from Retained Earnings to Statutory Reserve	455.55			(455.55)	-
Equity share expenses				(75.00)	(75.00)
Total Comprehensive Income for the year				(20.16)	(20.16)
Profit / (loss) after tax				2,277.75	2,277.75
Balance as at March 31, 2025	1,874.39	-	121.44	5,791.07	7,786.90

The notes on accounts form an integral part of the financial statements
As per our report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg No. 105049W

Sd/-
Bhupendra Karkhanis
Partner
M. No. 108336

Place: Mumbai
Date: 02-05-2025

For and on behalf of the Board of Directors of
Manappuram Home Finance Ltd

Sd/-
V.P. Nandakumar
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Robin Karuvely
Chief Financial Officer

Sd/-
Sreedivya S
Company Secretary
M. No. F7590

Place: Valapad
Date: 02-05-2025

Notes to Financial Statements

for the year ended March 31, 2025

1 Corporate Information

Manappuram Home Finance Limited ('MHFL' or 'the Company') is a public limited company domiciled in India and incorporated on October 7, 2010 in Thrissur, Kerala. The Company is a Non-Deposit accepting Housing Finance Company registered with National Housing Bank (NHB) under the provisions of National Housing Bank Act 1987 ('NHB Act').The Company is engaged in providing housing loans. The company's registered office is at 8/596A, Padmaprabha Building, Near Sreerama Swamy Temple, Cherpu- Thriprayar, Triprayar, Thrissur, Chavakkad, Kerala, India, 680567 and corporate office is at Third Floor, A Wing, Unit No 301-315, Kanakia Wall Street, Andheri Kurla Road, Andheri East, Mumbai-400093.

The financial statements for the year ended 31st March 2025 were authorised for issuance in accordance with a resolution of the directors on 2nd May 2025.

2 Significant accounting policies

a. Basis of preparation

a.1 The Financial Statements have been prepared in accordance with the recognition and measurement principle of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, requirements prescribed under the Schedule III - Division III of the Act, the circulars and guidelines issued by the Reserve Bank of India (the "RBI") and National Housing Bank (the "NHB") from time to time to the extent applicable.The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. 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.

a.2 Going Concern- These financial statements have been prepared on a going concern basis.

b. Functional and presentation currency

The financial statements are presented in Indian Rupees which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

c. Use of estimates, judgments and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions, that affect the application of accounting policy and reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, at the end of the reporting period and reported amounts of revenues and expenses for the year presented. 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 future periods are affected.

Further, the Company has, based on current available information and based on the policy approved by the Board, determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's Board of Directors and the management has considered internal and external information including credit reports and economic forecasts up to the date of approval of these financial results. Accordingly, the Company has made provision for expected credit loss on financial assets as at March 31, 2025. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

d. Revenue Recognition

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

i) Interest Income

Under Ind AS 109, interest income and expenses is recorded using the effective interest rate (EIR) method for all interest bearing financial instruments measured at amortised cost. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR."

The company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the company reverts to calculating interest income on a gross basis.

Notes to Financial Statements

for the year ended March 31, 2025

ii.) All other charges such as cheque return charges, overdue charges etc are recognised on realization basis. These charges are treated to accrue on realization, due to the uncertainty of their realization.

iii.) Income from Direct assignment

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of Excess Interest Spread (EIS). The future EIS basis the expected cash flows on the execution of the transaction, discounted at the applicable rate entered into with the assignee is recorded upfront in the statement of profit and loss.

iv.) Other Income

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

e. Property, Plant and equipment (PPE)

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on Property, Plant and equipment is calculated on a straight-line basis using the rates arrived at based on useful lives estimated by the management.

The estimated useful lives are, as follows:

Particulars	Useful Life of Assets
Building	30 years
Computers	3 years
Furniture & Fittings	5-10 years
Office Equipment	3-5 years
Motor Car	8 years

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

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

Property and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other operating income in the Statement of profit and loss in the year in which the asset is derecognised.

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

f. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company considers that the useful life of an intangible asset will not exceed 5 years from the date when the asset is available for use.

g. Assets Held for Sale

The Company classifies certain assets held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. In its normal course of business whenever default occurs, the Company may take possession of properties. The Company may physically repossess the properties either on its own or by engaging external agents to recover the funds generally at auctions to settle the outstanding debt. Any surplus funds are returned to the customers or obligors. As a result of this practice, the properties

under legal repossession as specified in its policy, are not recorded on the balance sheet as loans and are treated as assets held for sale. The Company currently records them in the financial statement at lower of loan amount outstanding or recoverable value as per the valuation report. Any deficit is transferred to profit or loss account.

h. Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite lives may be impaired. If any such impairment exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets not yet available for use, are tested for impairment annually at each balance sheet date, or earlier, if there is an indication that the asset may be impaired. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss. As at March 31, 2025, none of the Company's property, plant and equipment and intangible assets were considered impaired.

i. Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term and costs relating to the termination of the lease. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

Company as a lessee

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

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

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

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

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit

Notes to Financial Statements

for the year ended March 31, 2025

in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

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

j. Retirement and other employee benefits

Provident Fund (Defined Contribution Plans)

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

Gratuity (Defined Benefit Plan)

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a.) when the plan amendment or curtailment occurs; (b) when the entity recognises related restructuring costs or related termination benefits .

The retirement benefits / obligations recognised in the balance sheet represents the present value of the defined benefit / obligations reduced by the fair value of scheme assets. Any assets resulting from this calculation is limited to present value of available refunds and reductions in future contributions to the scheme.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the Statement of Profit and Loss during the year.

Compensated absence

Compensated absence which are expected to occur within 12 months after end of the period in which the employee renders the related services are recognised as an actuarially determined liabilities at the present value of the obligation at the balance sheet date.

k. Taxes

Income tax expense comprises of current and deferred income tax. Current / Deferred tax is recognized in the Statement of Profit and Loss except to the extent it relates to an item which is recognized directly in equity or in other comprehensive income in which case the related income tax is also recognised accordingly. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

i) Current Taxes

Current income tax expense includes income tax payable by the company on its taxable profits for the period. Advance tax and provision for income tax are provided after off setting advance tax paid and provision for tax arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liabilities on net basis.

ii) Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized. Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The carrying amount of deferred tax assets are 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.

Notes to Financial Statements

for the year ended March 31, 2025

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it becomes probable that future taxable profit will allow the deferred tax asset to be recovered.

l. Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year. Diluted EPS is calculated by dividing the net profit attributable to equity holders of company by the weighted average number of equity shares outstanding during the year plus dilutive potential shares except where results are anti dilutive.

m. Provisions and other Contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current market assessment of time value of money and risk is specific to liabilities. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement in other operating expenses.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

“n. Cash and cash equivalent

Cash and cash equivalents in the balance sheet comprise cash on hand and balances with banks in current accounts.

o. Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past / future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

p. Determination of Fair Value

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The fair values of financial instruments measured at amortised cost and disclosed in the said financial statements.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is 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:

Level 1 financial instruments – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument’s life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments – Those that includes one or more unobservable input where there is little market activity for the asset/liability at the measurement date that is significant to the measurement as a whole.

q. 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. Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the instruments.

Notes to Financial Statements

for the year ended March 31, 2025

i. Financial Assets

Initial Recognition - All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.

Subsequent measurement

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

- At amortised cost
- At fair value through other comprehensive income (FVTOCI).
- At fair value through profit or loss (FVTPL).

Financial assets measured at amortised cost

A 'financial asset' is measured at amortised cost if both the following conditions are met:

a) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows

b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement at fair value plus directly attributable costs, these financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Business model: The business model reflects how the company manages the assets in order to generate cash flows. That is, whether the company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). 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. The amortised cost, as mentioned above, is computed using the effective interest rate method.

Financial liabilities

Initial Measurement

Financial liabilities are classified and measured at amortized cost. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts."

Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

Impairment of financial assets

The company applies the expected credit loss (ECL) model for recognising impairment loss in accordance with IND AS 109. ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. The company assesses at each reporting date whether a financial asset (or a group of financial assets) such as loans and advances held at amortised cost for impairment based on evidence or information that is available without undue cost or effort. The company applies a three-stage approach to measuring expected credit losses (ECLs) for financial assets at amortised cost and loan commitments.

Stage 1: 12-months ECL

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 has assessed that all loans with no default or upto 30 days default would fall under this category. For these assets, 12-month ECL are recognized and interest revenue is calculated on the gross carrying amount of the asset (that is, without deduction for credit allowance).

Stage 2: Lifetime ECL - Significant increase in credit risk

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. Financial instruments that have had a significant increase in credit risk since initial recognition are classified under this stage. 30 Days above past due upto 90 days past due is considered as significant increase in credit risk and classified under this category. For these assets, lifetime ECL are recognized, but interest revenue is still calculated on the gross carrying amount of the asset.

Stage 3: Lifetime ECL - credit impaired

All exposures (includig NPA) 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.

Credit-impaired financial assets:

At each reporting date, the company assesses whether financial assets carried at amortised cost. A financial asset is 'credit-impaired' when a breach of contract such as a default or past due event that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Measurement of ECLs

The measurement of ECL reflects:

a) The time value of money

b) Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECLs are derived from best estimates of expected loss by the management, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the company in accordance with the contract and the cash flows that the company expects to receive.
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the company if the commitment is drawn down and the cash flows that the company expects to receive.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

a) Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

b) Loan commitments and financial guarantee contracts: generally, as a provision;

Derecognition of financial assets and financial liabilities

Financial assets

The Company derecognizes a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows from the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another

Notes to Financial Statements

for the year ended March 31, 2025

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 de recognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

Offsetting

The company has not offset financial assets and financial liabilities.

Critical accounting judgements and key sources of estimation uncertainties

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Expected Credit Loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Company in determining the increase in credit risk and loss given default have been detailed in Note 38.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 3A: Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Cash on hand	147.61	124.56
Balances with bank		
In current accounts	355.84	167.98
In Fixed Deposits (In deposit accounts with original maturity less than 3 months)	-	3,000.00
In Cash credit accounts (Excess - 3295.46 and CC Utilized - 1018.70)	2,276.76	446.87
Total	2,780.21	3,739.41

Note 3B: Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
In Fixed Deposits (In deposit accounts with original maturity more than 3 months)	256.24	799.13
Total	256.24	799.13

Note 4: Trade Receivable

Particulars	As at 31 March 2025	As at 31 March 2024
Trade Receivables considered good - Unsecured	493.08	187.99
Total	493.08	187.99

4.1 - There are no trade receivables due from any director or any officer of the company, either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

4.2 - Trade Receivables ageing schedule: 31 March 2025

Particulars		Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed Trade receivables - considered good	493.08	-	-	-	-	493.08
2.	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3.	Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
4.	Disputed Trade Receivables- considered good	-	-	-	-	-	-
5.	Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
6.	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Trade Receivables ageing schedule: 31 March 2024

Particulars		Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1.	Undisputed Trade receivables - considered good	187.99	-	-	-	-	187.99
2.	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3.	Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
4.	Disputed Trade Receivables- considered good	-	-	-	-	-	-
5.	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6.	Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

Note 5: Investment

Particulars	As at 31 March 2025	As at 31 March 2024
Un-quoted		
At Fair Value through Profit or Loss:		
233228 Security Receipts of Arcil-Retail Loan Portfolio-087-A-Trust	1,298.71	1,867.50
217093 Security Receipts of EARC-Bank-029-Trust	1,284.02	1,730.95
331160 Security Receipts of EARC-Bank-033-Trust	3,311.60	-
Total	5,894.33	3,598.45

Note 6: Loans (At Amortised Cost)

Particulars	As at 31 March 2025	As at 31 March 2024
(A)		
i) Term loans	1,85,437.63	1,53,180.43
- Home Loans	1,26,007.49	1,06,681.05
- Others	59,430.14	46,499.38
Total (A) - Gross	1,85,437.63	1,53,180.43
Less : Impairment loss allowance	2,082.04	1,772.07
Total (A) - Net	1,83,355.58	1,51,408.36
(B)		
i) Secured by tangible assets	1,85,437.63	1,53,180.43
a) Mortgage/Property loan	1,85,437.63	1,53,180.43
Total (B) - Gross	1,85,437.63	1,53,180.43
Less : Impairment loss allowance	2,082.04	1,772.07
Total (B) - Net	1,83,355.58	1,51,408.36
(C) Loans in India		
i) Retail loan	1,85,437.63	1,53,180.43
Total (C) - Gross	1,85,437.63	1,53,180.43
Less : Impairment loss allowance	2,082.04	1,772.07
Total (C) - Net	1,83,355.58	1,51,408.36
Total	1,83,355.58	1,51,408.36

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Reconciliation of changes in the gross carrying amount in relation to Home loans is, as follows

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	99,579.63	5,055.27	2,046.15	1,06,681.05	66,629.20	4,500.65	1,178.79	72,308.64
New assets originated or increase in contractual cash flow	38,294.36	839.06	178.46	39,311.89	47,645.86	392.40	128.26	48,166.52
Assets derecognised (on repayment or assignments excluding write offs) or decrease in contractual cash flow	(16,873.39)	(1,543.20)	(1,568.86)	(19,985.45)	(11,631.18)	(1,200.19)	(962.75)	(13,794.12)
Transfers to Stage 1	878.22	(781.86)	(96.35)	-	1,236.56	(1,159.67)	(76.90)	-
Transfers to Stage 2	(7,803.67)	7,931.70	(128.04)	-0.00	(3,149.76)	3,176.88	(27.11)	0.00
Transfers to Stage 3	(2,013.44)	(536.07)	2,549.52	-	(1,151.05)	(654.80)	1,805.85	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	1,12,061.72	10,964.90	2,980.87	1,26,007.49	99,579.63	5,055.27	2,046.15	1,06,681.05

Reconciliation of ECL balance in relation to Home Loans is given below:

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	267.40	152.44	567.94	987.79	218.07	124.56	284.76	627.38
New assets originated or purchased	757.68	141.05	65.06	963.79	89.92	5.55	56.04	151.50
Assets derecognised (on repayment or assignments excluding write offs) or decrease in contractual cash flow	(47.65)	(67.05)	(452.54)	(567.24)	324.96	109.45	(225.50)	208.90
Transfers to Stage 1	3.93	(3.61)	(0.32)	-	5.89	(5.19)	(0.71)	-
Transfers to Stage 2	(147.92)	150.75	(2.84)	-0.00	(88.71)	89.47	(0.76)	-0.00
Transfers to Stage 3	(520.64)	(142.79)	663.43	-	(282.71)	(171.40)	454.11	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
ECL allowance - closing balance	312.81	230.80	840.73	1,384.34	267.40	152.44	567.94	987.79

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Reconciliation of changes in the gross carrying amount in relation to Non Home loans is, as follows

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	41,060.58	3,479.87	1,958.92	46,499.38	34,748.07	2,704.09	1,099.20	38,551.36
New assets originated or increase in contractual cash flow	23,135.03	742.05	388.52	24,265.60	11,458.53	158.81	46.40	11,663.75
Assets derecognised (on repayment or assignments excluding write offs) or decrease in contractual cash flow	(8,686.82)	(1,106.84)	(1,541.18)	(11,334.83)	(2,444.13)	(693.68)	(577.92)	(3,715.73)
Transfers to Stage 1	487.30	(404.01)	(83.29)	-	604.55	(552.15)	(52.40)	-
Transfers to Stage 2	(3,399.49)	3,529.17	(129.68)	-	(2,362.44)	2,416.37	(53.93)	-0.00
Transfers to Stage 3	(868.29)	(427.95)	1,296.24	-	(944.00)	(553.58)	1,497.58	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-		-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	51,728.30	5,812.31	1,889.53	59,430.14	41,060.58	3,479.87	1,958.92	46,499.38

Reconciliation of ECL balance in relation to Non Home Loans is given below:

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	146.23	94.11	543.94	784.28	125.35	71.24	385.59	582.18
New assets originated or purchased	277.98	88.66	134.41	501.04	44.34	3.29	30.20	77.83
Assets derecognised (on repayment or assignments excluding write offs) or decrease in contractual cash flow	(53.60)	(52.18)	(481.83)	(587.61)	273.99	98.40	(248.13)	124.26
Transfers to Stage 1	6.12	(1.39)	(4.74)	-	3.53	(3.21)	(0.32)	-
Transfers to Stage 2	(67.15)	69.57	(2.43)	-	(63.55)	65.62	(2.07)	-0.00
Transfers to Stage 3	(177.39)	(92.87)	270.26	-	(237.43)	(141.24)	378.67	-
Impact on year end ECL of exposures transferred between stages during the year	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
ECL allowance - closing balance	132.19	105.90	459.61	697.71	146.23	94.11	543.94	784.28

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 7: Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Security deposits	91.55	78.66
Assets held for Sale	129.54	222.87
Interest accrued on Fixed Deposits	22.86	16.60
Other Financial Asset - Insurance and other refund receivable	19.55	50.82
Deferred lease rental	16.72	16.20
Total	280.23	385.15

Note 8: Current tax assets (net)

Particulars	As at 31 March 2025	As at 31 March 2024
Advance Tax (Net off Provision)	259.81	180.92
Total	259.81	180.92

Note 9: Property, plant and equipment

Particulars	Office Equipments	Computer Equipments	Furniture	Building	Land	Vehicles	Total
Cost:							
At April 1, 2024	88.95	412.49	85.26	5.13	3.23	-	595.07
Additions	21.73	120.22	566.35	-	-	-	708.30
Less : Disposals/Transfers	3.16	0.90	2.49	-	-	-	6.55
At March 31, 2025	107.53	531.81	649.12	5.13	3.23	-	1,296.81
At April 1, 2023	57.42	326.11	63.90	5.13	3.23	27.46	483.25
Additions	33.07	103.44	21.36	-	-	-	157.87
Less : Disposals/Transfers	1.54	17.05	-	-	-	27.46	46.05
At March 31, 2024	88.95	412.49	85.26	5.13	3.23	-	595.07
Accumulated Depreciation :							
At April 1, 2024	49.98	256.13	44.08	0.79	-	-	350.97
Less : On Disposals/Transfers	3.16	0.90	1.70	-	-	-	5.75
Charge for the year	12.50	112.37	11.42	0.17	-	-	136.71
At March 31, 2025	59.32	367.60	53.81	0.96	-	-	481.69
At April 1, 2023	38.90	181.86	39.81	0.62	-	20.02	281.21
Less : On Disposals/Transfers	0.88	16.88	-	-	-	23.45	41.21
Charge for the year	11.96	91.15	4.27	0.17	-	3.43	110.98
At March 31, 2024	49.98	256.13	44.08	0.79	-	-	350.98
Net book value:							
At March 31, 2025	48.20	164.21	595.31	4.17	3.23	-	815.12
At March 31, 2024	38.97	156.36	41.18	4.34	3.23	-	244.09

9.1 - Title deeds of all the immovable properties are held in the name of the Company

9.2 - The Company does not hold any Benami property under the Benami Transactions (Prohibitions) Act, 1988 and rules made thereunder

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 10: Right of use Asset - Building Premises

Particulars	Building Premise
Cost:	
At April 1, 2024	929.18
Additions	226.90
Less : Disposals/Transfers	-
At March 31, 2025	1,156.08
At April 1, 2023	732.30
Additions	196.88
Less : Disposals/Transfers	-
At March 31, 2024	929.18
Accumulated Depreciation :	
At April 1, 2024	624.96
Less : On Disposals/Transfers	-
Charge for the year	108.82
At March 31, 2025	733.79
At April 1, 2023	477.73
Less : On Disposals/Transfers	0.00
Charge for the year	147.23
At March 31, 2024	624.96
Net book value:	
At March 31, 2025	422.29
At March 31, 2024	304.22

Note 11: Other Intangible Assets

Particulars	Computer Software
Cost:	
At April 1, 2024	312.01
Additions	4.21
Less: Disposals	86.24
At March 31, 2025	229.98
At April 1, 2023	312.01
Additions	-
Less: Disposals	-
At March 31, 2024	312.01
Accumulated Amortisation :	
At April 1, 2024	203.24
Less : On Disposals	81.10
Charge for the year	39.07
At March 31, 2025	161.20
At April 1, 2023	159.90
Less : On Disposals	-
Charge for the year	43.34
At March 31, 2024	203.24
Net book value:	
At March 31, 2025	68.78
At March 31, 2024	108.77

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 11A: Depreciation and Amortization

Particulars	As at 31 March 2025	As at 31 March 2024
Property, Plant and Equipment	136.71	110.98
Right of Use Asset	108.82	147.23
Other Intangible Assets	39.07	43.34
Total	284.60	301.55

Note 12: Capital work-in-progress

Particulars	As at 31 March 2025	As at 31 March 2024
Capital work-in-progress	-	-
Total	-	-

Note 13: Other Non-financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Balances With Govt Authorities	159.91	134.16
Prepaid expenses	258.40	287.27
Advance to Vendor	19.48	26.59
Advance to Employees	21.82	26.48
Total	459.61	474.50

Note 14: Other Payable

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises	31.00	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	25.85	3.29
Accrued expenses	105.46	91.77
Total	162.31	95.06

14.1 - Other Payables ageing schedule: 31 March 2025

Particulars	Trade Payables - Unbilled	Outstanding for following periods from due date of payment#				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	31.00	-	-	-	-	31.00
(ii) Others	105.46	25.85	-	-	-	131.31
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Other Payables ageing schedule: 31 March 2024

Particulars	Trade Payables - Unbilled	Outstanding for following periods from due date of payment#				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	91.77	3.29		-	-	95.06
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 15: Borrowings (debt security)

Particulars	As at 31 March 2025	As at 31 March 2024
Non Convertible Debentures	2,203.43	10,533.13
Less: EIR on NCD	(13.60)	(15.05)
Total	2,189.83	10,518.08

15.1 - Details of terms of repayment and securities provided in respect of debt security are as under:

ISIN No.	Public issue*/ Private Placement**	Date of allotment	Date of redemption	Nominal value per debenture	Total No of Debentures	ROI	As at 31 March 2025		As at 31 March 2024		Secured/ Unsecured
							Non-current	Current	Non-current	Current	
INE360T07025	Public Issue	04-Nov-2019	03-Nov-2022	1000	1.72	9.75%	-	-	-	-	Secured
INE360T07033	Public Issue	04-Nov-2019	03-Nov-2022	1000	0.85	10.00%	-	-	-	-	Secured
INE360T07041	Public Issue	04-Nov-2019	03-Nov-2022	1000	1.33	10.00%	-	-	-	-	Secured
INE360T07058	Public Issue	04-Nov-2019	03-Nov-2024	1000	2.36	10.25%	-	-	-	2,360.54	Secured
INE360T07066	Public Issue	04-Nov-2019	03-Nov-2024	1000	0.64	10.65%	-	-	-	640.26	Secured
INE360T07074	Public Issue	04-Nov-2019	03-Nov-2024	1000	0.33	10.65%	-	-	-	328.90	Secured
INE360T07082	Public Issue	04-Nov-2019	07-Sep-2026	1000	2.20	10.65%	2,203.43	-	2,203.43	-	Secured
INE360T07090	Private Placement	20-Jul-2020	19-Jul-2023	1000000	0.0025	9.40%	-	-	-	-	Secured
INE360T07108	Private Placement	21-Nov-2022	21-Nov-2024	1000000	0.0050	8.50%	-	-	-	5,000.00	Secured
Total							2,203.43	-	2,203.43	8,329.70	

*The principal amount of NCDs issued in terms of the Prospectus together with all interest due on the NCDs, as well as costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first charge ranking pari passu with existing secured creditors, on all loans and advances, book debts, current assets, other receivables (both present and future) of the Company, equal to the value of one time of the NCDs outstanding plus interest accrued thereon and by way of first charge on the immovable property being land admeasuring an extent of 877 sq.ft. together with building measuring an extent of 180 sq. ft. of built-up area, situated at Door No. 124, Comprised in Survey No. 348/3C1, as per Patta Bearing No. 625, New Survey No. 348/17, at No 78, Anupampattu, 2 Village, (Old No 80, Elavambedu Village), Ponneri Taluk, Thiruvallur District, 601203, Tamil Nadu.

**The principal amount of NCDs issued in terms of the Prospectus together with all interest due on the NCDs, as well as costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first charge ranking pari passu with existing secured creditors, on all loans and advances, book debts, current assets, other receivables (both present and future) of the Company.

15.2 - Pursuant to notification by Ministry of Corporate Affairs on Companies (Share Capital and Debentures) Rules, 2014 dated August 16, 2019, and subsequent amendments thereof, the issuer being registered as Housing Finance Company with National Housing Bank, is not required to create Debenture Redemption Reserve.

Note 16: Borrowings (other than debt security)

Particulars	As at 31 March 2025	As at 31 March 2024
	At Amortised cost	At Amortised cost
Term Loans - Indian rupee loan from banks (Secured)	1,54,827.73	1,20,213.28
Less: EIR on Term Loans	(843.86)	(675.94)
	1,53,983.87	1,19,537.34
Working Capital Demand Loan - Indian rupee loan from banks (Secured)	2,400.00	2,400.00
Total	1,56,383.87	1,21,937.34

All Borrowings are made in India.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

16.1 - Details of terms of repayment and securities provided in respect of secured loans are as under:

Indian Rupee loan from banks (secured)

As at 31 March 2025

Terms of repayment

Tenure (from the date of Balance Sheet)	Rate of Interest	Amount
Term Loans :*		
More than 5 years	9.25% - 10.60%	29,637.76
Due within 2-5 years	9.25% - 10.60%	60,446.14
Due within 1-2 years	9.25% - 10.60%	27,921.98
Due within 1 year	9.25% - 10.60%	27,743.39
Total		1,45,749.27
Working Capital Demand Loan :*		
Due within 1 year	9.55% - 9.90%	2,400.00
Total		2,400.00
NHB Refinance:#		
More than 5 years	8.70%	4,328.46
Due within 2-5 years	8.70%	3,000.00
Due within 1-2 years	8.70%	1,000.00
Due within 1 year	8.70%	750.00
Total		9,078.46
Cash Credit Facilities from Banks :*		
Due within 1 year	9.90% - 10.10%	-
Total		-

* These loans are secured against the first pari passu charge on current assets, book debts and receivables including loans & advances of the Company as per the agreement.

First exclusive charge by way of hypothecation, of book debts of the Company assigned to NHB.

As at 31 March 2024

Terms of repayment

Tenure (from the date of Balance Sheet)	Rate of Interest	Amount
Term Loans :*		
More than 5 years	8.00% - 10.25%	30,599.81
Due within 2-5 years	8.00% - 10.25%	50,962.11
Due within 1-2 years	8.00% - 10.25%	20,096.53
Due within 1 year	8.00% - 10.25%	18,554.83
Total		1,20,213.28
Working Capital Demand Loan :*		
Due within 1 year	9.00% - 11.15%	2,400.00
Total		2,400.00
Cash Credit Facilities from Banks :*		
Due within 1 year	9.15% - 10.50%	
Total		-

* These are secured by an exclusive charge by way of pari passu first charge on housing loans receivables of the Company.

16.2 - The Company has utilized the borrowings from Banks for the purpose for which it was availed.

16.3 - The Company has borrowings from Banks on the basis of security of current assets and it has provided the quarterly statements to the Banks as per the terms of the sanction letter. On comparison of the quarterly statements with the books of accounts, there were no discrepancies found.

16.4 - There is no pending satisfaction of charge in relation to borrowings which is yet to be registered with Registrar of Companies beyond the statutory period.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 17: Other Financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Interest accrued and not due on borrowings	115.51	85.29
Interest accrued and not due on Non Convertible Debentures	1,616.96	2,095.22
Interest accrued but not due on borrowings	-	-
Interest accrued but not due on NCD	-	-
Lease Liability (Refer Note 33)	471.27	331.11
Employee related payables	125.42	211.88
Other liabilities	781.12	351.94
Total	3,110.27	3,075.44

Note 18: Current Tax Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for tax (net off advance tax)	-	-
Total	-	-

Note 19: Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
ECL provision on loan commitments	27.45	18.42
Employee Benefits (Refer Note 29)		
- Gratuity	294.53	161.52
- Compensated absences	26.89	38.18
Others	-	-
Total	348.87	218.12

19.1 - Reconciliation of changes in the gross carrying amount and the corresponding ECL allowances in relation to commitment of Loans is, as follows

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	9,454.75	141.74	-	9,596.48	4,715.55	-	-	4,715.55
New exposures	12,421.41	327.23	-	12,748.64	9,454.75	141.74	-	9,596.48
Exposures derecognised or matured (excluding write-offs)	(9,454.75)	(141.74)	-	(9,596.48)	(4,715.55)	-	-	(4,715.55)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Gross carrying amount closing balance	12,421.41	327.23	-	12,748.64	9,454.75	141.74	-	9,596.48

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Reconciliation of ECL balance is given below:

Particulars	As at 31 March 2025				As at 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	15.48	2.94	-	18.42	14.32	1.20	-	15.52
New exposures	21.76	5.68	-	27.45	15.48	2.94	-	18.42
Exposures derecognised or matured (excluding write-offs)	(15.48)	(2.94)	-	(18.42)	(14.32)	(1.20)	-	(15.52)
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
ECL allowance - closing balance	21.76	5.68	-	27.45	15.48	2.94	-	18.42

Note 20: Other Non-financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory Dues	179.00	160.73
Total	179.00	160.73

Note 21: Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised share capital		
200,000,000 (March 31, 2024: 200,000,000) equity shares of ` 10/- each 300,000,000 (March 31, 2025: 300,000,000) equity shares of ` 10/- each	30,000.00	20,000.00
Total	30,000.00	20,000.00

Issued, subscribed and fully paid up shares

Particulars	As at 31 March 2025	As at 31 March 2024
200,000,000 (March 31, 2024: 200,000,000) equity shares of ` 10/- each 250,000,000 (March 31, 2025: 250,000,000) equity shares of ` 10/- each	25,000.00	20,000.00
Total Issued, subscribed and fully paid up	25,000.00	20,000.00

21.1 - Terms/ rights attached to equity shares

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

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

21.2 - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	No. of shares	Amount
As at April 01, 2024	20,00,00,000	20,000.00
Issued during the year	5,00,00,000	5,000.00
As at March 31, 2025	25,00,00,000	25,000.00
As at April 1, 2023	20,00,00,000	20,000.00
Issued during the year	-	-
As at March 31, 2024	20,00,00,000	20,000.00

21.3 - Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2025		As at 31 March 2024	
	No. of equity shares held	% of holding	No. of equity shares held	% of holding
Equity shares of ` 10 each fully paid Manappuram Finance Limited (Holding company) and its nominees	25,00,00,000	100%	20,00,00,000	100%

- As per records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership of shares
- 6 equity shares are held by nominee shareholders on behalf of Manappuram Finance Ltd

21.4 - Details of Promoter shareholding in the Company

Particulars	As at 31 March 2025		As at 31 March 2024		% Change during the year
	No. of equity shares held	% of holding	No. of equity shares held	% of holding	
Equity shares of ` 10 each fully paid					
Manappuram Finance Limited	25,00,00,000	100.00	20,00,00,000	100.00	*
Total	25,00,00,000	100.00	20,00,00,000	100.00	-

* Since Manappuram Home Finance Limited is the wholly owned subsidiary of Manappuram Finance Limited there is no change in percentage holding subsequent to the change in capital.

Note 22: Other equity

Employee Shares Option Outstanding of Parent Company	
At March 31, 2024	-
Less: Transferred to Retained Earnings during the year	-
At March 31, 2025	-
At March 31, 2023	-
Add: Other Additions/ Deductions during the year	-
At March 31, 2024	-

Statutory Reserve pursuant to Section 29-C of the National Housing Act, 1987	
At March 31, 2024	1,418.84
Add: Transfer from Retained Earnings- Amount transferred u/s 29C of the NHB Act, 1987	83.40
Add: Transfer from Retained Earningsb) 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 NH B Act, 1987	372.15
At March 31, 2025	1,874.39
At March 31, 2023	1,020.80
Add: Transfer from Retained Earnings- Amount transferred u/s 29C of the NHB Act, 1987	123.39
Add: Transfer from Retained Earningsb) 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 NH B Act, 1987	274.65
At March 31, 2024	1,418.84

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Impairment Reserve as per RBI Guidelines	
At March 31, 2024	121.44
Add: Transfer from Retained Earnings	-
At March 31, 2025	121.44
At March 31, 2023	121.44
Add: Transfer from Retained Earnings	-
At March 31, 2024	121.44

Retained Earnings	
At March 31, 2024	4,064.03
Add: Profit for the year	2,277.75
Add: Other Comprehensive Income	(20.16)
Less: Appropriations	(75.00)
- Transfer to Statutory Reserve	(455.55)
At March 31, 2025	5,791.07
At March 31, 2023	2,502.35
Add: Profit for the year	1,990.18
Add: Other Comprehensive Income	(30.46)
Add: Transfer from Employee Shares Option Outstanding of Parent Company	-
Less: Appropriations	-
- Transfer to Statutory Reserve	(398.04)
At March 31, 2024	4,064.03
Total other equity	
At March 31, 2025	7,786.90
At March 31, 2024	5,604.31

Nature and purpose of Reserves:

Employee Share Option : Shares of parent company has been issued to the employees of the company for rendering services. Expense of such shares has been booked by the company and corresponding increase to the equity has been shown in the reserves as other equity.

During the previous year, the balance in this reserve have been transferred to Retained Earnings since the holders of the ESOP have either exercised their options and the Parent Company has issued the equity shares or the options have been lapsed.

Statutory Reserve : Statutory reserve (Pursuant to section 29C of the NHB Act, 1987 & Section 36(1)(viii) of Income Tax Act, 1961): Section 29C (i) of The National Housing Bank Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the Company under Section 36(1) (viii) of Income tax Act 1961, is considered to be an eligible transfer. The Company has transferred an amount of ` 455.55 lakhs (P.Y. 398.04 lakhs) to special reserve in terms of Section 36(1) (viii) of the Income Tax Act 1961 considered eligible for special reserve u/s 29C of NHB Act 1987.

Retained Earnings: Surplus in statement of Profit and Loss are the profits that the Company has earned till date, less dividends or other distributions paid to shareholders.

Impairment Reserve: Impairment reserve was created when provision as per IRACP is more than ECL provision as per RBI directive.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 23 : Revenue from operations

Note 23(i): Interest income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on Financial Assets Measured at Amortised Cost		
- Home loans	20,094.31	15,833.03
- Others	10,331.34	7,607.27
Interest on Fixed Deposit	174.21	88.05
Total	30,599.86	23,528.35

Note 23 (ii): Other operating income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Foreclosure Charges	401.12	281.28
Bad Debt Recovery	5.14	232.35
Late Payment Interest	70.11	22.31
Cheque Dishonour Charges	128.71	58.12
Other charges	185.95	158.07
Total	791.03	752.13

Note 24: Finance Cost

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest expense on Financial Liabilities measured at Amortised Cost:-		
- on Bank and other borrowings	13,561.85	9,329.70
- on Commercial papers	-	-
- on Commercial papers	-	-
- on NCD	870.26	1,217.98
Interest expense on Unamortised Future Lease Liabilities	49.35	34.38
Other borrowing cost	224.70	58.48
Total	14,706.16	10,640.54

Note 25: Impairment of financial instruments

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Loans (Refer Note 25.1)	319.01	565.40
Provision on assets held for sale	(21.35)	48.98
Bad Debts written off	1.88	6.47
Total	299.54	620.85

25.1 - Impairment of 'Loans'

Particulars	Year ended 31 March 2025			
	Stage 1	Stage 2	Stage 3	Total
Loans and advances to customers	31.37	90.15	188.46	309.98
Loan Commitments	9.03	-	-	9.03
Total impairment loss	40.40	90.15	188.46	319.01

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	Year ended 31 March 2024			
	Stage 1	Stage 2	Stage 3	Total
Loans and advances to customers	70.22	50.75	441.53	562.50
Loan Commitments	2.90	-	-	2.90
Total impairment loss	73.12	50.75	441.53	565.40

Note 26: Employee Benefit Expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	7,570.29	5,769.85
Contribution to provident and other funds	569.92	446.62
Staff welfare expenses	-	21.62
Gratuity and Leave Encashment	109.99	84.16
Total	8,250.19	6,322.25

Note 27: Other Expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Rent expense	108.32	55.89
Electricity expense	11.96	9.57
Travelling and conveyance	570.63	349.94
Business Processing Charges	732.86	624.80
Insurance	45.44	40.72
Printing and stationary	233.01	177.34
Communication	35.44	22.24
Rates and taxes	7.89	3.47
Legal and Professional fees	470.02	258.37
Advertisement Expense	205.33	192.24
Directors sitting fees	41.80	23.76
IT Cost	1,218.78	808.35
Office Expenses	22.76	27.59
Repairs and maintenance	1.49	2.50
Payment to Auditors(refer note 27.1 below)	25.19	19.75
Corporate Social Responsibility (refer note 27.2 below)	42.26	33.02
Bank and other Charges	25.01	50.02
Loss on sale of Loan Assets to Asset Reconstruction Company	974.31	832.29
Commission to Directors	62.33	46.95
Miscellaneous expenses	67.72	59.83
Total	4,902.55	3,638.64

Note 27.1: Payment to Auditors

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Statutory Audit	16.00	13.00
Limited Review fee	4.50	4.50
Certification & Other fees	3.06	2.25
Others		
Reimbursement of expenses	1.63	-
Total	25.19	19.75

Auditors remuneration excludes GST to the extent charged to Profit and Loss account

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 27.2: Corporate Social Responsibility

Particulars		Year ended 31 March 2025	Year ended 31 March 2024
a.	Amount required to be spent by the company during the year	42.26	33.02
b.	Amount of expenditure incurred	42.26	33.02
c.	Shortfall at the end of the year (a-b)	-	-
d.	Total of previous years shortfall	-	-
e.	Reason for shortfall	NA	NA
f.	Nature of CSR activities	a) Promotion of quality education and empowerment b) Rural Development	
g.	Details of related party transactions	Contribution made to Manappuram Foundation	

Note 28: Income Tax

i. Amount recognised in profit or loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current tax	560.99	581.97
Adjustment in respect of Income tax for earlier years	-	(106.92)
Deferred tax charge relating to origination and reversal of temporary differences	109.11	291.42
Total tax charge	670.10	766.47

ii. Reconciliation of effective tax rate:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Profit Before Tax	2,947.85	2,756.65
Income tax expense calculated at 25.17% (PY 25.17%)	741.97	693.85
Effect of expenses that are not deductible in determining taxable profit	131.45	143.30
Effect of expenses for which weighted deduction under tax laws is allowed	(312.43)	(255.17)
Income tax for earlier years	-	(106.92)
Deferred tax relating to origination and reversal of temporary differences	109.11	291.42
Income tax expense recognised in statement of profit and loss	670.10	766.47

iii. Deferred Tax

Particulars	As at 01 April 2024	Recognised in Profit and Loss	Recognised in OCI	As at 31 March 2025
Deferred Tax Assets				
Impairment on Financial Assets	104.13	(47.82)	-	56.31
Retirement benefit plans	50.26	23.85	6.78	80.89
Others	11.55	(4.60)	-	6.95
Lease liability (Net of Right of Use)	6.77	5.56	-	12.33
Difference between book value of fixed assets as per books of accounts and income tax	20.31	9.77	-	30.08
Total (A)	193.02	(13.24)	6.78	186.56
Deferred Tax Liability				
Unamortised processing fess	(14.93)	(32.36)	-	(47.29)
Banks - Loan Processing fees- amortised (FY 24 Onwards)	-	(63.49)	-	(63.49)
Total (B)	(14.93)	(95.87)	-	(110.78)
Deferred tax assets (net) (A+B)*	178.09	(109.11)	6.78	75.78

* Movement in deferred tax has been disclosed on net basis (DTA-DTL)

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	As at 01 April 2023	Recognised in Profit and Loss	Recognised in OCI	As at 31 March 2024
Deferred Tax Assets				
Impairment on Financial Assets	145.62	(41.49)	-	104.13
Unamortised processing fess	52.57	(67.50)	-	(14.93)
Retirement benefit plans	19.69	20.32	10.25	50.26
Others	51.06	(39.51)	-	11.55
Total (A)	268.94	(128.18)	10.25	151.01
Deferred Tax Liability				
Lease liability (Net of Right of Use)	9.91	(3.14)	-	6.77
Difference between book value of fixed assets as per books of accounts and income tax	180.41	(160.10)	-	20.31
Total (B)	190.32	(163.24)	-	27.08
Deferred tax assets (net) (A+B)*	459.26	(291.42)	10.25	178.09

* Movement in deferred tax has been disclosed on net basis (DTA-DTL)

Note 29: Earnings per share

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net profit for calculation of Earnings Per Share	2,277.75	1,990.18
Weighted average number of equity shares in calculating Earnings Per Share (Numbers in lakhs)	2,004.11	2,000.00
Basic Earnings Per Share (`)	1.14	0.99
Diluted Earnings Per Share (`)	1.14	0.99

Note 30: Retirement Benefit Plan

Defined Contribution Plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized ` 503.75 lakhs as on March 31, 2025 and ` 383.69 lakhs as on March 31, 2024 for Provident and other Fund contributions, ` 66.17 lakhs as on March 31, 2025 and ` 62.93 lakhs as on March 31, 2024 for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the Schemes.

Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed 5 years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with ` 294.53 lakhs as on March 31, 2025 (` 161.52 lakhs as on March 31, 2024).

Risks Associated with Defined Benefit Plan :

Gratuity is a defined benefit plan and the Company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk. Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

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

Statement of Profit and Loss

Net employee benefit expense recognised in the employee cost

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current service cost	71.92	61.46
Past Service Cost	33.62	-
Loss/Gain from Settlement	-	-
Interest cost on net defined benefit obligation	13.95	4.62
Net (benefit) / expense	119.49	66.08

Movement in Other Comprehensive Income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Balance at start of year (Loss)/Gain	(57.27)	(16.56)
Re-measurements on DBO	-	-
a. Actuarial (loss) / gain from changes in demographic assumptions	-	-
b. Actuarial (loss) /gain from changes in financial assumptions	(12.03)	(3.34)
c. Actuarial (loss) / gain from experience over the past year	(10.12)	(37.92)
Re-measurements on Plan Assets	-	-
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/ (asset)	8.60	0.55
c. Changes in the effect of limiting a net defined benefit asset to the asset ceiling		-
Balance at end of year (Loss)/Gain	(70.82)	(57.27)

Balance Sheet

Reconciliation of present value of the obligation and the fair value of plan assets:

Particulars	As at 31 March 2025	As at 31 March 2024
Defined benefit obligation	525.75	435.64
Fair value of plan assets	231.22	274.12
(Asset)/liability recognized in the balance sheet	294.53	161.52
Funded Status (Surplus/(Deficit))	(294.53)	(161.52)
Of which, Short term liability	-	-
Experience adjustments on Plan liabilities (Gain) / Loss	10.12	37.92

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening defined benefit obligation	435.64	343.72
Current service cost	71.92	61.46
Past Service Cost	33.62	-
Loss/(Gain) from Settlement	-	-
Interest cost	30.06	24.40
Benefits paid	(67.97)	(93.51)
Remeasurements		
Actuarial loss / (gain) from changes in demographic assumptions	-	-
Actuarial loss / (gain) from changes in financial assumptions	12.03	3.34
Actuarial loss / (gain) from experience over the past year	10.12	37.92
Transfer in/Out	0.33	58.31
Closing defined benefit obligation	525.75	435.64

Changes in the fair value of plan assets are as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening fair value of plan assets	274.12	285.58
Contributions by employer	0.03	3.41
Transfer in/Out	0.33	58.31
Benefits paid	(67.97)	(93.51)
Interest income on Plan Assets	16.11	19.78
Re-measurements		
a. Actuarial (Loss)/Gain from changes in financial assumptions	-	-
b. Return on plan assets excluding amount included in net interest on the net defined benefit liability/ (asset)	8.60	0.55
c. Changes in the effect of limiting a net defined benefit asset to the asset ceiling	-	-
Closing fair value of plan assets	231.22	274.12
Actual Return on Plan Assets	24.71	20.33
Expected Employer Contributions for the coming year	100.00	100.00

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at 31 March 2025	As at 31 March 2024
Salary Escalation	8.00%	8.00%
Discount rate	6.30%	6.90%
Attrition rate		
- Managerial grade and above	15.00%	15.00%
- Below managerial grade	50.00%	50.00%
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Expected rate of return on assets	6.90%	7.10%

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Investments quoted in active markets:

Particulars	As at 31 March 2025	As at 31 March 2024
Investment funds with Insurance Company	96%	95%
Of which, Unit Linked	0%	0%
Of which, Traditional/ Non-Unit Linked	96%	95%

Assumptions

Sensitivity Level

1. Increase/(decrease) on present value of defined benefits obligation at the end of the year

Particulars	As at 31 March 2025	As at 31 March 2024
(i) One percentage point increase in discount rate	(18.37)	(16.14)
(ii) One percentage point decrease in discount rate	19.98	17.18
(i) One percentage point increase in rate of salary growth rate	19.50	16.85
(ii) One percentage point decrease in rate of salary growth rate	(18.25)	(16.13)
(i) One percentage point increase in withdrawal rate	(3.89)	(2.49)
(ii) One percentage point decrease in withdrawal rate	4.08	2.61

Expected payment for future years

Particulars	As at 31 March 2025	As at 31 March 2024
Within the next 12 months (next annual reporting period)	199.15	139.06
Between 2 and 5 years	531.24	429.53
Between 5 and 10 years	309.00	268.53
Total expected payments	1,039.39	837.12

The weighted average duration of the defined benefit obligation as at 31st March 2025 is 2.5 years (31st March 2024 : 2.5 years)

The fund is administered by Life Insurance Corporation of India. The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The principal assumptions used in determining leave encashment obligations for the Company's plans are shown below:

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate	6.30%	6.90%
Attrition rate		
- Managerial grade and above	15.00%	15.00%
- Below managerial grade	50.00%	50.00%
Salary escalation	8.00%	8.00%

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Compensatory Absences:

The defined Benefit Obligation (DBO) of Privilege Leave (Compensated Absences) of the Company as at March 31, 2025 is ` 26.89 Lakhs (March 31, 2024 : ` 38.18 Lakhs). The short-term DBO of Privilege Leave (Compensated Absences) of the Company included in the above as at March 31, 2025 stands at ` 8.52 Lakhs (March 31, 2024 : ` 12.38 Lakhs).

The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 31: Maturity analysis of assets and liabilities

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

Particulars	As at 31 March 2025			As at 31 March 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	2,780.21	-	2,780.21	3,739.41	-	3,739.41
Bank balances other than cash and cash equivalents	11.24	245.00	256.24	554.13	245.00	799.13
Receivables	493.08	-	493.08	187.99	-	187.99
Loans	30,081.86	1,53,273.72	1,83,355.58	23,789.14	1,27,619.22	1,51,408.36
Investment	1,178.87	4,715.46	5,894.33	-	3,598.45	3,598.45
Other Financial assets	26.29	253.93	280.23	290.29	94.86	385.15
Non-financial Assets			-			-
Current tax assets (Net)	-	259.81	259.81	-	180.92	180.92
Deferred tax assets (Net)	-	75.78	75.78	-	178.09	178.09
Property, plant and equipment	-	815.12	815.12	-	244.09	244.09
Right to Use	-	422.29	422.29	-	304.22	304.22
Other Intangible assets	-	68.78	68.78	-	108.77	108.77
Other non financial assets	201.21	258.40	459.61	340.34	134.17	474.50
Total assets	34,772.77	1,60,388.29	1,95,161.05	28,901.30	1,32,707.80	1,61,609.08
Liabilities						
Financial Liabilities						
Payables	162.31	-	162.31	95.06	-	95.06
Borrowings (Debt security)	-	2,189.83	2,189.83	8,314.65	2,203.43	10,518.08
Borrowings (Other than Debt Security)	30,893.39	1,25,490.48	1,56,383.87	20,954.83	1,00,982.51	1,21,937.34
Other Financial liabilities	1,022.04	2,088.23	3,110.27	813.28	2,262.16	3,075.44
Non-financial Liabilities			-			-
Current tax liabilities (Net)	-	-	-	-	-	-
Provisions	-	348.87	348.87	-	218.12	218.12
Other non-financial liabilities	179.00	-	179.00	160.73	-	160.73
Total Liabilities	32,256.74	1,30,117.41	1,62,374.15	30,338.55	1,05,666.22	1,36,004.77
Net	2,516.02	30,270.88	32,786.90	(1,437.25)	27,041.58	25,604.31

Note 32: Change in liabilities arising from financing activities

Particulars	As at 01 April 2024	Net Cash Flows	Other*	As at 31 March 2025
Borrowings (debt securities)	10,518.08	(8,329.70)	1.45	2,189.83
Borrowings other than debt securities	1,21,937.34	34,614.45	(167.92)	1,56,383.87
Total	1,32,455.41	26,284.76	(166.47)	1,58,573.70

Particulars	As at 01 April 2023	Net Cash Flows	Other*	As at 31 March 2024
Borrowings (debt securities)	13,003.02	(2,390.49)	(94.45)	10,518.08
Borrowings other than debt securities	81,246.71	40,867.20	(176.57)	1,21,937.34
Total	94,249.73	38,476.70	(271.02)	1,32,455.41

*EIR adjustment as per IND AS 109

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 33: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

(March 31, 2025): ` 1.93 Crores Plus GST.(March 31, 2024: Nil)

During the financial year 2024-25, Bank of Baroda (BOB) has levied a charge amounting to ₹1.93 crores plus GST. As the company did not accept the above mentioned charge, the said amount has been disclosed as a contingent liability. "

(B) Commitments

The Company has ` 127.49 crores undisbursed loans as at March 31, 2025 (March 31, 2024: 95.96 crores). This has been factored in for CRAR calculation.

There is Nil capital commitment outstanding as at March 31, 2025 (March 31, 2024: Nil)

(C) Lease Disclosures

Following are the changes in the carrying value of right of use assets:

Particulars	Amount
Balance as at April 1, 2024	304.22
Reclassified on account of adoption of IND AS 116	-
Additions	226.90
Deletion	
Depreciation	(108.82)
Balance as at March 31, 2025	422.29

Particulars	Amount
Balance as at April 1, 2023	254.57
Reclassified on account of adoption of IND AS 116	-
Additions	196.88
Deletion	-
Depreciation	(147.23)
Balance as at March 31, 2024	304.22

Following is the movement in the lease liabilities:

Particulars	Amount
Balance as at April 1, 2024	331.11
Reclassified on account of adoption of IND AS 116	
Lease Rent waived off	
Additions	226.90
Deletion	
Payment of Lease liabilities	(136.09)
Finance cost accrued during the period	49.35
Balance as at March 31, 2025	471.27

Following is the movement in the lease liabilities:

Particulars	Amount
Balance as at April 1, 2023	293.95
Reclassified on account of adoption of IND AS 116	
Lease Rent waived off	
Additions	196.88
Deletion	
Payment of Lease liabilities	(194.09)
Finance cost accrued during the period	34.38
Balance as at March 31, 2024	331.11

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Amounts recognised in profit and loss for the year ended March 31, 2025 :

Particulars	Amount
Depreciation expense on right-of-use assets (Refer Note 11A)	108.82
Interest expense on lease liabilities (Refer Note 24)	49.35

Amounts recognised in profit and loss for the year ended March 31, 2024 :

Particulars	Amount
Depreciation expense on right-of-use assets (Refer Note 11A)	147.23
Interest expense on lease liabilities (Refer Note 24)	34.38

Note 34: Related Party Disclosures

Relationship	Name of the party
Holding Company	Manappuram Finance Limited
Fellow Subsidiary	Asirvad Microfinance Limited*
	Manappuram Insurance Brokers Limited*
	Manappuram Comptech and Consultants Limited
Other related group associates with whom transactions are held	Manappuram Travels
	Manappuram Foundation
Directors and Key management personnel (KMP)	Mr. V. P. Nandakumar (Chairman)*
	Mr. Gautam Saigal (Director)
	Mr. T. Balakrishnan (Director upto 20.07.2024)
	Mrs. Pratima Ram (Director)
	Mr.V.S Radhakrishnan(Director upto 13.01.2025)
	Mrs. Mayurakshi Ray(Director)
	Mr. Suresh Paul Antony(Director w.e.f 23.05.2024)
	Mr. Tom Jose(Director w.e.f 23.05.2024)
	Mr. Suveen P S (CEO)
	Mrs. Sreedivya (CS)
	Mr. Robin Karuvely (CFO)

* No transactions during the year

Related Party transactions during the year:

Particulars	Holding Company		KMP		Others	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Payment against Lease Liability						
Manappuram Finance Limited	44.95	86.46	-	-	-	-
Other expenses						
Manappuram Finance Limited	0.55	0.80	-	-	-	-
SME Portfolio Buyout						
Manappuram Finance Limited	110.58	184.46	-	-	-	-
Remuneration -KMP						
Mr. Suveen P S (CEO)	-	-	62.91	61.60	-	-
Mrs. Sreedivya(CS)	-	-	43.42	40.17	-	-
Mr. Robin Karuvely (CFO)	-	-	32.40	33.96	-	-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	Holding Company		KMP		Others	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Sitting Fees	-	-	-	-		-
Mr. Gautam Saigal	-	-	-	-	7.85	6.87
Mr. T. Balakrishnan (Director upto 20.07.2024)	-	-	-	-	2.35	6.98
Mrs. Pratima Ram	-	-	-	-	8.60	7.73
Mr.V.S Radhakrishnan(Director upto 13.01.2025)	-	-	-	-	3.90	0.87
Mrs. Mayurakshi Ray(Director)	-	-	-	-	6.45	-
Mr. Suresh Paul Antony(Director w.e.f 23.05.2024)	-	-	-	-	3.60	-
Mr. Tom Jose(Director w.e.f 23.05.2024)	-	-	-	-	5.60	-
Mr. Jeevandas Narayan (Upto 18.09.2023)	-	-	-	-	-	1.31
Commission to Directors						
Mr. Gautam Saigal	-	-	-	-	12.57	16.00
Mr. T. Balakrishnan	-	-	-	-	2.96	11.80
Mrs. Pratima Ram	-	-	-	-	11.18	11.80
Mr.V.S Radhakrishnan(Director upto 13.01.2025)	-	-	-	-	7.32	1.00
Mrs. Mayurakshi Ray(Director)	-	-	-	-	9.43	-
Mr. Suresh Paul Antony(Director w.e.f 23.05.2024)	-	-	-	-	9.43	-
Mr. Tom Jose(Director w.e.f 23.05.2024)	-	-	-	-	9.43	-
Mr. Jeevandas Narayan (Upto 18.09.2023)	-	-	-	-	-	6.35
Loan taken from						
Manappuram Finance Limited	2,500	5,000	-	-	-	-
Loan Repaid to						
Manappuram Finance Limited	2,500	5,000	-	-	-	-
Capital Contribution						
Manappuram Finance Limited	5,000	-	-	-	-	-
Interest Expenses						
Manappuram Finance Limited	28.09	105.59	-	-	-	-
Software Expenses						
Manappuram Comptech and Consultants Limited	-	-	-	-	980.30	672.86

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	Holding Company		KMP		Others	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Staff Welfare Expenses						
Manappuram Finance Limited (Training & Education)	7.80	6.85	-	-	-	-
CSR Contribution						
Manappuram Foundation	-	-	-	-	42.26	33.02
Travelling Expenses						
Manappuram Travels	-	-	-	-	9.93	6.85

Related Party balances:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net Amounts payable/(receivable) to related parties		
Manappuram Finance Limited	(9.23)	30.54
Manappuram Travels	0.55	-
Director's	62.33	46.95
KMP's	20.00	32.00

Compensation of key management personnel other than those disclosed in table above i.e. Related Party transactions during the year

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Share Based Payments	-	-
Total	-	-

Note:

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

Note 35: Capital

Capital Management

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

The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Capital Adequacy Ratio	As at 31 March 2025	As at 31 March 2024
CRAR(%)	27.82%	26.55%
CRAR-Tier I Capital (%)	27.44%	26.11%
CRAR-Tier II Capital (%)	0.38%	0.44%
Amount of subordinated debt raised as Tier II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
Net Debt	1,59,431.16	1,33,146.41
Total Equity	32,786.90	25,604.31
Net Debt to Equity Ratio	4.86:1	5.2:1

Note 36: Segment Reporting

The Company's main business is Financing Activity. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the IND AS 108 "Operating Segments" which is specified under section 133 of the Companies Act, 2013.

Note 37: Fair Value Measurement

The carrying value and fair value of financial instruments by categories are as follows:

Particulars	Carrying Value		Fair Value	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Financial assets				
Cash and cash equivalents	2,780.21	3,739.41	2,780.21	3,739.41
Loans	1,83,355.58	1,51,408.36	1,83,355.58	1,51,408.36
Investment	5,894.33	3,598.45	5,894.33	3,598.45
Other Financial assets	280.23	385.15	280.23	385.15
Total financial assets	1,92,310.34	1,59,131.37	1,92,310.34	1,59,131.37
Financial Liabilities				
Payables	162.31	95.06	162.31	95.06
Borrowings (debt security)	2,189.83	10,518.08	2,189.83	10,518.08
Borrowings (other than debt security)	1,56,383.87	1,21,937.34	1,56,383.87	1,21,937.34
Other Financial liabilities	3,110.27	3,075.44	3,110.27	3,075.44
Financial Liabilities	1,61,846.28	1,35,625.92	1,61,846.28	1,35,625.92

The management assessed financial assets except loan portfolio and financial liabilities except borrowings approximate their carrying amounts largely due to short term maturities of these instruments.

Fair Value Hierarchy of assets and liabilities

Fair Value measurement

Particulars	As at 31 March 2025					As at 31 March 2024				
	Carrying Value	Fair Value				Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Financial Assets:										
Cash and cash equivalents	2,780.21	-	2,780.21	-	2,780.21	3,739.41	-	3,739.41	-	3,739.41
Loans and advances	1,83,355.58	-	-	1,83,355.58	1,83,355.58	1,51,408.36	-	-	1,51,408.36	1,51,408.36
Investment	5,894.33	5,894.33			5,894.33	3,598.45	3,598.45			3,598.45
Other Financial assets	280.23	-	-	280.23	280.23	385.15	-	-	385.15	385.15
Total financial assets	1,92,310.34	5,894.33	2,780.21	1,83,635.81	1,92,310.34	1,59,131.37	3,598.45	3,739.41	1,51,793.51	1,59,131.37
Financial Liabilities:										
Payables	162.31	-	-	162.31	162.31	95.06	-	-	95.06	95.06
Borrowing (debt securities)	2,189.83	2,189.83	-	-	2,189.83	10,518.08	10,518.08	-	-	10,518.08

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025					As at 31 March 2024				
	Carrying Value	Fair Value				Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Borrowing (other than debt securities)	1,56,383.87	-	1,56,383.87	-	1,56,383.87	1,21,937.34	-	1,21,937.34	-	1,21,937.34
Other Financial liabilities	3,110.27	-	-	3,110.27	3,110.27	3,075.44	-	-	3,075.44	3,075.44
Total financial liabilities	1,61,846.28	2,189.83	1,56,383.87	3,272.58	1,61,846.28	1,35,625.92	10,518.08	1,21,937.34	3,170.50	1,35,625.92

Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions , regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

In normal course of business of the company, the company physically repossess the properties either on its own or by engaging external agents to recover the funds generally at auctions to settle the outstanding debt. Any surplus funds are returned to the customers or obligors. As a result of this practice, the properties under legal repossession after receipt of Earnest Money Deposit as specified in its policy, are not recorded on the balance sheet as loans and are treated as assets held for sale. Current assets as on March 31, 2025 worth ` 129.54 lakhs (March 31, 2024: ` 222.87 lakhs) which are held for sale (Refer Note 7), are classified as level 3 on the basis distressed valuation.

Valuation methodologies of financial instruments not measured at fair value :

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions explained.

Financial Assets and Liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include : cash and balances, balances other than cash and cash equivalents, trade payables and contract liability without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Valuation techniques

Level 1: Prices quoted in active markets - The fair value of instruments that are quoted in active markets are determined using the quoted prices where they represent prices at which regularly and recently occurring transactions take place

Level 2: Valuation techniques with observable inputs - The Company uses valuation techniques to establish the fair value of instruments where prices, quoted in active markets, are not available. Valuation techniques used for financial instruments include modeling techniques, the use of indicative quotes for proxy instruments, quotes from recent and less regular transactions and broker quotes. Derivatives are valued using mark-to-market receivable/payable indicated by the counterparties. The valuation derived based on counterparties quote are also independently validated.

Level 3: This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 38 (1) : Risk Management

Risk is an integral part of the Company's business and sound risk management is critical to the success of Healthy Business Model. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors.

The Company has identified and implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed by implementing required preventive, detective and corrective controls, and through mitigating actions on a continuing basis.

a. Credit Risk

Credit risk is the risk of loss that may occur from defaults by our Borrowers under our loan agreements. In order to address credit risk, we have stringent credit risk assessment policies for client selection. The Credit policy is approved by Board of Director and changes in credit policy is placed before the board for approval.

Measures such as verifying client details, online documentation and the usage of credit bureau data to get information on past credit behaviour also supplement the efforts for containing credit risk. There is a exhaustive client due diligence process in place which includes verification through both internal employees of the company and external due diligence agency.

We also follow a systematic methodology in the opening of new branches, which takes into account factors such as demand for credit in the area; income and market potential; and socio-economic and law and order risks in the proposed area. Further, our client due diligence procedures encompass various layers of checks, designed to assess the quality of the proposal and to confirm that it meets the structured credit assessment parameter laid down by company's credit policy and process."

In order to mitigate the impact of credit risk in the future profitability, the company makes provisions basis the expected credit loss (ECL) model for the outstanding loans as at balance sheet date.

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

The Company considers a financial assets defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

Category	Description	Basis for recognising expected credit losses (ECL)
Stage 1	High quality assets	EAD * LGD * 12 Month PD
Stage 2	Assets for which there is significant increase in credit risk	EAD * LGD * Lifetime PD
Stage 3	NPA loans including Credit-impaired assets	POS * LGD * 100% PD and 100% provision against recognised interest outsatnding

Exposure at Default (EAD)

The outstanding balance at the reporting date is considered as EAD by the Company. Considering that the PD determined above factors in amounts at default, there is no separate requirement to estimated EAD.

Probability of Default

The Company uses historical information where available to determine PD. Considering the different products and schemes, the Company has categorised its loan portfolio into various pools. The PD is calculated using Incremental NPA approach considering fresh slippage of past 8 years.

Loss Given Default

The Company determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. Based on its analysis of collateral valuation, the Company has assessed that significant recoveries happens within 2 years from the year of default. In estimating LGD, the company reviews macro-economic developments taking place in the economy.

GNPA and NNPA on AUM

` In Cr

Particulars	As at 31 March 2025	As at 31 March 2024
AUM	1,823.88	1,509.68
GNPA on AUM*	44.11	36.13
GNPA on AUM (%)*	2.42%	2.39%
NPA Provision	13.00	11.12
NNPA on AUM*	31.10	25.02
NNPA on AUM (%)*	1.71%	1.66%
Retail AUM	1,823.88	1,509.68
GNPA on Retail AUM*	44.11	36.13
GNPA on Retail AUM (%)*	2.42%	2.39%
NPA Provision	13.00	11.12
NNPA on Retail AUM*	31.10	25.02
NNPA on Retail AUM (%)*	1.71%	1.66%

Note: * The amount mentioned above of 'AUM' excludes EIR and Interest accrued

b. Liquidity Risk

Liquidity risk refers to the risk that the Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Our resource mobilisation team sources funds from multiple sources, including from banks, financial institutions and capital markets to maintain a healthy mix of sources. The resource mobilisation team is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed.

Liquidity risk is managed in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Company formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

The table below provide details regarding the contractual maturities of significant financial assets and liabilities as on:-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Maturity pattern of assets and liabilities as on March 31, 2025:

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	775.51	77.78	1,293.24	1,851.88	2,377.10	7,025.46	17,492.42	53,727.15	38,640.97	33,122.36	1,56,383.87
Market Borrowing	-	-	-	-	-	-	-	2,189.83	-	-	2,189.83
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Loan And Advances	683.45	1,913.30	1,298.76	2,194.96	2,211.19	7,041.99	14,738.20	61,614.89	68,470.67	23,188.16	1,83,355.58
Investments	22.61	22.61	51.68	100.12	96.89	297.14	587.82	2,357.73	2,357.73	-	5,894.33
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

*The information on the maturity pattern is based on the reasonable assumptions made by the management.

Maturity pattern of assets and liabilities as on March 31, 2024:

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2	Over 2 months uptc 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	29.76	77.78	1,232.73	1,468.62	1,571.88	4,591.77	11,982.30	39,503.85	31,554.79	29,923.87	1,21,937.34
Market Borrowing	-	-	-	-	-	-	8,329.70	2,188.38	-	-	10,518.08
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Loan And Advances	270.60	270.60	134.14	685.21	695.24	5,147.37	16,585.98	47,851.07	33,303.12	46,465.03	1,51,408.36
Investments	-	-	-	-	-	-	599.74	1,799.23	1,199.48	-	3,598.45
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

c. Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

d. Interest Rate Risk

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

We are subject to interest rate risk, principally because we lend to clients at fixed interest rates and for periods that may differ from our funding sources, while our borrowings are at both fixed and variable interest rates for different periods. We assess and manage our interest rate risk by managing our assets and

liabilities. Our Asset Liability Management Committee evaluates asset liability management, and ensures that all significant mismatches, if any, are being managed appropriately.

The Company has Board Approved Asset Liability Management (ALM) policy for managing interest rate risk and policy for determining the interest rate to be charged on the loans given.

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

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Finance Cost	14,706.16	10,640.54
0.50% increase	15,451.91	11,222.63
0.50% decrease	13,960.41	10,058.45

e. Price Risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surpluses in the highly liquid debt funds for very short durations. The Company has a board approved policy of investing its surplus funds in highly rated debt mutual funds and other instruments having insignificant price risk, not being equity funds/ risk bearing instruments.

Note 38 (2) : Public Disclosure on Liquidity Risk for the quarter ended March 31, 2025, as per the Guidelines on Liquidity Risk Management Framework under Para 15A of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 01, 2016, issued by the Reserve Bank of India, and updated from time to time.

i. Funding Concentration based on significant counterparty (borrowings)

Number of Significant Counterparties	Amount (` in Lakhs)	% of Total Deposits	% of Total Liabilities*
19(Nineteen)	1,54,429.11	Not applicable	95.11

* Total liabilities do not include net worth of the Company.

ii. Top 20 large deposits

Not applicable. The Company is registered with National Housing Bank to carry on the business of housing finance institution without accepting public deposits.

iii. Top 10 borrowings

Sl.	Nature of Facility	Amount (` in Lakhs)	% of Total Borrowings
1	Term Loan I	22,966.68	14.41
2	Term Loan II	21,562.50	13.52
3	Term Loan III	16,739.29	10.5
4	Term Loan IV	16,640.21	10.44
5	Term Loan V	12,466.64	7.82
6	Term Loan VI	9,257.78	5.81
7	Term Loan VII	9,078.46	5.69
8	Term Loan VIII	6,567.53	4.12
9	Term Loan IX	6,367.55	3.99
10	Term Loan X	6,011.11	3.77

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

iv. Funding Concentration based on significant instrument/product

Sl.	Name of the instrument/product	Amount (` in Lakhs)	% of Total Liabilities*
1	Term Loans	1,53,983.87	94.83
2	Non-Convertible Debentures	2,189.83	1.35
3	Working Capital Demand Loan	2,400.00	1.48

* Total liabilities do not include net worth of the Company

v. Stock Ratios

Sl. No.	Stock Ratio	Percentage (%)
1	Commercial papers as a % of total public funds	Nil
2	Commercial papers as a % of total liabilities	Nil
3	Commercial papers as a % of total assets	Nil
4	Non-convertible debentures (original maturity of less than one year) as a % of total public funds.	Nil
5	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities.	Nil
6	Non-convertible debentures (original maturity of less than one year) as a % of total assets.	Nil
7	Other short-term liabilities as a % of total public funds	20.34
8	Other short-term liabilities as a % of total liabilities*	19.87
9	Other short-term liabilities as a % of total assets	16.53

*Total liabilities does not include net worth of the Company.

vi. Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk. The Board approves the governance, structure, policies, strategy and the risk tolerance limit for the management of liquidity risk.

The Board of Directors approves the constitution of Risk Management Committee (RMC) for the effective supervision and management of various aspects including liquidity risks faced by the company. The meetings of RMC are held at quarterly interval.

The Board of Directors also approves constitution of Asset Liability Committee (ALCO), consisting of the Company's top management which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective. The role of the ALCO also includes periodic revision of interest rates, diversification of source of funding and its mix, maintenance of enough liquidity and investment of surplus funds. ALCO meetings are held once in a quarter or more frequently as warranted from time to time. The minutes of ALCO meetings are placed before the RMC and the Board of Directors in its next meeting for its perusal/approval/ratification.

Note:

1) Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

2) Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC.No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

3) Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.

4) Public funds is as defined in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 38 (3) : Additional Disclosure Schedule to the Balance Sheet

(` in Lakhs)

	Particulars	Amount outstanding	Amount overdue
	Liabilities side		
(1)	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	3,806.79	
	Unsecured (olher than falling wilhin lhe meaning ol public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	1,54,943.25	
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans (specify nature)	2,400.00	-
	* Please see Note 1 below		
(2)	Break-up of (1)(f} a bove (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	” Please see Nole 1 below		

	Assets side	Amount outstanding
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	
	(a) Secured	1,83,355.58
	(b) Unsecured	-
(4)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
	(i) Lease assets including lease rentals under sundry debtors	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors	-
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards asset financing activities	-
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
(5)	Break-up of Investments	
	Current Investments	
	1. Quoted	
	(i) Shares	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Assets side	Amount outstanding
2. Unquoted	
(i) Shares	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	1,178.87
Long Term investments	
1. Quoted	
(i) Share	-
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	-
2. Unquoted	
(i) Shares	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others (please specify)	4,715.46

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:
(Please see Note 2 below)

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties**	-	-	
(a) Subsidiaries	-	-	
(b) Companies in the same group	-	-	
(c) Other related parties	-	-	
2. Other than related parties	1,83,355.58	-	1,83,355.58
Total	1,83,355.58		1,83,355.58

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

Category	Market Value I Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties **		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	5894.33	5894.33
Total		

" As per applicable Accounting Standard (Please see Note 3)

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

(8) Other information

Particulars			Amount
(i)	Gross Non-Performing Assets		
	(a)	Related parties	-
	(b)	Other than related parties	4,870.41
(ii)	Net Non-Performing Assets		
	(a)	Related parties	-
	(b)	Other than related parties	3,570.07
(iii)	Assets acquired in satisfaction of debt		

Notes:

1. As defined in Paragraph 4.1.30 of these Directions.
2. Provisioning norms shall be applicable as prescribed in these Directions.
3. As per applicable Accounting Standards including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shal be disclosed irrespective of whether they are classified as long term or current in (5) above.

Note 39: As per RBI circular no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021 the following disclosures are as per the extant provisions of Master Direction-Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021.

i) Derivatives:

There are no derivatives taken during the current and previous year.

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

The Company has not exceeded the Single borrower and group borrower limits

iii) Reserve Fund u/s 29C of NHB Act 1987

Particulars		As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year			
a)	Statutory Reserve u/s 29C of the National Housing Bank Act 1987	635.00	511.60
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	783.84	509.20
c)	Total	1,418.84	1,020.80
Addition/ Appropriation/ Withdrawal during the year			
Add:			
a)	Amount transferred u/s 29C of the NHB Act, 1987	83.40	123.39
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 NH B Act, 1987	372.15	274.65
c)	Total	455.55	398.04
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	-	-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	718.39	635.00
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	1,156.00	783.84
c) Total	1,874.39	1,418.84

iv) a) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Year ended 31 March 2025	Year ended 31 March 2024
Provisions for depreciation on Investment	-	-
Provision towards NPA (Refer note 25)	319.01	565.40
Provision made towards Income tax (Refer note 28)	670.10	766.47
Provision for Gratuity and Leave Encashment (Refer note 26)	109.99	84.16
Provision on assets held for sale (Refer note 25)	-21.35	48.98

iv) b) Provisions and Contingencies

Breakup of Loans and Advances and Provisions thereon	Housing		Non Housing	
	Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2025	Year ended 31 March 2024
Standard Assets				
a) Total Outstanding Amount	123,026.61	104,634.90	57,540.61	44,540.45
b) Provisions made	543.61	419.84	238.10	240.34
Sub Standard Assets				
a) Total Outstanding Amount	2,808.79	1,971.29	1,610.73	1,870.46
b) Provisions Made	730.54	509.30	318.41	493.16
Doubtful Assets- Category I				
a) Total Outstanding Amount	154.06	74.86	98.94	88.46
b) Provisions Made	68.95	58.64	33.29	50.78
Doubtful Assets 2- Category II				
a) Total Outstanding Amount	18.03	-	132.31	-
b) Provisions Made	41.23	-	83.24	-
Doubtful Assets 3- Category III				
a) Total Outstanding Amount	-	-	47.56	-
b) Provisions Made	-	-	24.68	-
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions Made	-	-	-	-
Total				
a) Total Outstanding Amount	**126,007.49**	**106,681.05**	**59,430.14**	**46,499.38**
b) Provisions Made	**1,384.34**	**987.79**	**697.71**	**784.28**

v) Draw down from Reserves

Details of draw down from reserves, if any, are provided in Note 22 to these financial statements.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

vi) Concentration of Loans and Advances

Particulars	As at 31 March 2025	As at 31 March 2024
Total advances to twenty largest borrowers	529.04	549.93
Percentage of advances to twenty largest borrowers to total advances of the Company	0.29%	0.36%

vii) Concentration of Exposures

Particulars	As at 31 March 2025	As at 31 March 2024
Total exposure to twenty largest borrowers/customers	534.15	556.43
Percentage of exposures to twenty largest borrowers/customers to total exposure of the Company on borrowers/customers	0.29%	0.36%

viii) Concentration of NPA's

Particulars	As at 31 March 2025	As at 31 March 2024
Total exposure to top ten NPA accounts	172.19	190.40

ix) Sector-wise NPAs

Particulars	As at 31 March 2025	As at 31 March 2024	AS at 31 March 2025 (Percentage of NPAs to Total Advances)	AS at 31 March 2024 (Percentage of NPAs to Total Advances)
A) Housing Loans:				
1. Individuals	2,980.87	2,046.15	2.37%	1.92%
2. Builders/Project Loan	-	-	-	-
3. Corporates	-	-	-	-
4. Others	-	-	-	-
B) Non-Housing Loans				
1. Individuals	1,889.53	1,958.92	3.18%	4.21%
2. Builders/Project Loan	-	-	-	-
3. Corporates	-	-	-	-
4. Others	-	-	-	-

x) Movement of NPAs

Particulars	As at 31 March 2025	As at 31 March 2024
I) Net NPAs to Net Advances (%)	1.95%	1.91%
II) Movement of NPAs (Gross)		
a) Opening balance	4,005.07	2,278.00
b) Addition during the year	4,412.74	3,504.48
c) Reduction during the year	(3,547.40)	(1,777.41)
d) Closing balance	4,870.41	4,005.07
III) Movement of NPAs (Net)		
a) Opening balance	2,893.19	1,607.64
b) Addition during the year	3,279.58	2,602.59
c) Reduction during the year	(2,602.70)	(1,317.05)
d) Closing balance	3,570.07	2,893.18
IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	1,111.88	670.36
b) Provision made during the year	1,133.15	955.90
c) Write-off/write-back of excess provisions	(944.70)	(514.37)
d) Closing balance	1,300.34	1,111.88

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

xi) Customer Complaints

Particulars	As at 31 March 2025	As at 31 March 2024
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	81	44
No. of complaints redressed during the year	81	44
No. of complaints pending at the end of the year	-	-

xii) RBI Disclosure-Miscellaneous

a) Registration obtained from other financial sector regulators

The Company is not registered with any other financial sector regulators.

b) Disclosure of Penalties imposed by RBI and other regulators

There is no penalty imposed by NHB or RBI during the current and previous year.

c) (i) Securitisation

Company does not have any Secrutisation transaction. There are NIL Financial Assets sold to Securitisation/ Reconstruction Company for Asset Reconstruction

(ii) Details of non-performing financial assets purchased / sold

Refer Note 41(c) forming part of financial statements.

d) Exposure to Capital Market

Company does not have Exposure to Capital Market during the current and previous year.

e) Details of financing of parent company products

Company does not have financing of parent company products during the current and previous year.

f) Investments

Particulars	As at 31 March 2025	As at 31 March 2024
1. Value of Investments		
(i) Gross value of investments		
(a) In India	5,894.33	3,598.45
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	5,894.33	3,598.45
(b) Outside India	-	-
2. Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-bank of excess provisions during the year	-	-
(iv) Closing balance	-	-
Total	5,894.33	3,598.45

g) Overseas Assets

Company does not have any Overseas Assets during the current and previous year.

h) Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms) Name of the SPV sponsored

Company does not have Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms).

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

i) Loan against Gold

Company does not have any loans/advances against Gold during the current and previous year.

j) Unhedged Foreign Currency

The company does not have unhedged foreign currency as on reporting date.

k) Immovable Property

The company has not purchased any Immovable property during the current and previous year.

l) Fraud Reporting

The company has reported no frauds during the year ended March 31 2025 (March 31, 2024: 56.35 Lakhs).

m) Unsecured Advances

The company has not given any unsecured advances.

n) Details of Assignment Transactions undertaken by HFC

Refer Note 41(b) forming part of financial statements.

o) Ratings assigned by credit rating agencies and migration of ratings during the year:

Instrument	Credit rating agency	Ratings assigned
Loan Term Bank Facilities	CARE Rating	CARE AA- Stable
Loan Term Bank Facilities	CRISIL	CRISIL AA- Stable
Non convertible debentures	CARE Rating	CARE AA- Stable
Market Linked debentures	CARE Rating	CARE PP MLD AA- Stable

*There are no migration of the assigned ratings during the current and previous year.

p) Engagement of broker

There are no brokers engaged to deal in Investment Transactions by the Company during the current and previous year.

q) Sales out of amortised cost

There are nil cases of sales out during the current and previous year.

r) Details of revaluation of Fixed Assets

No revaluation of Fixed assets done by the company during the current and previous year.

s) Exposure to Real Estate Sector

Particulars			As at 31 March 2025	As at 31 March 2024
A.	DIRECT EXPOSURE			
	(i)	Residential Mortgages -		
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented.	1,26,007.49	1,06,681.05
	(ii)	Commercial Real Estate		
		Lending secured by mortgages on commercial real estates		
		· Funds Based and Non Fund Based	-	-
		· Others (refer note below)	59,430.14	46,499.38
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitized exposures		
		. Residential	-	-
		. Commercial Real Estate	-	-
B.	INDIRECT EXPOSURE			
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		-	-
Total Exposure to Real Estate Sector*			1,85,437.64	1,53,180.42

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note:

a. Amount disclosed under Commercial Real Estate includes non-housing loan which are provided against residential/ commercial property.

* The amount disclosed above is Exposure at Default (EAD)

t) Exposure to group companies engaged in real estate business

	Description	Amount (₹ in lakhs)	% of owned fund
(i)	Exposure to any single entity in a group engaged in real estate business	-	-
(ii)	Exposure to all entities in a group engaged in real estate business	-	-

u) Remuneration of Directors

Refer Note 34 (related party transaction) forming part of financial statements.

v) Consolidated Financial Statements (CFS)

Consolidated financial statement is not applicable for the company.

w) Concentration of Public Deposits

Company does not accept public deposits.

x) Corporate Social Responsibility

Refer Note 27.2 forming part of financial statements.

y) MSME Disclosures

Total dues to MSME vendors as at March 31, 2025 is 31 Lakhs (March 31, 2024: Nil).

z) Details of dividend declared during the financial year 2024-25 : NIL

Accounting period	Net profit for the accounting period	Rate of dividend	Amount of dividend	Dividend Pay out ratio

aa) Loans to Directors, Senior Officers and Relatives of Directors

Particulars	As at 31 March 2025	As at 31 March 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	-	-

ab) Net Profit or Loss for the period, prior period Items and changes in accounting policy

During the reporting period, there were no prior period items or changes in accounting policies. Net profit/loss has been determined in accordance with the consistent accounting policies applied in previous periods.

ac) Revenue Recognition

No significant uncertainties existed that required postponement of revenue recognition during the reporting period.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 40(a): RBI Disclosure

As per RBI Circular No RBI/2019-20/170 dated March 13, 2020, NBFCs shall hold impairment allowances as required by IND AS. In parallel, NBFCs shall also maintain the asset classification and compute provisions as per extant prudential norms on Income Regonition, Asset Classification and Provisioning for standard as well as restructured assets, NPA ageing etc. A comparision between provisions required under IRACP and impairment allowances made under IND AS 109 should be disclosed by NBFCs in their notes to financial statements.

A comparision between provisions required under IRACP and impairment allowances made under IND AS 109 for FY 2024-25 is disclosed below :

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
Performing assets						
Standard	Stage 1	1,63,790.02	445.00	1,63,345.02	482.29	(37.29)
	Stage 2	16,777.20	336.70	16,440.50	50.19	286.51
Subtotal		1,80,567.22	781.70	1,79,785.52	532.48	249.22
Non Performing Assets (NPA)						
Substandard	Stage 3	4,419.51	1,048.95	3,370.56	662.73	386.22
Doubtful - Upto 1year	Stage 3	253.00	102.24	150.76	63.26	38.98
1 to 3 years	Stage 3	150.34	124.47	25.87	60.09	64.38
More than 3 years	Stage 3	47.56	24.68	22.88	47.56	(22.88)
Subtotal for Doubtful		450.89	251.39	199.51	170.91	80.48
Loss		-	-	-	-	-
Subtotal for NPA		4,870.41	1,300.34	3,570.07	833.64	466.70
Other items such as guarantees, loan commitments, etc. which are in the scope of IND AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	12,748.64	27.45	12,721.19	-	27.45
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total	Stage 1	1,76,538.66	472.45	1,76,066.20	482.29	(9.84)
	Stage 2	16,777.20	336.70	16,440.50	50.19	286.51
	Stage 3	4,870.41	1,300.34	3,570.07	833.64	466.70
	Total	1,98,186.27	2,109.49	1,96,076.77	1,366.12	743.36

A comparision between provisions required under IRACP and impairment allowances made under IND AS 109 for FY2023-24 is disclosed below :

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
Performing assets						
Standard	Stage 1	1,40,640.21	413.63	1,40,226.57	408.17	5.47
	Stage 2	8,535.15	246.55	8,288.60	26.42	220.12
Subtotal		1,49,175.35	660.18	1,48,515.17	434.59	225.59
Non Performing Assets (NPA)						
Substandard	Stage 3	3,841.75	1,002.47	2,839.29	577.87	424.60
Doubtful - Upto 1year	Stage 3	163.32	109.42	53.90	40.93	68.49
1 to 3 years	Stage 3					

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

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
More than 3 years	Stage 3					
Subtotal for Doubtful		163.32	109.42	53.90	40.93	68.49
Loss		-	-	-	-	-
Subtotal for NPA		4,005.07	1,111.88	2,893.19	618.80	493.09
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	9,596.48	18.42	9,578.06	-	18.42
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Total	Stage 1	1,50,236.69	432.05	1,49,804.64	408.17	23.89
	Stage 2	8,535.15	246.55	8,288.60	26.42	220.12
	Stage 3	4,005.07	1,111.88	2,893.19	618.80	493.09
	Total	1,62,776.91	1,790.49	1,60,986.42	1,053.38	737.10

Note 40(b):New IRAC norms on Income Recognition and Asset Classification

On November 12, 2021, the Reserve Bank of India ("RBI") had issued circular no. RBI/2021-2022/125 DOR.STR. REC.68/21.04.048/2021-22, requiring changes to and clarifying certain aspects of Income Recognition, Asset Classification and Provisioning norms ("IRACP norms") pertaining to Advances. On February 15, 2022, the RBI had issued another circular no. RBI/2021-2022/158 DOR.STR.REC.85/21.04.048/2021-22 providing time till September 30, 2022. However, the Company has not opted for deferment and continue to align stage 3 definition to revised NPA definition.

Note 41: Details of assignment transactions undertaken

a. During the year, the Company has not purchased performing mortgage loans from other housing finance company(ies) or any other lenders listed as per the Master Direction of RBI (Transfer of Loan exposure).

Details of loans acquired during the year

Particulars	From lenders listed as per the Master Direction of RBI (Transfer of Loan Exposures)	From ARCs
Aggregate principal outstanding of loans acquired	Nil	Nil
Aggregate consideration paid	Nil	Nil
Weighted average residual tenor of loans acquired	Nil	Nil

b. The following table sets forth, for the periods indicated, details of loans transferred through Direct Assignment.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Number of loans	-	-
Aggregate amount	-	-
Sale consideration2	-	-
Number of transactions	-	-
Weighted average maturity (remaining)	-	-
Weighted average holding period (after origination)	-	-
Retention of beneficial economic interest (average)	Nil	Nil
Coverage of tangible security coverage	Nil	Nil
Rating wise distribution of rated loans	NA	NA

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Number of instances (transactions) where transferor has agreed to replace the transferred loans	Nil	Nil
Number of transferred loans replaced	Nil	Nil
Additional consideration realised in respect of accounts transferred in earlier years	Nil	Nil
Aggregate gain/(loss) over net book value	-	-

c. The following table sets forth, for the periods indicated, details of stressed loans transferred to ARCs.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Number of loans	969	482
Aggregate amount	4,870.31	3,329.01
Sale consideration2	3,896.00	2,496.75
Number of transactions	1	1
Weighted average maturity (remaining)	96	141
Weighted average holding period (after origination)	96	141
Retention of beneficial economic interest (average)	Nil	Nil
Coverage of tangible security coverage	Nil	Nil
Rating wise distribution of rated loans	NA	NA
Number of instances (transactions) where transferor has agreed to replace the transferred loans	Nil	Nil
Number of transferred loans replaced	Nil	Nil
Additional consideration realised in respect of accounts transferred in earlier years	Nil	Nil
Aggregate gain/(loss) over net book value	(974.31)	(832.29)

Particulars	Year ended March 31, 2025		
	To ARCs	To permitted transferees	To other transferees
No. of accounts	969	-	-
Aggregate principal outstanding	4870.31	-	-
of loans transferred		-	-
Weighted average residual tenor of the loans transferred	96	-	-
Net book value of loans transferred (at the time of transfer)	3400.89	-	-
Aggregate Consideration	3896.00	-	-
Additional consideration realized in respect of accounts transferred in earlier years	Nil	-	-

Note 42: Principal Business Criteria

The following table sets forth, for the periods indicated, fulfilment of the principal business criteria as applicable for housing finance companies (HFCs)

Position as at	Percentage of total assets'towards housing finance*	Percentage of total assets'towards housing finance for individuals
At March 31,2025	63.99%	63.99%
At March 31,2024	65.64%	65.64%

*Total Assets netted off by Intangible Assets

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 43: Disclosure of details as required by RBI Master Direction (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023 - RBI/DoR/2023- 24/106 DoR.FIN.REC. No.45/03.10.119/2023-24:

A) Exposure

(i) Exposure to real estate sector

Category		2024-25	2023-24
i)	Direct exposure	1,85,437.63	1,53,180.43
a)	Residential Mortgages -	1,26,007.49	1,06,681.05
	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.	1,26,007.49	1,06,681.05
b)	Commercial Real Estate -	59,430.14	46,499.38
	Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	59,430.14	46,499.38
c)	Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –	-	-
	i. Residential	-	-
	ii. Commercial Real Estate	-	-
ii)	Indirect Exposure	-	-
	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	-	-
Total Exposure to Real Estate Sector		1,85,437.64	1,53,180.43

(ii) Exposure to capital market

Category		2024-25	2023-24
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 NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix)	Financing to stockbrokers for margin trading	-	-
x)	All exposures to Alternative Investment Funds:	-	-
	(i) Category I	-	-
	(ii) Category II	-	-
	(iii) Category III	-	-
Total exposure to capital market		-	-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

(iii) Sectoral exposure

Sectors	2024-25			2023-24		
Particulars	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	0.00%	-	-	0.00%
2. Industry						
2.1. Micro and Small		-	0.00%			0.00%
2.2. Medium		-	0.00%			0.00%
2.3. Large			0.00%			0.00%
Total of Industry (2)	-	-	0.00%	-	-	0.00%
3. Services						
3.1 Transport Operators	-	-	0.00%	-	-	0.00%
3.2 Computer Software	-	-	0.00%	-	-	0.00%
3.3 Tourism, Hotels and Restaurants	-	-	0.00%	-	-	0.00%
3.4 Shipping	-	-	0.00%	-	-	0.00%
3.5 Aviation	-	-	0.00%	-	-	0.00%
3.6 Professional Services	-	-	0.00%	-	-	0.00%
3.7 Trade	-	-	0.00%	-	-	0.00%
3.7.1 Wholesale Trade (other than food procurement)	-	-	0.00%	-	-	0.00%
3.7.2 Retail Trade	-	-	0.00%	-	-	0.00%
3.8 Commercial Real Estate	-	-	0.00%	-	-	0.00%
3.9 Non-Banking Financial Companies (NBFCs) of which,	-	-	0.00%	-	-	0.00%
3.9.1 Housing Finance Companies (HFCs)	-	-	0.00%	-	-	0.00%
3.9.2 Public Financial Institutions (PFIs)	-	-	0.00%	-	-	0.00%
3.10 Other Services		-	0.00%		-	0.00%
Total of Services (3)	-	-	0.00%	-	-	0.00%
4. Personal Loans						
4.1 Consumer Durables	-	-	0.00%	-	-	0.00%
4.2 Housing (Including Priority Sector Housing)	1,36,479.86	2,980.87	2.18%	1,15,880.34	2,046.15	1.77%
4.3 Advances against Fixed Deposits (Including FCNR (B), NRNR Deposits etc.)	-	-	0.00%	-	-	0.00%
4.4 Advances to Individuals against share, bonds, etc.	-	-	0.00%	-	-	0.00%
4.5 Credit Card Outstanding	-	-	0.00%	-	-	0.00%
4.6 Education	-	-	0.00%	-	-	0.00%
4.7 Vehicle Loans	-	-	0.00%	-	-	0.00%
4.8 Loans against gold jewellery	-	-	0.00%	-	-	0.00%
4.9 Other Personal Loans	-	-	0.00%	-	-	0.00%
4.10 Others	61,706.40	1,889.53	3.06%	46,896.57	1,958.92	4.18%
Total of Personal Loans (4)	198,186.28	4,870.41	2.46%	162,776.91	4,005.07	2.46%
5. Others, if any (please specify)	-	-	0.00%	-	-	0.00%
Total (1+2+3+4+5)	1,98,186.28	4,870.41	2.46%	1,62,776.91	4,005.07	2.46%

(iv) Intra-group exposures

Particualrs	2024-25	2023-24
i) Total amount of intra-group exposures	-	-
ii) Total amount of top 20 intra-group exposures	-	-
iii) Percentage of intra-group exposures to total exposure of the HFC on borrowers/ customers	0.00%	0.00%

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

(v) There were no unhedged foreign currency transactions during current year.

Disclosure of details as required by Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 - Disclosures in Financial Statements- Notes to Accounts of NBFCs dated April 19, 2022 (continued)

B) Related Party Disclosure

2024-25

Nature of transaction	Holding Company	Subsidiary	Associate / Joint Ventures	Key Managerial Personnel (KMP)	Relative of KMP	Directors	Relative of Directors	Others		Total	Maximum outstanding during the year
								Subsidiary of Holding Company	Investor exercising significant influence		
Borrowings*	2,500.00	-	-	-	-	-	-	-	-	2,500.00	-
Deposits*	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits*	-	-	-	-	-	-	-	-	-	-	-
Advances#	-	-	-	-	-	-	-	-	-	-	-
Investments*	5,000.00	-	-	-	-	-	-	-	-	5,000.00	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-
Interest Paid*	28.09	-	-	-	-	-	-	-	-	28.09	-
Interest Received	-	-	-	-	-	-	-	-	-	-	-
Repayment of Borrowing*	2,500.00	-	-	-	-	-	-	-	-	2,500.00	-
Others*	163.87	-	-	138.73	-	100.68	-	980.30	52.20	1,435.78	-
Equity shares held	-	-	-	-	-	-	-	-	-	-	-
Issue of Non Convertible Debentures*	-	-	-	-	-	-	-	-	-	-	-
Purchase of loan portfolio*	-	-	-	-	-	-	-	-	-	-	-

The outstanding at the year end and the maximum during the year.

* Transactions during the year.

* Investments- Capital investment received from the holding company

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

2023-24

Nature of transaction	Holding Company	Subsidiary	Associate / Joint Ventures	Key Managerial Personnel (KMP)	Relative of KMP	Directors	Relative of Directors	Others		Total	Maximum outstanding during the year
								Subsidiary of Holding Company	Investor exercising significant		
Borrowings*	5,000.00	-	-	-	-	-	-	-	-	5,000.00	-
Deposits#	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits#	-	-	-	-	-	-	-	-	-	-	-
Advances#	-	-	-	-	-	-	-	-	-	-	-
Investments#	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-
Interest Paid*	105.59	-	-	-	-	-	-	-	-	105.59	-
Interest Received	-	-	-	-	-	-	-	-	-	-	-
Repayment of Borrowing*	5,000.00	-	-	-	-	-	-	-	-	5,000	-
Others*	279	-	-	136	-	69.40	-	673	40	1,196.43	-
Equity shares held	-	-	-	-	-	-	-	-	-	-	-
Inter-Corporate Deposit received*	-	-	-	-	-	-	-	-	-	-	-
Inter-Corporate Deposit repaid*	-	-	-	-	-	-	-	-	-	-	-
Equity capital infusion (inclusive of security premium)*	-	-	-	-	-	-	-	-	-	-	-
Purchase of loan portfolio*	-	-	-	-	-	-	-	-	-	-	-

The outstanding at the year end and the maximum during the year.

* Transactions during the year.

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Disclosure of details as required by Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 - Disclosures in Financial Statements- Notes to Accounts of NBFCs dated April 19, 2022 (continued)

C) Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Sr. No	Particulars	2024-25	2023-24
	Complaints received by the NBFC from its customers		
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	81	44
3	Number of complaints disposed during the year	81	44
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the NBFC from Office of Ombudsman		
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman		
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

*The Reserve Bank - Integrated Ombudsman Scheme, 2021 is not applicable to the Company.

2) Top five grounds of complaints received by the NBFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
			2024-25		
Transaction Related (EMI, ECS, etc)	-	5	-17%	-	-
CIBIL Related	-	26	44%	-	-
Documents Related	-	8	-27%	-	-
Loan Closure Related	-	12	71%	-	-
PMAY Subsidy Related	-	-	-100%	-	-
Others	-	30	2900%	-	-
Total	-	81.00	84%	-	-
			2023-24		
Transaction Related (EMI, ECS, etc)	-	6.00	-40%	-	-
CIBIL Related	-	18.00	100%	-	-
Documents Related	-	11.00	38%	-	-
Loan Closure Related	-	7.00	75%	-	-
PMAY Subsidy Related	-	1.00	-50%	-	-
Others	-	1.00	-67%	-	-
Total	-	44.00	22%	-	-

Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

D) There were breaches of financial covenants of two banks i.e. DSCR and ISECR.

E) DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING - DISCLOSURE PURSUANT TO RESERVE BANK OF INDIA (SCALE BASED REGULATION) RBI/2022-23/26 DOR.ACC.REC.NO.20 /21.04.018 /2022-23 DATED APRIL 19, 2022

i) The additional provisioning requirements assessed by RBI (or National Housing Bank(NHB) in the case of Housing Finance Companies) exceeds 5% of the reported profits before tax and impairment loss on financial instruments for the reference period - Not Applicable

ii) Additional Gross NPAs identified by RBI/NHB exceeds 5% of the reported Gross NPAs for the reference period - Not Applicable

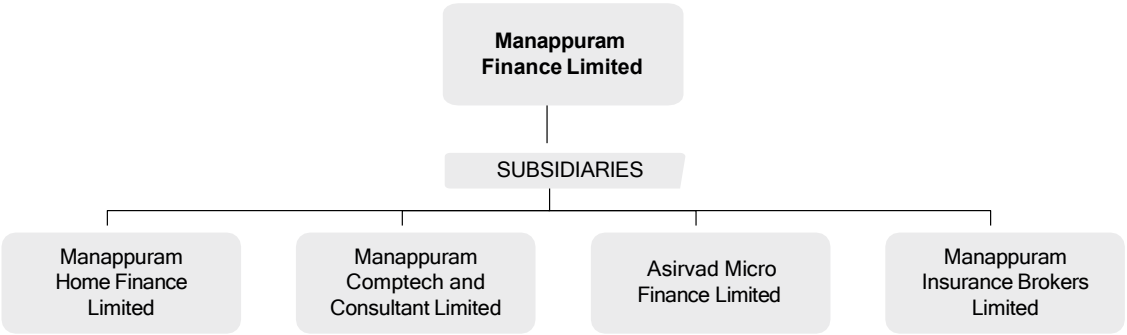
Sl. No	Particulars	Amount
1	Gross NPAs as on March 31, 2023 as reported by the NBFC	Not Applicable
2	Gross NPAs as on March 31, 2023 as assessed by the Reserve Bank of India/ NHB	
3	Divergence in Gross NPAs (2-1)	
4	Net NPAs as on March 31, 2023 as reported by the NBFC	
5	Net NPAs as on March 31, 2023 as assessed by Reserve Bank of India/ NHB	
6	Divergence in Net NPAs (5-4)	
7	Provisions for NPAs as on March 31, 2023 as reported by the NBFC	
8	Provisions for NPAs as on March 31, 2023 as assessed by Reserve Bank of India/ NHB	
9	Divergence in provisioning (8-7)	
10	Reported Profit before tax and impairment loss on financial instruments for the year ended March 31, 2023	
11	Reported Net Profit after Tax (PAT) for the year ended March 31, 2023	
12	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2023 after considering the divergence in provisioning	

Note 44: Financial Ratios

Particulars	31 March 2025	31 March 2024	Reason for change in ratio by more than 25%
Capital to risk-weighted assets ratio (CRAR)	27.82%	26.55%	-
Tier I CRAR	27.44%	26.11%	-
Tier II CRAR	0.38%	0.44%	-
Liquidity Coverage Ratio *	NA	NA	

*As per RBI circular no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021, as amended, since the Company's asset size is less than ` 5,000 crores, disclosure of Liquidity Coverage Ratio is not applicable.

Note 45: Diagramatic Representation of Group Structure



Notes to Financial Statements

for the year ended March 31, 2025

(All amounts are in Rupees in lakhs, unless otherwise stated)

Note 46: Additional disclosures as per Schedule III of the Companies Act 2013

(i) During the financial year ended 31 March 2025, the Company has not granted loans to the related parties which is repayable on demand.

(iii) The Company has not entered in to any transactions during the year with the companies struck off under section 248 of Companies Act, 2013.

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

(iv) Utilisation of Borrowed funds and share premium:

A) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall -

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;"

B) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall -

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

(v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) There are no transactions which have not been recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Also, there are no previously unrecorded income and related assets.

Note 47: Previous year figures have been regrouped / reclassified wherever necessary to confirm to current year's presentation.

The notes on accounts form an integral part of the financial statements
As per our report of even date
For Khandelwal Jain & Co.
Chartered Accountants
Firm Reg No. 105049W

Sd/-
Bhupendra Karkhanis
Partner
M. No. 108336

Place: Mumbai
Date: 02-05-2025

For and on behalf of the Board of Directors of
Manappuram Home Finance Ltd

Sd/-
V.P. Nandakumar
Chairman
DIN : 00044512

Sd/-
Suveen P S
Chief Executive Officer

Sd/-
Robin Karuvely
Chief Financial Officer

Sd/-
Sreedivya S
Company Secretary
M. No. F7590

Place: Valapad
Date: 02-05-2025

MANAPPURAM HOME FINANCE LIMITED
8/596 A, PADMAPRABHA BUILDING, NEAR SREERAMA SWAMY TEMPLE, CHERPU - THRIPRAYAR ROAD, THRIPRAYAR, THRISSUR, KERALA – 680567 -
Ph. No:0487-3520501, 3520502, Email: hfc@manappuramhomefin.com,
Website - www.manappuramhomefin.com CIN: U65923KL2010PLC039179

Notice

Notice is hereby given that the 15th Annual General Meeting of the Shareholders of Manappuram Home Finance Limited will be held on 11th August 2025 at 9.00 AM at 8/596 A, Padmaprabha Building, Near Sreerama Swamy Temple, Cherpu – Thriprayar Road, Thriprayar, Thrissur-680567, Registered office of the company to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited Profit and Loss account for the financial year ended 31st March 2025 and the Balance Sheet as at that date, the report of the Directors and the Auditors thereon.
2. To appoint, Mr. Gautam Saigal [DIN No. 00640229] who retires by rotation, being eligible, offering himself for reappointment.

By the order of the Board of Directors

Sd/-
Sreedivya.S
Company Secretary

Thriprayar
02.05.2025

Notes:

1. A Member entitled to attend, and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxy Form duly completed must be sent so as to reach the Registered Office of the company not later than 48 hours before the commencement of the meeting. A blank proxy form is enclosed.

   Details of Directors also provided in the “Annexure-1” to the Notice pursuant to the provisions of Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

   None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway concerned or interested in these Resolutions except to the extent of the rights or powers provided if any under the revised Articles of Association to them or their relatives.

By the order of the Board of Directors

Sd/-
Sreedivya.S
Company Secretary

Thriprayar
02.05.2025

Annexure-1

Additional information of directors seeking appointment/reappointment as director at the 15th Annual General Meeting pursuant to Secretarial Standard-2:

Name of the Director	Gautam Rathindranath Saigal	
Age	60	
Date of Birth	20th October, 1965	
Qualification	Chartered Accountant	
Date of 1st Appointment on the Board	13.05.2015	
Experience	34 years of experience in financial services covering private equity investment, investment banking and advisory services.	
Terms & Conditions of Re-appointment	As specified in the appointment letter	
Remuneration to be paid	Nil	
Last drawn remuneration	Nil	
Number of the board meeting attended during the year	8	
Directorships held in other companies (excluding Section 25 and foreign companies)	3	
Memberships of committees across companies (includes only Audit & Shareholders' / Investors' Grievance Committee / Stakeholders Relationship Committee)	Directorship	Committee memberships
	Manappuram Home Finance Limited	Audit Committee- Chairman
		Risk Management Committee - Member
		ITSC – Member
		FRMC - Member
Shareholding in the Company (Equity)	Nil	
Relationship between directors inter-se		

By the order of the Board of Directors

Sd/-

Thriprayar
02.05.2025

Sreedivya.S
Company Secretary

NOTICE

ROUTE MAP

To the venue of AGM

The company being a wholly owned subsidiary, route map to AGM venue is not attached to the notice as per SS2 1.2.4

MANAPPURAM HOME FINANCE LTD.

A home for everyone

MANAPPURAM HOME FINANCE LIMITED

Regd. Office: 8/596 A, PADMAPRABHA BUILDING, NEAR SREERAMA SWAMY TEMPLE, CHERPU - THRIPRAYAR ROAD, THRIPRAYAR, THRISSUR, KERALA - 680567 -

Ph. No: 0487-3520501, 3520502, Email: hfc@manappuramhomefin.com,

Website - www.manappuramhomefin.com CIN: U65923KL2010PLC039179

ATTENDANCE SLIP

(To be presented at the entrance)

15th ANNUAL GENERAL MEETING ON 11th August 2025 at 9.00 A.M at Regd. Office: 8/596 A, PADMAPRABHA BUILDING, NEAR SREERAMA SWAMY TEMPLE, CHERPU - THRIPRAYAR ROAD, THRIPRAYAR, THRISSUR, KERALA - 680567

Ph. No: 0487-3520501, 3520502

Sequence No.

Name and Address of the Shareholder : .....

Registered Folio No./DP ID & Client ID : .....

No of shares held : .....

Name of the member/proxy : .....

Signature of Member/Proxy : .....

Notes:

1. Members/proxy holders are requested to produce the attendance slip duly signed for admission to the meeting hall.
2. Members are requested to bring the copy of the notice of Annual General Meeting.
3. Members / proxies are also requested to bring a valid photo identity proof such as the PAN card, passport, Aadhar card or driving license to attend the Meeting.

MANAPPURAM HOME FINANCE LIMITED

Regd. Office: 8/596 A, PADMAPRABHA BUILDING, NEAR SREERAMA SWAMY TEMPLE, CHERPU - THRIPRAYAR ROAD, THRIPRAYAR, THRISSUR, KERALA - 680567 -

Ph. No: 0487-3520501, 3520502, Email: hfc@manappuramhomefin.com,

Website - www.manappuramhomefin.com CIN: U65923KL2010PLC039179

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): .....

Registered address: .....

E-mail ID: .....

Folio No./Client ID No.: .....DP ID No. .....

I/We, being the member(s) of..... Shares of Manappuram Home Finance Limited, hereby appoint

1. Name : .....
2. E-mail ID : .....
3. Address : .....

Signature.....or failing him / her

1. Name : .....
2. E-mail ID : .....
3. Address : .....

Signature.....or failing him / her

1. Name : .....
2. E-mail ID : .....
3. Address : .....

Signature.....or failing him / her

or failing him or failing him as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 15th Annual General Meeting of the company, to be held 11th August 2025 at 9.00 AM at: 8/596 A, Padmaprabha Building, Near Sreerama Swamy Temple, Cherpu – Thriprayar Road, Thriprayar, Thrissur, Kerala – 680567 - Ph. No: 0487-3520501, 3520502,, and at any adjournment thereof in respect of such resolutions as are indicated in the notice signed this 02nd May of 2025.

Signature of Shareholder

Signature of Proxy holder

Affix Revenue Stamp

This form of proxy in order to be effective should be duly completed and deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.

Notes

MANAPPURAM HOME FINANCE LTD.

A home for everyone

Registered Office Address

Manappuram Home Finance Limited
Regd. Office : 8/596 A, Padmaprabha Building,
Near Sreerama Swamy Temple, Cherpu - Thriprayar Road,
Thriprayar, Thrissur, Kerala – 680567
PH: (0487) 3050435, 3050419
E-Mail: cs.sreedivya@manappuramhomefin.com
Website: www.manappuramhomefin.com

Concept, Content & Design (info@wyatt.co.in)