Transforming
Your Dreams to Reality

ANNUAL REPORT 2024-25
MUTHOOT HOMEFIN (INDIA) LIMITED

Muthoot Homefin

Our Guiding Inspiration

Our founder, Shri M George Muthoot, envisioned the prospects of affordable financial services in India long back in 1939. His deep business insight and strong vision helped transform India's gold loan business. Guided by his values, we have strengthened our reputation over the years and established ourselves as a trusted pan-India brand.

Our visionary Chairman, Late Shri M.G. George Muthoot, was one of the First Directors of Muthoot Homefin (India) Limited(MHIL) and had served onthe Board of the Company till August 2019. He was instrumental in making Muthoot Finance Limited, Promoter of MHIL, a pan-India Company and the largest gold loan NBFC in India. He was not only a successful businessman, but a committed philanthropist and community leader. His initiatives in the field of education, healthcare, and community welfare benefited millions of marginalized people across various spheres of life.

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written or oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized although we believe we have been prudent in our assumptions. The achievements of the results are subject to risk, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind we undertake no obligation to publicly update any forward looking statement, whether as a result of new information, future events or otherwise.

Our Promoters – The Muthoot Group*

The Muthoot Group was founded in 1887 by Late Shri Ninan Mathai Muthoot in the remote village of Kozhencherry in Kerala. Today, the Muthoot Group has established for itself a formidable reputation and has garnered the trust of millions of customers. The success of the Group has its roots in its concern for the society and unceasing acts of altruism, the commitment and hard work put in by its 40,000 strong workforce and the trust of its millions of loyal customers

Each day, we strive to keep our values and ethics intact to serve our customers with services of utmost quality, ensure a sustainable existence and rise up to contribute to the building of our nation

The Muthoot Group is home to 20 diversified business divisions and 5,330+ branches with a global presence across USA, UK, UAE, Central America, Sri Lanka and Nepal

Over the past 135 years, the Group has reached out to millions of underserved Indians leading to financial inclusion even in the most remote and rural areas of the country. Over the years, the Group has become a diversified business house with presence in financial services, plantations and estates, education, leisure and hospitality, healthcare, housing and infrastructure, information technology, wealth management, money remittance, forex, media, power generation, precious metal, securities, vehicle and asset finance and travel services among others. The Muthoot Group has not only grown exponentially but has also facilitated growth for a sizeable population of the country that falls in the underprivileged category

(* refers to entities promoted by Late Mr. M. G. George Muthoot, Mr. George Thomas Muthoot, Mr. George Jacob Muthoot and Mr. George Alexander Muthoot, operating under the brand name "The Muthoot Group")

Contents

Delivering on evolving aspirations

A growing economy with a huge aspirational population is creating more and more opportunities for us. At the same time, Government push for the affordable housing is quietly changing the rules of the game, widening the canvas for home buyers.

At Muthoot Homefin, we are expanding the scale and scope of the business at a time of interesting change. And the year gone by, saw us continue our rich tradition of value creation by implementing multiple initiatives.

During the year, we strengthened our position as one of the most preferred and trusted home loan players in the markets we serve.

Our role is to connect the dreams of New India with emerging opportunities, which will take the country to a new trajectory of growth.

Today, we are fast growing affordable housing finance company in terms of loan portfolio. As part of our core business, we provide home loans to Lower Middle Income (LMI) and Economically Weaker section (EWS).

We primarily cater to home buyers who cannot access formal credit within a reasonable time, or for whom credit may not be available at all. We help our customers meet their dream of owning their own home.

CORE VALUES OF THE MUTHOOT GROUP

While at The Muthoot Group we believe in continuous progress and development, what has remained unchanged is our belief in the culture of trust.

The following are the fundamental principles that make the core values imbibed and reflected in our culture, operations and agendas

Ethics

Our main aim is to put the needs of the customer first before anything else. We strive to provide you with the best quality of service under the Muthoot Brand Umbrella and we do the same with a smile.

Values

Accountability for all our operations and services and towards the society makes us a socially responsible and intelligent citizen. Our empire has grown leaps and bounds on the basis of these values. The times may change, but our values will remain unchanged.

Reliability

With an unblemished track record throughout the markets we serve; and across national as well as global boundaries, Muthoot Group values its commitment to customer-service.

Dependability

We do not judge ourselves by the profit we make but by the trust and confidence that people have shown in us for the past 130+ years. Over 7 million people have turned to us for help in their hour of need just because of this guiding principal of ours.

Trustworthiness

We pledge loyalty in our operations, fairness in our dealings and openness in our practices. At the Muthoot Group, we embrace policies and practices that fortify trust.

Integrity

The value is innate to a corruption-free atmosphere and an open work culture. We at the Muthoot Group therefore cultivate transparency as a work ethic.

Goodwill

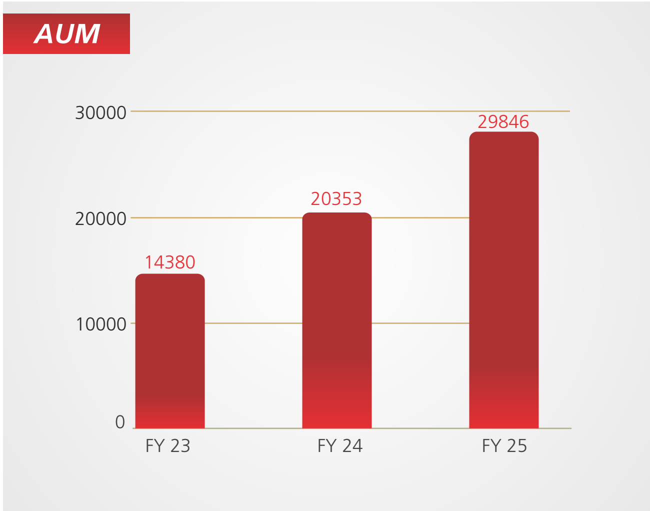
Muthoot Group serves millions of customers across the country. With an unmatched goodwill, the Company shoulders the responsibility of providing its customers services of the highest quality.

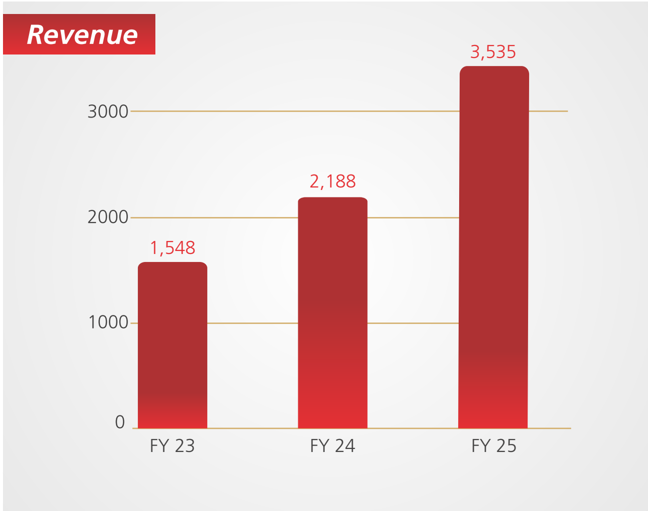
Key Highlights

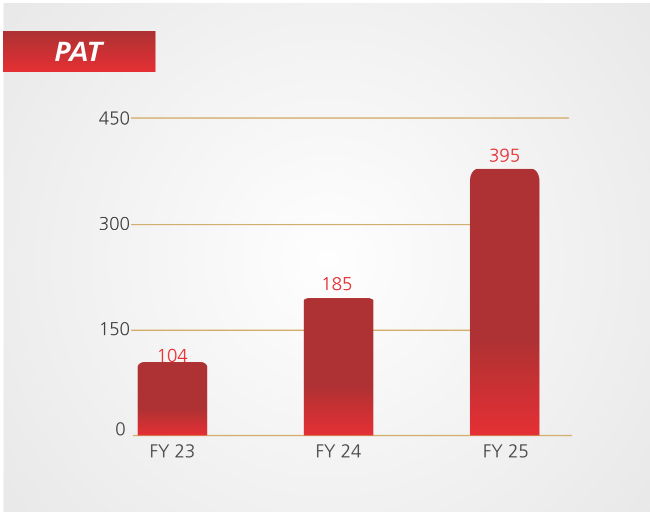
Loan Assets under Management ₹ 2,985 Crs	Loan Account 31012	Team Members 2500+
Capital Adequacy Ratio 23.16%	No of locations 163	No of States/UT 17
Yield 13.30%	Borrowing Cost 8.91%	NIM 5.83%
PAT ₹39 Cr	Return on Assets (ROA) 1.96 %	Return on Equity (ROE) 8.02%

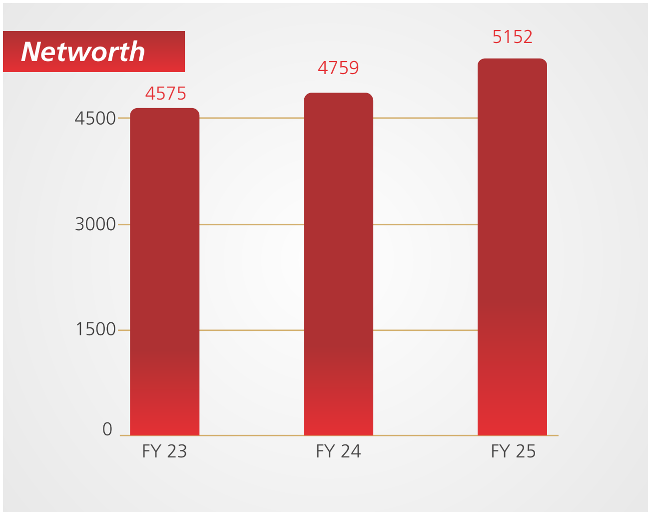
Key Performance Indicators

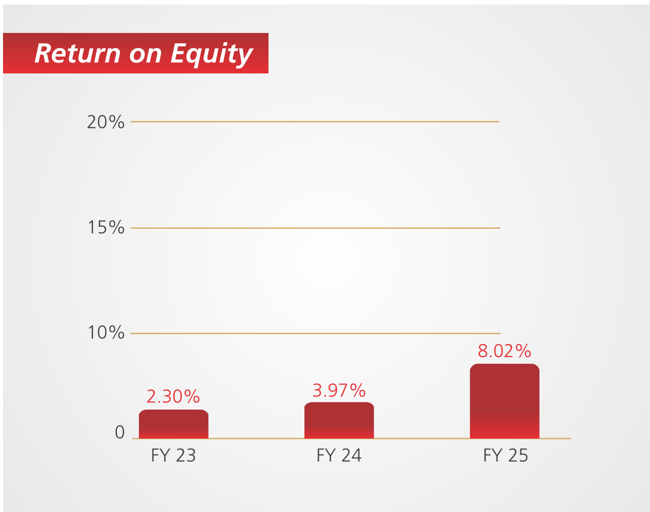
₹ in millions

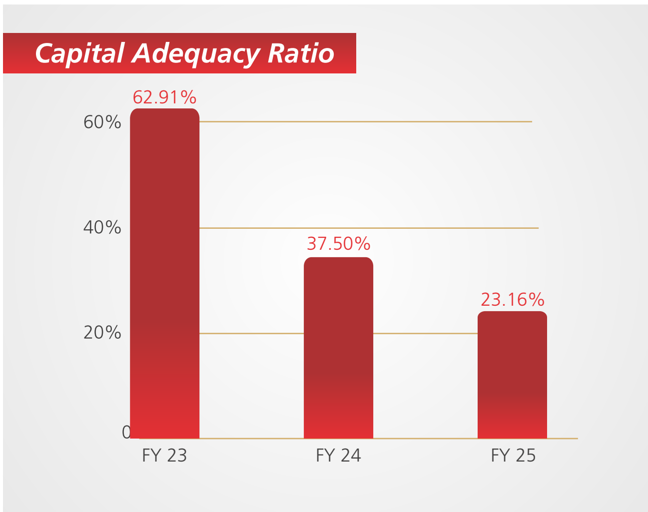




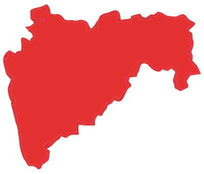


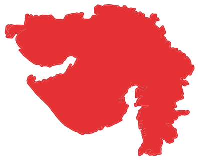






Assets under Management (AUM) Analysis

Maharashtra

Outstanding - ₹ 976 Crs.
No of Loan accounts - 10426
% Share - 33%

Gujarat

Outstanding - ₹ 305 Crs.
No of Loan accounts - 4881
% Share - 10%

Rajasthan

Outstanding - ₹ 233 Crs.
No of Loan accounts - 3419
% Share - 8%%

Madhya Pradesh

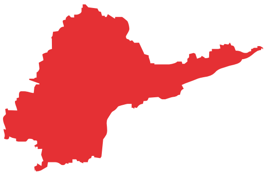
Outstanding - ₹ 237 Crs.
No of Loan accounts - 2819
% Share - 8%

Kerala

Outstanding - ₹126 Crs.
No of Loan accounts - 991
% Share - 4%

Karnataka

Outstanding - ₹218 Crs.
No of Loan accounts - 1432
% Share - 7%

Andhra Pradesh

Outstanding - ₹ 156 Crs.
No of Loan accounts - 1322
% Share - 5%

Telangana

Outstanding - ₹114 Crs.
No of Loan accounts - 798
% Share - 4%

Haryana

Outstanding - ₹113 Crs.
No of Loan accounts - 939
% Share - 4%

Chandigarh

Outstanding - ₹24 Crs.
No of Loan accounts - 224
% Share - 1%

Uttar Pradesh

Outstanding - ₹180 Crs.
No of Loan accounts - 1383
% Share - 6%

Punjab

Outstanding - ₹55 Crs.
No of Loan accounts - 609
% Share - 2%

Tamil Nadu

Outstanding - ₹170 Crs.
No of Loan accounts - 1224
% Share - 6%

Chattisgarh

Outstanding - ₹ 0.2 Crs.
No of Loan accounts - 3
% Share - 0.01%

Delhi

Outstanding - ₹45 Crs.
No of Loan accounts - 290
% Share - 2%

Pondicherry

Outstanding - ₹28 Crs.
No of Loan accounts - 217
% Share - 1%

Uttarakhand

Outstanding - ₹5 Crs.
No of Loan accounts - 35
% Share - 0.2%

Message from CEO

Dear Members,

The prime goal of Muthoot Homefin (India) Limited is to contribute towards financial inclusion of LMI families by opening doors of formal housing finance to them. Our vision is to connect with all those who need access to formal financial services.Our focus is on extending Affordable Housing Finance. We continued to work towards our objective of ensuring a roof over every Indian's head, reaching out to as many people as possible, and the noble cause continues. Our performance during the current year is a validation of how we capitalized on business opportunities and expanded our foothold in the domestic market despite various challenges faced by the sector.

It is my privilege to share with you an update on the performance of your Company for FY25, along with my perspective on the broader economic and sectoral environment in which we operate. We continue to see a large, long-term opportunity in the affordable housing finance sector—and I am pleased to highlight that your Company is well-positioned to harness this potential. The global economy demonstrated resilience during FY25 despite continued geopolitical uncertainties and trade tensions. Inflationary pressures eased, offering central banks some flexibility to adjust policy rates. However, evolving global trade dynamics will need to be closely monitored during FY26. India's economy, supported by prudent fiscal policy and domestic demand, sustained its growth momentum. According to the National Statistical Office's (NSO's) second advance estimates, GDP is expected to grow at 6.5% in FY25, following a robust 9.2% growth in FY24. While global headwinds persist, India remains poised for steady growth, aided by government spending on infrastructure and employment schemes, tax relief measures, easing inflation, and RBI's accommodative stance on monetary policy. However, one cannot ignore the global trade dynamics and the uncertainty caused by its volatility.

Amidst macroeconomic flux and evolving regulatory frameworks, we advanced with measured caution, with clarity of direction and confidence in our design. FY 2024–25 was a year of growth. Disbursements remained robust in our core geographies. Portfolio quality held strong, even as we embedded early warning systems deeper into our credit engine. We pruned with purpose and expanded with precision.

India's progress over the past decade has been quite remarkable. The economy's global position has gone from the tenth largest ten years ago to the fifth largest today. As the country approaches a new era of progress and development, the vision of building a Viksit Bharat calls for housing to play a pivotal role in fostering a prosperous, sustainable, and inclusive future. The reason why housing is crucial is because it is a huge employment generator and also has significant backward and forward linkages to key sectors in the economy. The government has therefore been supportive of growth in housing and been instrumental in providing necessary impetus especially towards the needs of the low-income and weaker segments. During the year, PMAY-U 2.0 was launched with an objective of providing financial assistance to 1 crore urban middle-class and economically weaker families over next five years.

Low and Mid-income housing clearly became the front-runner of driving the housing sector growth at the backdrop of government's reformatory push, as more private players entered the space. Housing demand in India is expected to be strong, underpinned by strong economic activity, increasing middle class population, rapid industrialization, increasing working-age population, increase in per capita incomes and nuclearization of families. Most of our borrowers are first time home buyers. We will continue to abide by our dictum to have a judicious lending mix with very gradual and calibrated foray into non-housing and non-salaried category while, our core business principle of staying a purely retail and affordable home lender for lower income group of customers would continue to be sacrosanct for us. We have always been consciously conservative in our lending approach to ensure good asset quality, which is our USP.

Fiscal year 2025, I am pleased to report that Muthoot Homefin (India) Limited has continued to demonstrate exceptional resilience and growth, despite the challenging economic landscape. The Indian housing finance industry faced several headwinds during this period, including rising interest rates, geopolitical tensions, and inflationary pressures. However, our strategic initiatives and unwavering commitment to our customers have enabled us to navigate these challenges successfully.

Key Financial Highlights:

- **AUM** : INR 29,846 million (up from INR 20,353 million in the previous year)
- **Disbursements :** INR 12,419 million (up from INR 8,146 million in the previous year)
- **Revenue from Operations:** INR 3,263.32 million (up from INR 1,988.85 million in the previous year)
- **Profit before tax:** INR 540.47 million (up from INR 255.92 million in the previous year)
- **Profit after tax:** INR 394.79 million (up from INR 184.93 million in the previous year)
- **Gross NPA:** 1.17% (down from 1.88% in the previous year)
- **Net NPA:** 0.46% (down from 0.57% in the previous year)
- **CRAR:** 23.16% (down from 37.50% in the previous year)

Our strong financial performance is a testament to our team's dedication and the effectiveness of our business model. We have successfully managed our risk exposure, maintained a healthy capital base, and delivered value to our shareholders.

Operational Highlights:

- Disbursed INR 12,419 million during the year as compared to INR 8,146 million in the previous year
- Asset under Management (AUM) increased to INR 29,846 million from INR 20,353 million in the previous year
- Successfully expanded our reach into new markets and segments
- Launched innovative products to cater to the evolving needs of our customers

The current financial year FY 2025 shines no less for Muthoot Homefin. We are striving to further streamline processes by performing rigorous MIS analysis and risk analytics. The company will be focusing on further increasing its presence across the length and breadth of the nation by opening new branches, and also invest in technology and manpower that will enable various business functions. We hope to further leverage the brand, infrastructure and customer base of our parent company Muthoot Finance. Special focus would be given to cross-selling of Home Loans to the strong customer base of the Muthoot Group.

We have huge opportunities ahead of us. Finding the way forward is always challenging, but I am confident that, at MHIL, we have the vision, competency and financial strength to turn today's opportunities into tomorrow's success. We believe we are moving towards an era of better performance with more speed, efficiency and superior analytical insights. And these will enable better underwriting of loans ensure shorter turn-around times (TAT) along with enhanced customer satisfaction and more profitability.

I am delighted to be associated with the enthusiastic and passionate team to fulfil the long cherished dreams of EWS/LMI families to "own a home". I thank all the employees for their utmost commitment, Board of Directors for their insights and guidance, National Housing Bank (NHB), our Bankers, Rating Agency, Auditors, Business Partners, Muthoot family and our customers who have placed the trust and faith in Muthoot Homefin for helping them own their dream home.

Regards,
Shri Alok Aggarwal
Chief Executive Officer
Muthoot Homefin (India) Limited

Board of Directors

Mr. George Thomas Muthoot (Non-Executive Director)

- Businessman by profession
- 45+ years' experience in managing businesses operations in the field of financial services.
- Sustainable Leadership Award 2014 by the CSR Congress in the individual category

Mr. George Alexander Muthoot (Non-Executive Director)

- Qualified Chartered Accountant; ranked first in Kerala and 20th in India in 1978 Bachelor's degree in Commerce with a gold medal from Kerala University
- 40+ years' experience in managing business in the field of financial services
- Served as Chairman of Kerala Non Banking Finance Companies' Welfare Association from 2004 – 2007
- Former Member Secretary of Finance Companies Association, Chennai.
- Currently, President of Association of Gold Loan Companies in India
- Active member of Confederation of Indian Industry (CII)
- 'CA Business Leader Award' under Financial Services Sector from the Institute of Chartered Accountants of India for 2013
- Times of India group Business Excellence Award in Customised Financial Services in March 2009

Mr. Eapen Alexander Muthoot (Whole Time Director)

- MBA from the Fuqua School of Business at Duke University, USA.,
- MSc. in International Political Economy from the London School of Economics, UK
- B.A Economics (Honours) from St. Xavier's College, Mumbai University.
- Currently heading the Housing Finance and Vehicle Finance verticals of The Muthoot Group, Eapen plans to expand and leverage the Group's brand and infrastructure into new product lines
- Director in CRIF High Mark Credit Information Services Private Limited, a RBI licensed credit information bureau
- Prior to joining Muthoot, worked with ICRA Limited, a leading credit rating agency in India.

Mr. K R Bijimon (Non-Executive Director)

- Fellow Member of the Institute of Chartered Accountants of India
- Bachelor's Degree in Law (LLB), a Bachelor's Degree in Science (BSc) and a Master's Degree in Business Administration (MBA).
- Certified Associate of the Indian Institute of Bankers (CAIIB) and a Fellow Member of Certified Management Accountants (FCMA), Institute of Sri Lanka
- 25+ years' experience in the field of financial services
- Chief General Manager of Muthoot Finance Limited
- Chief Operating Officer for the global operations of Muthoot Group (and manages the Global Operations Division of the Muthoot Group (USA, UK, UAE, Hong Kong, Singapore and Sri Lanka).
- Presently, he also holds Directorship in companies like Belstar Microfinance Limited, Muthoot Money Limited, Muthoot Forex Ltd, Muthoot Securities Ltd, Muthoot Commodities Ltd and Asia Asset Finance PLC (Sri Lanka).

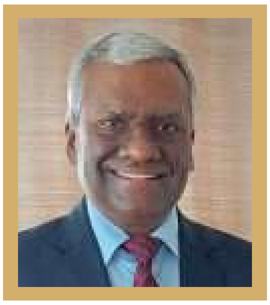
Board of Directors

Mrs. Anna Alexander (Non-Executive Director)

- Bachelor's degree in Commerce.
- 20+ years' experience managing several financial service entities.

Mr. Jose Kurian (Independant Director)

- M. Tech. in Structural Engineering from Indian Institute of Technology, Delhi
- Post Graduate Diploma in Earthquake Engineering from the International Institute of Seismology and Earthquake Engineering, Japan.
- B. Tech. in Engineering, National Institute of Technology, Calicut, Kerala
- 45+ years' experience in Construction Project Management and Administration.
- Former President of the Indian Concrete Institute,
- Former Central Engineering Services officer belonging to the Central Public Works Department
- Currently working as Team Leader, CDM Smith India, Consultant to Govt. of Kerala for creating infrastructure for their Additional Skill Development Programme (ASAP).
- He has received the Lifetime Achievement Award 2016 from the Indian Concrete Institute, CIDC Viswakarma Public Officer Award 2011 and best paper medals from the Indian Roads Congress as well as the Indian Concrete Institute.



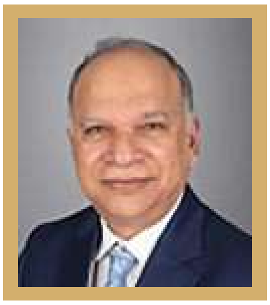
Mr. KV Eapen (Independant Director)

- Retired IAS officer (1984 batch) with over 35 years of service in the Government of India and the State Government of Assam.
- Degrees in Economics from St. Stephen's College and the Delhi School of Economics.
- Advanced qualifications in Management and Macroeconomic policy from MDI Gurgaon and the University of Bradford, UK.
- Former Secretary to the Government of India, Ministry of Personnel
- Held position as Joint Secretary of the Department of Financial Services, leading initiatives in digital payments and financial inclusion.
- Served as Additional Chief Secretary in Assam, overseeing Finance, Power, and other critical sectors
- Held additional charges in the Ministries of Development of the Northeast Region and Statistics
- Represented India at global forums like the G-20 and the IMF
- Post-retirement, he served as Administrative Member of the Central Administrative Tribunal
- Currently continues to contribute as an Independent director on boards such as Shriram Asset Management Company and slice Small Finance Bank.

Board of Directors

Mr. V.C. James (Independent Director)

- Fellow member of the Institute of Chartered Accountants of India
- Bacherlor's degree in Chemistry from University of Kerala
- 38+ years' experience in the profession of Chartered Accountancy
- Former central council member of the Institute of Chartered Accountants of India
- Former Chairman of Souther India Chartered Accountants, Chennai
- Currently, he is a senior partner at M/s Sankar & Moorthy, a leading chartered accountants' firm in Cochin.



Mr. Jacob K. Varghese (Independent Director)

- Member of Institute of Chartered Accountants of India and Institute of Company Secretaries of India
- 38+ years' experience in Indian and foreign taxation, auditing and indirect and direct tax laws and practicing in the name of J.K. Varghese & Co., Chartered Accountants in Mumbai from 1983
- He is a Board member and Treasurer of Haggai Institute-India
- Chairman of school managing committee of St. Mary's ICSE School, Koparkhairne, Navi Mumbai
- Trustee of Indira Institute of Business management, Sanpada, Navi Mumbai

Management Team

Mr. Alok Aggarwal (Chief Executive Officer)

Alok Aggarwal brings over 25 years of distinguished experience across banking, housing finance, and retail lending. Since joining Muthoot Homefin as CEO in January 2023, he has spearheaded expansion into Tier 2 and Tier 3 markets, leveraging the trusted Muthoot brand and its extensive customer base A seasoned leader, Alok has held key positions with HDFC Bank, Citigroup, Tata Capital, Magma Housing Finance, and Equitas Small Finance Bank. He also served as Managing Director & CEO of National Trust Housing Finance Ltd, where he drove organisational growth and deepened engagement with regulators, banks, rating agencies, and other stakeholders.

Alok holds an MBA in Finance from ICFAI Business School, Hyderabad (on a merit scholarship), and a B.Com (Hons) from the University of Delhi. He has further enriched his leadership acumen through executive education programs at premier global institutions: INSEAD (Fontainebleau), IESE Business School Barcelona, and London Business School (executive leadership and crisis management).

Alok's leadership philosophy centres on fostering a high-performance culture rooted in trust, empowerment, empathy, and open communication. He champions continuous learning and transformative performance evaluation, believing in the power of meaningful conversations that fuel individual and organisational growth.

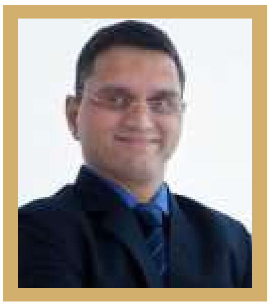
Committed to advancing financial inclusion, Alok is focused on scaling Muthoot HomeFin's presence across emerging regions, enhancing digital capabilities, and delivering tailored home finance solutions to underserved, lower-middle-income households. His vision is to cement Muthoot HomeFin's position as a housing finance institution that empowers customers to achieve their homeownership dreams.

Mr. Pandurang Kadam (Chief Financial Officer)

Mr. Pandurang Kadam is a qualified Chartered Accountant and has a 18 years of diversified experience with expertise in Finance. In his role as a Chief Financial Officer, he is responsible for Fund Raising, Finance and Accounts. Prior to Joining Muthoot Homefin (India) Ltd., he was the Chief Financial Officer at India Home Loan Ltd. He has also worked with companies such as IndoStar Capital Finance Ltd., Karvy Financial Services Ltd. and Anand Rathi Group.

Mr. Dhananjay Munshi (Head - Credit)

Mr. Dhananjay Munshi is a Mechanical Engineer and holds a Master's degree in Marketing Management from the Mumbai University. He has a work experience of 20+ years in the mortgage industry with overall exposure to all the mortgage departments. He has an expertise in the affordable loan segment where he has developed processes and systems to enable a robust credit module. Prior to Joining Muthoot Homefin (India) Ltd., he was working with Capri Global Capital Ltd. as a National Credit Manager and was responsible for credit underwriting and process management of Affordable home loan and small ticket Loan against property.



Mr. Prasad Bendre (Head – Operations)

Mr. Prasad Bendre is a seasoned professional with over 31 years of experience in Credit and Operations. Commerce graduate with a Postgraduate degree in International Business and Diploma in Financial Management and Business Administration. Completed MDP from IIM-Ahmedabad and Senior Leadership Program from INSEAD Singapore. Faculty at the Indian Institute of Banking and Finance. Worked with esteemed organizations including Manappuram Home Finance, DHFL, IDBI Home Finance, Tata Home Finance, Gruh Finance, and Global Housing.

Management Team

Mr. Nawnit Kumar Pandey (Head- Sales)

Mr. Nawnit Kumar Pandey, holds a Masters Degree from Pune University. He brings with him an impressive 21 years of experience in sales, having worked with esteemed organizations like Roha Housing Finance, Tata Capital Housing Finance, Aditya Birla Capital, Aadhar Housing, Fullerton India, and ICICI Bank. Prior joining Muthoot Homefin , he served as the National Sales Manager at Roha Housing Finance.

Mr. Vamsidhar Nookala (Head- Technical)

Mr. Vamsidhar has a total of 14 Years of experience in Technical Valuation. He has completed his BE Civil Engg from BITS - Pilani University. Prior to joining Muthoot Homefin, he was associated with IIFL as Head Retail Technical. During his career he has also worked with companies like Larsen & Toubro Ltd, ICICI Bank.

Mr. Dhirajprakash Jha (Lead Information Technology & Analytics)

Mr. Dhirajprakash Jha is a Management graduate from Mumbai University & completed his Masters in Business Administration from Welingkar Institute of Management Development & Research. Subsequently he has completed PGDM in International Business from Welingkar Institute of Management Development & Research. Dhiraj brings on the table over 14+ years of experience in Information Technology, Digital Transformation, Analytics, Planning, Strategy & Business Intelligence. Dhiraj was associated with companies like Edelweiss Tokio Life Insurance, Future Generali India Insurance. Prior to joining Muthoot Home.

Mr. Rajendra Kokate (Lead Collections)

Mr. Rajendra Kokate has joined us as Lead – Collections based out at our Corporate Office. He has a total of 25 Years of experience in Collections. He has completed his L.L.B from Pune University Pune and Post-Graduation Diploma in Business Management in Banking and finance. Prior to joining Muthoot, he was associated with Shiram Housing Finance Ltd as State Collections Manager. During his career he has also worked with companies like Fullerton India & GE money.

Moona Selim (Company Secretary)

CS Moona Selim is an Associate Member of the Institute of Company Secretaries of India (ICSI) and holds a Postgraduate degree in Commerce. Before joining Muthoot Homefin in February 2025, she served as the Assistant Company Secretary at Lakeshore Hospital and Research Centre Limited, a premier multi-specialty hospital in Kochi. There, she was an integral part of the core team, collaborating with skilled corporate professionals to manage and streamline corporate compliances and audits across various domains

Report Of The Board Of Directors

Dear Members,

The Board of Directors of your Company have great pleasure in presenting the 14th Annual Report of Muthoot Homefin (India) Limited ("MHIL" or "Company") enumerating the business performance along with the Audited Financial Statements for the financial year ended March 31, 2025.

Financial Summary

The summary of financial performance of the Company for the year ended March 31, 2025 are as under:

(Amount in millions)

Particulars	As at and for the year ended March 31, 2025	As at and for the year ended March 31, 2024
Revenue from Operations	3263.32	1,988.85
Total income	3534.70	2,187.71
Total Expenses	2994.23	1,931.79
Profit Before Tax	540.47	255.92
Tax expenses	145.68	70.99
Profit for the period	394.79	184.93
Gross NPA (%)	1.17%	1.88%
Net NPA (%)	0.46%	0.57%
CRAR (%)	23.16%	37.50%
CRAR - Tier I Capital (%)	22.63%	36.90%
CRAR – Tier II Capital (%)	0.53%	0.60%

Share Capital

During the financial year, there was no change in the capital structure of the Company. The capital structure of the Company as on March 31, 2025:

	Aggregate value
Authorised share capital	
150,000,000 Equity Shares of face value ₹10 each	1,500,000,000
Issued, subscribed and paid up Equity Share capital	
119,155,843 Equity Shares of face value ₹10 each	**1,191,558,430**

Management Discussion and Analysis Report

In accordance with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Directions"), a detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report **(Annexure 1)**

Dividend

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the financial year ended March 31, 2025. The Directors also inform that the Company has not declared any interim dividend during the year.

Transfer to Reserve Fund

Under Section 29C of the National Housing Bank Act, 1987, Housing Finance Companies ('HFCs') are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Your Company has transferred an amount of Rs. 78.96 million to the reserve fund for FY 2024-25. The statutory reserve balance as at March 31, 2025 is Rs.472.24 million.

State of affairs of the Company

Your Company is a retail affordable housing finance company primarily serving low and middle-income self-employed customers, salaried-formal and informal in semi-urban and rural areas in India. It offers customers home loans for the purchase or construction of residential properties, and for the extension and repair of existing housing units. As of March 31, 2025, a majority of the home loans disbursed were for single unit properties, almost all of which were to be occupied by the borrowers themselves. A majority of its customers had limited access to formal banking credit.

The company disbursed INR 12419 million during the year as compared to INR 8,146 million during the previous year. Despite slowdown in real estate market in some parts of the country, stiff competition from Banks & HFCs, MHIL managed to deliver a fairly good performance. The Asset under Management (AUM) is INR 29,846 million as against AUM of INR 20,353 million in the previous year. The customer profile continues to be dominated by the salaried and professional category, accounting for ~51% of the total portfolio. The average ticket size loan is INR 12 Lakhs.

Change in the nature of business

During the year, there was no change in the nature of business of the Company.

Resource Mobilisation

Your Company's Resource Planning Policy has been approved by the Board. The Company has obtained approval for borrowings vide special resolution passed by shareholders at their Annual General Meeting held on August 08, 2019, under section 180(1)(c) and other applicable provisions of the Companies Act, 2013 and has authorised the Board of Directors to raise or borrow any sum or sums of money (apart from temporary loans obtained or to be obtained from the Company's Bankers in the ordinary course of business) not exceeding INR 50,000 million. Total borrowings as on March 31, 2025 was INR 21028 million, as compared to INR 13,147million as at March 31, 2024

i) Secured Redeemable Non-Convertible Debentures (NCDs)

During the year under review, The Company has an aggregate outstanding balance of Rs. 2,181.87 million of Secured Redeemable NCDs as on March 31, 2025. Further, the Company redeemed NCDs amounting to Rs. 968.35 million during the year, issued on public placement basis. Also issued commercial paper worth 50 Crore during the year and repaid the same

Your Company has been prompt and regular in making payment of principal and interest on the NCDs and the same has been reported to BSE Limited, the Trustees, Depositories and respective Credit Rating Agencies. The NCDs are listed on BSE Limited. The Company has complied with the provisions of Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and SEBI (Issue and Listing of Non- Convertible Securities) Regulations, 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ii. Bank Finance

As part of our robust asset-liability management strategy, your Company remains committed to diversifying its funding sources. This approach allows us to achieve a more suitable maturity schedule for our liabilities and to optimize the average cost of our borrowed funds.

During the financial year, we successfully secured new bank facilities totalling Rs. 11,250 million from a range of financial institutions. The continued support from commercial banks underscores their confidence in your Company's financial health and strategic direction.

iii. Direct Assignment

The Company also does Direct Assignment businesswhereby pools of Loan against property (LAP) are sold to PSU and private sector banks, with the Company retaining minimum portion of the portfolio and continuing to act as the servicing agent. Direct Assignment is an important part of the overall borrowing strategy of the Company and we intend to use the same to deepen our relationship with our banking partners. This also helps to capital optimisation and helps in transfer of the credit risk as risk sharing between the bank purchasing the pool and the Company is pari passu in ratio of the pool transferred to bank and held back by the Company. As at March 31, 2025, the total outstanding loans assigned was INR 4,140 million.

iv. Refinance from National Housing Bank (NHB)

As at March 31, 2025, the outstanding debt from NHB stood at INR 1,420.47 million.

The details in respect of the funding sources of the Company is also included in the Management Discussion and Analysis, which forms an integral part of this Annual Report.

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

i. The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance company after the date on which the non-convertible debentures became due for redemption : 1475

ii. The total amount in respect of such Debentures remaining unclaimed or unpaid beyond the date of such debentures become due for redemption : 19,24,534

Regulatory Guidelines and Statutory Compliances

Your Company has complied with the applicable statutory provisions including inter alia the Companies Act, 2013 and Rules made thereunder, Income Tax Act, 1961, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Directions") and various circulars, notifications, directions and guidelines issued by NHB / RBI from time to time and all other laws as may be applicable to the Company. Your Company has also complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India. Circulars and Notifications issued by regulators were also placed before the Board of Directors at regular intervals to update the Board members on compliance of the same.

The Company has finalised its financial statements for the year under review as per the Accounting standards issued by Institute of Chartered Accountants of India and Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 as applicable. No Fines/Penalties was levied by NHB / RBI during the year 2024-25.

Credit rating

Rating Agency	Type	As at March 31, 2025	As at March 31, 2024
CARE	Commercial Paper	CARE A1+	CARE A1+
CARE	Non-Convertible Debentures	CARE AA+/Stable	CARE AA+/Stable
ICRA	Commercial Paper	ICRA A1+	ICRA A1+
CRISIL	Term Loan Borrowings	CRISIL AA+/Stable	CRISIL AA+/Stable
CRISIL	Non-Convertible Debentures	CRISIL AA+/Stable	CRISIL AA+/Stable

Capital Adequacy Ratio

As required under Housing Finance Companies (NHB) Directions, 2010, your Company is presently required to maintain a minimum capital adequacy of 15% on a standalone basis. Your Company's Capital Adequacy Ratio as on March 31, 2025 stood at 23.16% which provides an adequate cushion to withstand business risks and is much above the minimum requirement of 15% stipulated by the NHB. Out of the above, Tier I capital was 22.63% against the minimum required of 10% and Tier II capital was 0.53%.

Listing

The Secured Redeemable Non-Convertible Debentures of your Company are listed on BSE Limited. Your Company has paid required listing fee to the Stock Exchange. During the year under report, your Company has complied with various provisions, regulations and guidelines prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and other applicable listing obligations.

Debenture Trustee

Catalyst Trusteeship Limited
CIN: U74999PN1997PLC110262
Address: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune - 411 038
Telephone: +91 (020) 2528 0081
Fax: +91 (020) 2528 0275
E-mail: dt@ctltrustee.com
Website: www.catalysttrustee.com

Vardhman Trusteeship Pvt Limited
CIN: U65993WB2010PTC152401
Address: The Capital, 412A, Bandra Kurla Complex, Bandra East, Mumbai 400051
Telephone: +91 (022)-(42648335)
Fax: +91 (022)-(42648335)
E-mail: corporate@vardhmantrustee.com
Website: https://vardhmantrustee.com/

Annual return

A copy of the annual return as provided under section 92(3) of the Companies Act, 2013, in the prescribed form, which will be filed with the Registrar of Companies/MCA, is hosted on the Company's website and can be accessed at https://www.muthoothomefin.com/annual-reports#Investors

Particulars of loans, guarantees or investments under section 186 of the companies act, 2013

Pursuant to Section 186(11)(a) of the Companies Act, 2013 (the 'Act') read with Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the loan made, guarantee given or security provided in the ordinary course of business by a Housing Finance Company are exempt from the applicability of provisions of Section 186 of the Act. As such the particulars of loans and guarantee have not been disclosed in this Report. The details of the Investments of the Company are furnished under Note 7 of Notes forming part of the Financial Statements for the year ended March 31, 2025

Particulars of contracts or arrangements with related parties

As mandated under the RBI Directions, the Board of Directors of your Company has formulated a policy on related party transactions, which is displayed on the web site of the Company at www.muthoothomefin.com/policies/and forms part of this Annual Report (**Annexure 2**). This policy deals with review of the related party transactions and regulates all transactions between the Company and its Related Parties.

All Related Party Transactions (RPTs) that were entered during the financial year were in the ordinary course of business of the Company and were on arm's length basis. All such Related Party Transactions are placed before the Audit Committee of the Board for approval / ratification / review, wherever applicable. Your Directors draw attention of the Members to Note 35 to the financial statement which sets out related party disclosures. During the year, your Company has not entered into any material transactions exceeding the threshold limits as prescribed under Rule 15 sub rule (3) of Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014. Pursuant to the provisions of Section 134(3)(h) read with Rule 8(2) of the Companies (Accounts) Rules, 2014, particulars of the contracts or arrangements with related parties referred to in section 188(1) in Form AOC-2 is annexed as **Annexure 2A** of this report.

Subsidiaries, Joint ventures and Associate companies

Your Company is a wholly owned subsidiary of M/s. Muthoot Finance Limited. No company has become or ceased to be your Company's subsidiary / joint venture / associate company during the year.

Corporate Governance

Good corporate governance helps to build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth. The company's Philosophy of Corporate Governance is aimed at transparency in corporate decision-making, value creation, and keeping the interests of all stakeholders protected in the most inclusive way. The principal of inclusion has been the foundation of our business and governance practices.

Corporate Governance has always been an integral element of the Company to have a system of proper accountability, transparency, and responsiveness and for improving efficiency and growth as well as enhancing investor confidence. The company believes in sustainable corporate growth that emanates from the top management down through the organisation to the various stakeholders which is reflected in its sound financial system and enhanced market reputation.

The Company has framed the internal guidelines on Corporate Governance in terms with the RBI Directions which have been hosted on Company's website www.muthoothomefin.com. The Company is committed to achieving the highest standards of Corporate Governance and it aspires to benchmark itself with the best practices in this regard. The Board regularly reviews the Management's reports on statutory and regulatory compliances. Additional disclosures as specified in the RBI Circular DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 forms part of the Corporate Governance Report annexed to this Report.

Board of Directors

The composition of your Board is in conformity with section 149 of the Companies Act. As on date of this Report, your Company has eight Directors including one woman Director, three Non-Executive Directors, three Independent Directors and one Executive Director. There was no change in the Board of Directors during the financial year.

- **Change in Directors**

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. Eapen Alexander (DIN: 03493601), Whole Time Director, is liable to retire by rotation at the ensuing Annual General Meeting of the Company. He being eligible has offered himself for re-appointment. The Board recommends his reappointment to the members of the Company.

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. George Thomas Muthoot (DIN: 00018281), Non Executive Director, is liable to retire by rotation at the ensuing Annual General Meeting of the Company. He being eligible has offered himself for re-appointment. The Board recommends his reappointment to the members of the Company.

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, have recommended their re-appointment. Brief profile of Directors, seeking re-appointment, are also given in Notice of the fourteenth Annual General meeting of the Company.Brief Profile of Director seeking re-appointment are also available in the Website of the Company at www.muthoothomefin.com/

*Mr. K V Eapen (DIN:01613015) was appointed as Additional (Independent) Director with effect from 11.06.2025 subject to regularisation in 14th Annual General Meeting.

All the directors of the Company have confirmed that they satisfy the Fit and Proper criteria as prescribed under Housing Finance Company (Reserve Bank), Directions,2021 that they are not disqualified from being Appointed as directors in terms of Section 164(2) of the Companies Act, 2013.

Brief details of Directors, who is seeking re–appointment, are given in the Notice of fourteenth AGM.

Meetings of the Board

During the financial year, the Board of Directors met six times on 06.05.2024, 08.08.2024, 29.10.2024, 12.11.2024, 03.02.2025 and 28.03.2025

Committees of the Board:

i) Audit Committee
The Audit Committee was constituted on 21.01.2015 and last reconstituted on 02.08.2019. The members of the Audit Committee are Mr. Eapen Alexander (Whole time Director), Mr. Jose Kurian (Independent Director), Mr. V. C. James (Independent Director) and Mr. Jacob K. Varghese (Independent Director). During the financial year, the Audit Committee met four times on 06.05.2024, 08.08.2024, 12.11.2024 and 03.02.2025

ii) Nomination and Remuneration Committee
The Nomination and Remuneration Committee was constituted on 21.01.2015 and last reconstituted on 02.08.2019. The Committee comprises of Mr. K. R. Bijimon (Non - Executive Director), Mr. Jose Kurian (Independent Director), Mr. V. C. James (Independent Director) and Mr. Jacob K. Varghese (Independent Director). During the financial year, the Committee met four times on 06.05.2024, 08.08.2024, 29.10.2024 and 03.02.2025.

iii) Corporate Social Responsibility Committee
The Corporate Social Responsibility Committee was constituted on 23.10.2017. The Committee comprises of Mr. Eapen Alexander (Whole time Director), Mr. Jose Kurian (Independent Director) and Mr. K.R. Bijimon (Non-Executive Director). During the financial year, Committee met once on 08.08.2024.

iv) Risk Management Committee
The Risk Management Committee was constituted on 20.02.2016 and was re-constituted on 23.10.2020 with Mr. Eapen Alexander (Whole time Director), Mr. George Alexander Muthoot (Non-Executive Director) and Mr. K. R. Bijimon (Non-executive Director) as the members of the Committee. During the financial year, the Committee met four times on 04.05.2024, 29.07.2024, 06.11.2024 and 21.01.2025.

v) Asset Liability Management Committee
The Asset Liability Management Committee was constituted on 20.02.2016 and was re-constituted on 06.02.2024 with Mr. Eapen Alexander (Whole time Director), Mr. George Alexander Muthoot (Non-Executive Director), Mr. K. R. Bijimon (Non-executive Director), Mr. Jacob K. Varghese (Independent Director), Mr. Jose Kurian (Independent Director) and Mr. V C James (Independent Director) as the members of the Committee. During the financial year, the Committee met four times on 06.05.2024, 08.08.2024, 12.11.2024 and 03.02.2025.

vi) Stakeholder Relationship Committee
The Stakeholder Relationship Committee was constituted on 13.05.2019. The Committee comprises of Mr. Jose Kurian (Independent Director), Mr. V. C. James (Independent Director) and Mr. Eapen Alexander (Whole time Director). During the financial year, the Committee met four times on 06.05.2024, 08.08.2024, 12.11.2024 and 03.02.2025.

vii) IT Strategy Committee
Pursuant to Master Direction – Information Technology Framework issued by RBI for NBFC / HFC sector, the Company has in place an IT Strategy Committee. IT Strategy Committee was constituted on 08.05.2018 and was reconstituted on 06.02.2024. During the financial year, the Committee met four times on 15.04.2024, 26.07.2024, 05.11.2024 and 21.01.2025.

viii) Finance Committee
Finance Committee was constituted on 02.01.2016 and was reconstituted on 20.09.2018. The Members of the Committee are Mr. George Alexander Muthoot (Non-Executive Director), Mr. George Thomas Muthoot (Non-Executive Director), Mr. Eapen Alexander (Whole time Director) and Mr. K. R. Bijimon (Non-executive Director). During the financial year, the Committee met nine times on 06.05.2024, 10.06.2024, 29.07.2024, 06.08.2024, 13.06.2023, 26.09.2024, 17.10.2024 17.12.2024 and 25.03.2025.

Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the Independent Directors appointed during the year

The Independent Directors are selected as per the applicable provisions of the Companies Act, 2013, and are in terms of the RBI Directions. The integrity, expertise and experience of the Independent Directors have been evaluated by the Nomination and Remuneration Committee and the Board of Directors at the time of appointment/re-appointment. The Board is of the opinion that the Independent Directors of the Company have the highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

Declaration of independence from Independent Directors

The independent directors, namely Mr. Jose Kurian, Mr. V. C. James and Mr. Jacob K. Varghese, have submitted necessary declarations/disclosures to the effect that they meet the criteria of independence as provided in section 149(7) of the Companies Act, 2013 (the Act) as prescribed under Section 149(6) of the Act. They have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In term of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered with the databank maintained by the Indian Institute of Corporate Affairs ("IICA").

All the Independent Directors have complied with the code of conduct as prescribed in Schedule IV of the Companies Act, 2013.

Key Managerial Personnel

During the year under review, there were changes in the office of Key Managerial Personnel (KMP), of the Company.

Ms. Riya P. G., Company Secretary and Compliance Officer, resigned from her position due to personal reasons. Subsequently, Ms. Ridhi Jain was appointed as the Company Secretary and Compliance Officer. However, she tendered her resignation during the year. Following her departure, Ms. Moona Selim was appointed as the Company Secretary.

The Board places on record its appreciation for the contributions made by Ms. Riya P. G. and Ms. Ridhi Jain during their tenure with the Company.

The Key Mangerial personnel of the Company as on March 2025 are as follows

- Mr. Alok Aggarwal – Chief Executive Officer
- Mr. Pandurang Kadam - Chief Financial Officer
- Ms. Moona Selim M V –Company Secretary

Policy on appointment of Directors and Remuneration policy of the Company

Board of Directors of your Company, on recommendation of Nomination and Remuneration Committee, has formulated a policy for selection, appointment and remuneration of the directors, senior management personnel as required under Section 178(3) of Companies Act, 2013. The Policy has been aligned with the RBI Circular dated 29 April 2022 on Guidelines on Compensation of Key Managerial Personnel and Senior Management in NBFCs pursuant to Scale Based Regulatory Framework. The Policy is displayed on the website of the Company at www.muthoothomefin.com/policies. The terms of reference of the Nomination and Remuneration Committee is included in the Corporate Governance Report.

The Company has also adopted a 'Fit and Proper' Policy for ascertaining the 'fit and proper' criteria to be adopted at the time of appointment of directors and on a continuing basis, in terms with the RBI Directions which is also displayed on the Company website at www.muthoothomefin.com/policies. The Company has received the 'Fit and Proper' declarations from all the Directors of the Company, which have been taken on record by the Nomination and Remuneration Committee.

During the financial year, there were no pecuniary relationship/ transactions of any of the non-executive directors with the Company apart from their sitting fee as directors and transactions in the ordinary course of business and on arm's length basis at par with any member of general public.

Evaluation of Directors, Board and Committees

Pursuant to the provisions of the Act and Rules made thereunder, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of the Committees of the Board. The Board performance was evaluated based on the feedback received from each Director about their views on the performance of the Board covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and quality of relationship between the Board and the Management etc. Feedback was also taken from every director on his assessment of the performance of each of the other Directors. The Independent Directors shared their views amongst themselves evaluating the performance of the non-independent directors and performance of the Board as a whole. The Nomination and Remuneration Committee has also reviewed the performance of the individual directors based on their knowledge, level of preparation and effective participation in meetings, understanding of their roles as directors etc.

Independent Directors Meeting

Pursuant to Section 149(8) read with Schedule IV of the Act, and Regulation 25(3) of SEBI Listing Regulations, the Independent Directors shall hold at least one meeting in a financial year without the presence of Non Independent Directors and members of the management. The meeting of Independent Directors of the Company was held on 19 March 2025. The Independent Directors at the meeting held on 19 March 2025, inter alia:

- Noted the report of performance evaluation of the Board & its committees for the year 2024-25.
- Reviewed the performance of Non-Independent Directors and the Board as a whole.
- Reviewed the performance of the Chairman of the Board taking into account the views of Executive Directors and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Corporate Social Responsibility

Your Company has constituted a Corporate Social Responsibility Committee in compliance with the provisions of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company's CSR policy is committed towards CSR activities as envisaged in Schedule VII of the Companies Act, 2013. The details of CSR policy of the Company are available on the website of the Company at https://www.muthoothomefin.com/policies. During the year, your company was required to spend INR 2.88 million on CSR activities. The annual report as prescribed under the Companies (Corporate Social Responsibility Policy) Rules 2014 is annexed to this report as **Annexure 3.**

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

Conservation of energy, Technology absorption and Foreign exchange earnings and outgo

Considering its nature of activities, the following disclosures are made as per the provisions of section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014:

- **Conservation of energy**

  The Company's operations call for nominal energy consumption cost and there are no major areas where conservation measures could be applied on. However, the Company is making continuous efforts to conserve energy and optimize energy consumption practicable by economizing the use of power.

- **Technology Absorption**

  The Company has always been using the latest technology available in the industry. Accordingly, efforts are made to maintain and develop the quality of the product to meet the expectation of market

- **Foreign Exchange Earnings & Outflow**

  There are no foreign exchange earnings or outgo during the period under review.

Risk Management

Your Company has a comprehensive Risk Management Policy in place and has laid down a well-defined risk management framework to identify, assess and monitor various elements of risk involved in the business and strengthen controls to mitigate risks. The details in respect of risk management is included in the Management Discussion and Analysis, which forms an integral part of this Annual Report.

The Board is of the opinion that there are no elements of risk that may threaten the existence of the Company

Internal Financial Controls

The Company has in place adequate financial controls commensurate with its size, scale and complexity of operations with reference to its financial statements. These have been designed to provide reasonable assurance regarding recording and providing financial information, ensuring integrity in conducting business, accuracy and completeness in maintaining accounting records, prevention and detection of frauds and errors. The details in respect of internal financial control and their adequacy are also included in the Management Discussion and Analysis, which forms an integral part of this Annual Report.

The Audit Committee and Board reviewed the internal financial control and are of the opinion that internal financial controls with reference to the financial statements are adequate and operating effectively.

Material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of the report, in terms of Section 134(3)(l)

There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Maintenance of cost records

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company

Public deposits

The Company being a non-deposit accepting housing finance company, the provisions / disclosures under Chapter V of the Companies Act and Chapter VII of the RBI Directions are not applicable.

Statutory Auditor

M/s. Kolath & Co, Chartered Accountants (Registration No. 008926S), upon the completion of the term of consecutive period of three years, in line with the RBI guidelines ceased to be joint statutory auditors.

Accordingly, the Board of Directors, based on the recommendation of the Audit Committee at its meeting held on 08 August, 2024, approved appointment of M/s. CNK & Associates LLP, Chartered Accountants Mumbai (ICAI Registration No. 101961 W/W-100036) as statutory auditors of the Company for a consecutive period of three years.

At 13th AGM shareholders of the Company approved their appointment as Statutory Auditor for term of three consecutive years from the conclusion of the 13th AGM till the conclusion of the 16th AGM to audit the accounts of the Company i.e., for the financial year ending 31 March 2025, 31 March 2026 and 31 March 2027.

Statutory Auditors' Report

The Audit Report with unmodified opinion was issued by M/s. C N K & Associates LLP, Chartered Accountants Mumbai (ICAI Registration No. 101961 W/W-100036), Statutory Auditor of the Company for FY 2024-25, is disclosed in the Financial Statements forming part of the Annual Report.

As per Section 134(3)(f) of the Companies Act, 2013, the Board states that during the year under review, there are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditor of the Company, in their Reports dated May 09, 2025, on the Financial Statements of the Company for FY 2024-25.

Accounting Standards followed by the Company

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and other provisions of the Act. The details of the accounting treatment followed during the financial year are mentioned in Notes to Financial Statement.

Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s Sunil Sankar & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for the FY ended March 31, 2025. The Secretarial Audit Report, in the prescribed Form No. MR-3, is annexed as **Annexure 4**.

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s Sunil Sankar & Associates in their Secretarial Audit Report dated 25th July 2025, on the secretarial and other related records of the Company, for FY 2024-25.

Reporting of frauds by Auditors

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

Disclosure pursuant to Part A of Schedule V of SEBI LODR

Disclosure pursuant to Part A of Schedule V read with Regulation 53(f) of SEBI LODR is attached as **Annexure 5** of this report.

Particulars of employees in receipt of remuneration above the limits and other applicable provisions of the Companies Act, 2013

Information required pursuant to section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is attached as **Annexure 6**

Maintenance of Cost Records

The Central Government has not specified maintenance of cost records, for any of the products of the Company, under Section 148(1) of the Companies Act, 2013.

Reporting on Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has in place policy against sexual harassment and the said policy seeks to protect women employees from sexual harassment at the place of work. The primary objective of the same is to safeguard the interest of female employees in the Company and also provides for punishment in case of false and malicious representations. The policy has been communicated to all the employees of the Company. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Compliance with Maternity Benefit Act, 1961

Your Company demonstrates its commitment to the well-being of its women employees by complying with the provisions of the Maternity Benefit Act, 1961, and offering additional benefits as part of its employee welfare initiatives. This adherence reflects the company's core values, including sensitivity and integrity towards its workforce. The Company confirms adherence to applicable provisions of the Maternity Benefit Act, 1961, which include protection from dismissal or discharge during absence due to pregnancy or maternity.

Vigil Mechanism

The Company has adopted a Whistle Blower Policy and established the necessary vigil mechanism for Directors and Employees to report genuine concerns about unethical behaviour, pursuant to the provisions of Section 177(9) and (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. It is hereby affirmed that no personnel of the Company has been denied access to the Audit Committee under the vigil mechanism. There were no complaints from the employees during the year 2024-25. The Whistle Blower Policy has been hosted on the Company's website at https://www.muthoothomefin.com/policies

Directors' Responsibility Statement

Your Directors state that:

a) In the preparation of the annual accounts, the applicable Indian Accounting Standards had been followed. There were no material departures from applicable Indian Accounting Standards;

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

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

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

e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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

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

No application was made or any proceeding was pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

No valuation was done during the financial year.

Acknowledgement

Your Board of directors would like to place on record their sincere gratitude to Reserve Bank of India, National Housing Bank, Registrar of Companies, Securities and Exchange Board of India, Ministry of Corporate Affairs, all Bankers to the Company, Central & State government departments, Tax Authorities, Debenture Trustees, Debenture holders, Registrars, other stake-holders, customers and all other business associates for their continued support during the year under report. The Directors would also like to thank the Bombay Stock Exchange Limited, National Securities Depository Limited and Central Depository Services (India) Limited and the Credit Rating Agencies for their support and co-operation.

Your Company and management team also express their sincere gratitude to the Holding Company, M/s. Muthoot Finance Limited and other entities of Muthoot Group for their instinct support and co-operation.

Your Directors wish to acclaim the hard work and commitment of the employees at all levels who had contributed their might for improving the performance of the Company year by year.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
Place: Kochi	**Eapen Alexander**	**George Alexander Muthoot**
Date: August 08, 2025	Whole-time Director	Director
	DIN: 03493601	DIN:00016787

Annexure 1

Management Discussion and Analysis

Muthoot Homefin (India) Limited was incorporated on August 26, 2011. The Company obtained the certificate of registration under the National Housing Bank ("NHB") as required under Section 29A of the NHB Act, 1987 on 19th May, 2014. We are currently the wholly owned subsidiary of Muthoot Finance Limited ("**MFL**"), which is one of India's largest gold financing companies by loan portfolio.

The Company is primarily engaged in the business of providing long term finance to construct, purchase, acquire, renovate, modify, extend, enlarge or repair any house, villa, flat, apartment on the terms and conditions as the company may deem fit.

INDIAN ECONOMY OVERVIEW AND MACROECONOIC OUTLOOK

India's economy has been the most resilient economy globally. The global economy enters Calendar Year 2025 navigating a complex but evolving landscape, with real GDP growth expected to moderate to around 2.8% in CY 2025, before edging up to 3.0% in CY 2026. After a relatively stable expansion of 3.3% in CY 2024, the coming year brings both challenges and opportunities. Geopolitical tensions are rising, and major policy changes, particularly broad tariff revisions by the US, have increased uncertainty. At the same time, a wider shift is underway as economies adjust their priorities in response to a more multipolar global order.

India's economy is expected to maintain its growth momentum, with GDP expanding by 6.5% in 2024–25 and a similar growth rate of 6.5% projected for 2025–26. This places the country on track to become the world's third-largest economy by 2026-27, and the third-largest consumer market by 2025-26. Amid ongoing global uncertainty, India's growth remains underpinned by solid domestic demand, increases in private investments, and targeted policy reforms.

Stable food prices, effective government interventions, and a favourable monsoon have helped keep inflation in check, within the 4-4.5% range, close to the Reserve Bank of India's (RBI) target. The RBI's Monetary Policy Committee lowered its 2025–26 inflation forecast to 3.7% following a sustained decline in consumer prices. Global developments like the shift towards protectionism, evident in the rise of effective tariff rates, are shaping India's trade dynamics. Although these trends pose challenges, they also create medium term opportunities. India's strategic position in the 'China Plus One' supply chain diversification is strengthening. The government may reduce tariffs selectively to enhance export competitiveness.

The Union Budget for 2025-26 sets the stage for inclusive growth while ensuring fiscal discipline. It prioritises capital expenditure, with increased funding for infrastructure projects, including roads, railways, and renewable energy. Allocations for agriculture, MSMEs, and rural development are also enhanced, aiming to stimulate consumption and employment, especially in non-urban regions. India is set to reach new heights in food grain production in 2024- 25, supported by a favourable monsoon. However, challenges remain in pulses and oilseeds production. Despite these obstacles, the agricultural sector is on a path to strong recovery, with growth projections for 2024-25 ranging from 3.5% to 4%.

Micro, small, and medium enterprises (MSMEs) remain vital players in supply chains, with healthy growth across various industries. They continue to drive innovation and diversify India's manufacturing base, contributing significantly to the economy's broader growth. In line with this, the Union Budget 2025-26 had also introduced a series of measures aimed at strengthening the MSME sector by raising investment and turnover limits, improving credit access, supporting first-time entrepreneurs, and launching sector-specific productivity initiatives.

India's outlook for 2025-26 remains stable and optimistic. The economy is expected to navigate global challenges better than many peers, supported by strong domestic fundamentals, prudent policies, and structural improvements. As the world witnesses a period of heightened uncertainty and slower growth, India's balanced and inclusive growth approach positions it to emerge stronger and more resilient. The nation's prospects remain positive, backed by rising domestic consumption, growing digital adoption, and progress in healthcare. A young, expanding population and rising incomes further support long-term growth. Moreover, continued policy support, robust demand, and structural reforms will help India strengthen its role as a key global economy, driving transformation across multiple sectors.

HOUSING FINANCE SECTOR

As per the current market research conducted by the CMI Team, the **India Housing Finance Market** is expected to record a CAGR of **24.1%** from 2024 to 2033. In 2024, the market size is projected to reach a valuation of USD **385.14 Billion**. By 2033, the valuation is anticipated to reach USD **2,669.39 Billion**.

The India housing finance market encompasses financial services provided to individuals and developers for purchasing, constructing, renovating, or improving residential properties. Its nature combines elements of retail banking, mortgage lending, and real estate investment.

Key trends include a shift towards digitalization, expansion of affordable housing finance, growing demand for sustainable and green housing solutions, and the emergence of niche financing options tailored to specific customer segments, all contributing to the market's dynamism and evolution.

By 2030, the sector is projected to become a USD 1 trillion market, driven by demographic shifts, policy support, and global trends. Tier 2 and Tier 3 cities are emerging as key growth centres. Urban homeownership is also rising, with rates projected to increase from 65% in 2020 to 72% by 2025, propelled by affordable loans, nuclearisation of families, rapid urbanisation, and a younger demographic entering the market.

Demand remains strong across all price points. This is supported by stable interest rates, rising disposable incomes, and preferences for bigger homes. There has been a visible shift towards high ticket size home loans partly due to the rise in cost of construction and mainly due to preferences of the upper middle class and High Net-Worth Individuals (HNIs) for availing high ticket size loans for buying bigger or luxury homes. Despite this progress, India's housing shortage remains substantial. The shortfall exceeds 31 million units, with an unmet demand of 26 million units concentrated in the Lower Income Group (LIG) and Economically Weaker Sections (EWS). Rural and semi-urban areas carry the heaviest burden.

While banks remain dominant, Housing Finance Companies

(HFCs) and NBFCs are steadily expanding, particularly in low-income and semi-formal segments. In 2024-25, HFCs accounted for 39% of disbursements in the INR 0-0.75 million and INR 0.75-1.5 million loan brackets. Public sector banks saw a relative decline during the same period. This shift highlights HFCs' stronger presence in underbanked regions and their flexible approach to lending, especially for borrowers without formal income proof. There is a visible shift of banks and prime home loan-focussed HFCs towards high-ticket-size home loans, while the share of all other HFCs for loans up to INR 25 Lakhs has remained more or less the same over the last five years. Government-backed schemes such as the Pradhan Mantri Awas Yojana (PMAY) and refinancing from the National Housing Bank (NHB) continue to provide an essential cushion for first-time homeowners, ensuring inclusivity in credit growth. Asset quality remains solid, with housing finance continuing to be one of the most secure lending segments. Gross NPAs for housing loans stood at only 1.3-1.4% in 2024-25, much lower than the NPAs in MSME or auto finance sectors.

SWOT ANALYSIS

Strengths:

- Strong Parentage - Muthoot Homefin (India) Limited (MHIL) is 100% subsidiary of Muthoot Finance Limited. Muthoot Finance Limited is the largest gold loan company in India, Perhaps in the world.
- Diversified Product Portfolio - MHIL offers various loan products under housing segment. The products basket covers individual housing loans for construction, purchase, extension, repairs and renovation, site purchase, composite loan, loans for rural housing, loans for urban housing etc. No wholesale exposure to builder / developer. Majority of the collateral is self-occupied residential properties.
- Key market presence - MHIL has a well-established base to exploit these opportunities with a good presence in tier 1 and tier 2 cities.
- Governance - Over the years MHIL has established a strong governance framework. Ethical business processes and transparency in operations has led to higher operational efficiency and business sustainability.

Weakness

- Regulatory restrictions – continuously evolving government regulations may impact operations.
- Portfolio concentration in the western part of India - A lot of concentration is on the western part of the country, as ~50% of the branches are located in this region. This leaves a lot of scope to expand branch network all over India.

Opportunities

- Increasing demand for houses in the suburbs of India- Due to increasing urban population and nuclear families demand for houses is increasing in the tier II and tier III cities.
- Smart Cities – Development of smart cities along with the population and governments trust on increasing smart cities in India will increase the demand for houses in India.

Threats

- Competition from other HFC's and banks – Increase in the number of HFC's is making the lending environment competitive. Even banks are entering into the informal sector funding. MHIL will be in a disadvantaged position with regard to ROI compared to banks. Further Non availability of adequately skilled manpower in required numbers

BUSINESS SEGMENT REVIEW

Lending operations

Muthoot Homefin (India) Limited (MHIL) is a retail affordable housing finance company primarily serving low and middle-income self-employed customers in semi-urban and rural areas in India. It offers customers home loans for the purchase or construction of residential properties, and for the extension and repair of existing housing units. As of March 31, 2025, a majority of the home loans disbursed were for single unit properties, almost all of which were to be occupied by the borrowers themselves. A majority of its customers had limited access to formal banking credit.

The company disbursed INR 12,419 million during the year as compared to INR 8,146 million during the previous year. Despite slowdown in real estate market in some parts of the country, stiff competition from Banks & HFCs, MHIL managed to deliver a fairly good performance. The Asset under Management (AUM) is INR 29,846 million as against AUM of INR 20,353 million in the previous year. The customer profile continues to be dominated by the salaried and professional category, accounting for ~50% of the total portfolio. The average ticket size loan is ~INR 12 Lakhs

Marketing and distribution

MHIL continued to upgrade its marketing and distribution network across 17 states and union territories in India. The total number of outlets as on March 31, 2024 was 163 .In addition to the above outlets responsible for augmenting business, direct selling agents (DSA) are empanelled to source proposals/leads throughout the country. However the control over the credit appraisal of these proposals, vests with MHIL.

Funding Sources

Primarily Term loans, credit lines from banks, money market instruments like Commercial Papers (CPs) and Non-Convertible Debentures (NCD's) are the sources through which MHIL raises funds for its lending activities. Strong parentage is helping MHIL to raise funds at competitive rates.

The Company also runs a Direct Assignment programme whereby pools of Loan against property (LAP) are sold to PSU and private sector banks, with the Company retaining minimum portion of the portfolio and continuing to act as the servicing agent. Direct Assignment is an important part of the overall borrowing strategy of the Company and we intend to use the same to deepen our relationship with our banking partners. This also helps to capital optimisation and helps in transfer of the credit risk as risk sharing between the bank purchasing the pool and the Company is pari passu in ratio of the pool transferred to bank and held back by the Company. As at March 31, 2025, the total outstanding loans assigned was INR 4,140 million. Further the company has reduced the reliance on commercial papers for fund raising. Commercial Paper worth Rs. 50 Crores were raised and redeemed during the financial year.

Credit Ratings as on March 31, 2025

Borrowings from Banks: Long term rating AA+/Stable for term loans by CRISIL.

Commercial Paper: A1+ rating by ICRA Ltd AND CARE

Non-Convertible Debentures (NCD): CRISIL and CARE has assigned rating of AA+/Stable for the NCD programme of MHIL.

ASSET QUALITY

Risk assessment of the customers is made at the time of initial appraisal for the purpose of pricing and granting the loans. The company also makes a portfolio risk analysis at frequent intervals with its stringent review mechanism. Gross NPA as on March 31, 2025 stood at 1.17% as against 1.88% as on March 31, 2024 of loan outstanding during the previous year.

PERFORMANCE OVERVIEW

1. AUM is INR 29,846 million as against INR 20,353 million in the previous year.
2. PAT INR 395 million as against INR 185 million in previous year
3. Gross NPA 1.17%; NNPA 0.46%.
4. ~50 % of the total loan book as of March 2024 comes from salaried and professional segment.
5. Capital Adequacy Ratio 23.16% shows MHIL is well capitalised
6. Comfortable Debt equity ratio of 4.08 gives lot of room for leverage
7. Cost to Income ratio 42.21%; ROA 1.96% ; ROE 8.02%

RISK MANAGEMENT

Effective risk management is crucial for housing finance companies to mitigate various risks associated with their lending activities. These risks primarily include credit risks (e.g., loan defaults), operational risks (e.g., process inefficiencies) and market risks (e.g., interest rate fluctuations), among others. Inadequate risk management systems or failure to properly assess and manage these risks can lead to financial losses, capital erosion and potential reputational damage for HFCs. The companies have to implement robust risk management frameworks and continuously monitor and adapt to the dynamic market landscape to ensure long-term sustainability.

Your Company has a comprehensive Risk Management Policy in place and has laid down a well-defined risk management framework to identify, assess and monitor various elements of risk involved in the business and strengthen controls to mitigate risks. As mandated under the Directions issued by the National Housing Bank vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated 9th February 2017, the Company has constituted a Risk Management Committee, consisting of the Whole time Director and Non-Executive Directors, which is responsible for putting in place a progressive risk management system, risk management policy and strategy to be followed by the Company.

The Company has to manage various risks such as credit risk, liquidity risk, interest rate risk and operational risk. The Risk Management Committee and the Asset Liability Management Committee review and monitor these risks at regular intervals. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company manages its credit risk through prudent credit norms in line with the business requirements and continues to follow the time tested practice of personally assessing every borrower, before committing credit exposure. This process ensures that the expertise in lending operations acquired by the Company over the past years is put to best use and acts to mitigate credit risks.

Successful mortgage lending calls for timely identification, careful assessment and effective management of the credit, operational, market (interest-rate and liquidity) and reputation risks. The Company has adopted efficient risk-management policies, systems and processes that seek to strike an appropriate balance between risk and returns. The Company has also introduced appropriate risk management measures, such as accessing the applicant's credit history with credit information bureaus, field investigation of the applicant's credentials, adoption of prudent loan/value ratio and analysis of the borrower's debt-service capacity in addition to in-house scrutiny of the legal documents, lending majorly against approved properties, risk-based loan pricing and property insurance. The Company has employed qualified personnel to value properties and track property price movements. A separate recovery vertical has been set up to monitor recovery of dues from the borrowers. The Recovery Team constantly follows up with the borrowers for the collection of outstanding dues.

The Company monitors its Asset Liability Mismatch on an on-going basis to mitigate the liquidity risk, while interest rate risks arising out of Maturity Mismatch of assets and liabilities are managed through regular monitoring of the maturity profiles. The Company also measures the interest rate risk by the Duration Gap Method.

Operational risks arising from inadequate internal processes, people and systems or from external events are adequately addressed by the internal control systems and are continuously reviewed and monitored. The Senior Management Team regularly assesses the risks and takes appropriate measures to mitigate them. Process improvements and quality control are on-going activities and are built into the employees' training modules as well. The Company has well documented systems to ensure better control over transaction processing and regulatory compliance

HUMAN RESOURCES

Employees' contribution is vital to the Company's performance-both qualitative and quantitative. Muthoot Homefin (India) Limited believes in providing a safe, inclusive and sustainable work environment for its employees. The Company is committed to acquiring and retaining talent, which plays a significant role in achieving its desired goals. The Company is focused on hiring the finest talent and providing its people with equal opportunities to enhance their professional growth by matching their ability, aspirations and drive. Accordingly, the Company's performance management system is used effectively to improve staff capabilities in areas such as leadership, team building, knowledge accessibility and productivity enhancement. In-house on-the-job coaching and enhanced training programmes in various other functional areas were conducted during the year to upgrade the skills of employees and achieve functional effectiveness.

In addition, executives were seconded to various external training programmes and seminars on risk management, regulatory know-your-customer guidelines, anti-money laundering and the fair practices code. These training programmes enabled the staff members to sharpen their knowledge in their areas of responsibility. New employees are put through an induction programme covering business requirements, Company's processes, regulatory prescriptions and contours of personality development. There are no material developments in the human resources/industrial relations front adversely affecting the Company's business. The number of permanent employees on the rolls of the Company as on 31st March 2025 was 924.

INTERNAL CONTROLS AND THEIR ADEQUACY

Your Company has a well-placed, proper, adequate and documented internal control system commensurate with the size and nature of its business. The primary objective of the internal control system is to ensure that all its assets are safeguarded and protected and to prevent any revenue leakage and losses to the Company. Such controls also enable reliable financial reporting.

The Company has an Audit and Inspection Department which conducts regular internal audits to examine the adequacy and compliance with policies, plans and statutory requirements. The Internal Audit Team directly reports to the Audit Committee of the Company. Significant audit observations and follow-up actions thereon are reported to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

The Audit Committee oversees the functioning of the audit team and reviews the effectiveness of internal control at all levels apart from laying down constructive suggestions for improving the audit function in the Company. The present reporting structure ensures independence of the internal audit function and embodies best corporate governance practices.

Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
Place: Kochi	**Eapen Alexander**	**George Alexander Muthoot**
Date: August 08, 2025	Whole-time Director	Director
	DIN: 03493601	DIN:00016787

Annexure 2

Related Party Transaction Policy

1. PREAMBLE

In terms of Section 188 of the Companies Act, 2013 read with Rules made thereunder, the Board of Directors (the "Board") of Muthoot Homefin (India) Limited (the "Company" or "MHIL"), have basis the recommendations of the Audit Committee Members framed and adopted the Related Party Transaction Policy ["Policy" or "this Policy"] with effect from 01st March 2016 which defines and lays down the procedures with regard to Related Party Transactions. This policy aims to regulate transactions between the Company and its Related Parties, based on the laws and regulations applicable to the Company.

2. OBJECTIVE

The objective of this Policy is to regulate transactions with related parties and ensure transparency between them. It sets out the materiality thresholds for related party transactions and the manner of dealing with such transactions in accordance with the provisions of Companies Act, 2013 and Rules made thereunder including any amendment(s)/ modification(s) thereof.

3. DEFINITIONS

"**Act**" means the Companies Act, 2013 and rules made thereunder and includes any amendment(s)/ modification(s) thereof.

"**Arm's Length Transaction**" means transaction between two related or affiliated parties that is conducted as if they were unrelated, so that there is no question of conflict of interest.

"**Audit Committee/Committee**" means Committee of Board of Directors of the Company constituted as per the provisions of the Companies Act, 2013.

"**Key Managerial Personnel**" (as defined in Section 2 (51) of the Companies Act, 2013), in relation to the Company, means –

i. Chief Executive Officer or the Managing Director or the Manager
ii. Company Secretary
iii. Whole Time Director
iv. Chief Financial Officer and
v. Such other officer as may be prescribed by the Government.

"**Policy**" means Related Party Transaction Policy.

"**Material Related Party Transaction(s)**" means transaction/ transactions with the related party 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, as per the last audited financial statements of the company."

"**Related Party**" shall mean a related party as defined under sub-section (76) of Section 2 of the Companies Act, 2013 or under the applicable accounting standards

Section 2(76) of the Companies Act, 2013, as referred above, defines Related Party as -

i. A Director or his relative;
ii. A 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 or his relative is a member or director;
v. A public company in which a director or manager is a director and holds along with his relatives, more than two per cent 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 instructions of a director or manager; [Except advice, directions or instructions given in a professional capacity]
vii. Any person on whose advice, directions or instructions a director or manager is accustomed to act. [Except advice, directions or instructions given in a professional capacity]
viii. Any company which is a holding, subsidiary or an associate company of such company; or a subsidiary of a holding company to which it is also a subsidiary.
ix. A director other than an Independent Director or Key Managerial Personnel of the holding Company or his relative with reference to a Company.

"**Relative**" as per section 2 (77) of the Companies Act, 2013, with reference to any person, shall be deemed to be relative of another, if he or she is related to another in the following manner, namely:-

i. Father, includes step-father.
ii. Mother, includes step-mother.
iii. Son, includes step-son
iv. Son's wife.
v. Daughter.
vi. Daughter's husband.
vii. Brother, includes step-brother.
viii. Sister, includes step-sister.
ix. Are members of a Hindu Undivided Family
x. They are Husband and wife.

"**Related Party Transaction**" shall mean to include:

a. Transfer of resources, services or obligations between the Company and a related party, 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;
b. Contracts or arrangements entered into with related party for:
    i. Sale, purchase or supply of any goods or materials;
    ii. Selling or otherwise disposing of, or buying, property of any kind;
    iii. Leasing of property of any kind;
    iv. Availing or rendering of any services;
    v. Appointment of any agent for purchase or sale of goods, materials, services or property;
    vi. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
    vii. Underwriting the subscription of any securities or derivatives thereof, of the Company.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013

4. CORPORATE STRUCTURE

Set forth below is the corporate structure of our Promoter and its subsidiaries.

SI.NO	Name Of Subsidiary Of The Promoter Company	Percentage Of Share Held By The Promoter Company
1	Asia Asset Finance PLC	72.92%
2	Muthoot Homefin (India) Limited	100%
3	Belstar Microfinance Limited	66.13%
4	Muthoot Insurance Brokers Private Limited	100%
5	Muthoot Money Limited	100%
6	Muthoot Asset Management Private Limited	100%
7	Muthoot Trustee Private Limited	100%

***Muthoot Finance Ltd's Equity share capital holding in the Investee company as at March 31, 2025**

5. TERMS OF THE POLICY

5.1 All the Related Party Transactions proposed to be entered by the Company shall require prior approval of the Audit Committee including the transactions to be entered in the ordinary course of business. The Audit Committee shall recommend the Related Party Transaction(s) for the approval of Board of Directors/ Shareholders as per the terms of this policy and the applicable provisions of the Companies Act, 2013 or any amendment(s) / modification (s) thereto.

5.2 The Related Party Transactions entered into in the ordinary course of business and transacted at arms' length shall not require approval of the Board of Directors. However, all related party transactions to be entered by the Company shall require prior approval of the Audit Committee.

5.3 All the Material Related Party Transaction and Related Party Transactions as defined under Section 188 (1), exceeding the threshold limits prescribed under Rule 15 sub rule(3) of Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014, as detailed under Clause 4.4. below, shall require prior approval of the Audit Committee, Board of Directors and Shareholders of the Company by way of a resolution.

5.4 Transactions as prescribed under Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014, includes the transactions/ contracts/ arrangements as follows:

a. Contracts or arrangements with respect to clauses (a) to (e) of Section 188 (1) of Companies Act, 2013 with criteria as mentioned below:

   i. Sale, purchase or supply of any goods or materials, directly or through appointment of agent, amounting to ten percent or more of the turnover of the company or rupees one hundred crore, whichever is lower, as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188 of Companies Act, 2013;

   ii. Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to ten percent or more of net worth of the company or rupees one hundred crore, whichever is lower, as mentioned in clause (b) and clause (e) respectively of sub-section (1) of section 188 of Companies Act, 2013;

   iii. Leasing of property of any kind amounting to ten percent or more of the net worth of the company or ten percent or more of turnover of the company or rupees one hundred crore, whichever is lower, as mentioned in clause (c) of sub-section (1) of section 188 of Companies Act, 2013;

   iv. Availing or rendering of any services, direct or through appointment of agent, amounting to ten percent or more of the turnover of the company or rupees fifty crore, whichever is lower, as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188 of Companies Act, 2013. These limits shall however, apply for transaction or transactions to be entered into either individually or taken together with the previous transactions during a financial year.

b. Contracts or arrangements with respect to Clause (f) of Section 188 (1) wherein a related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company is at a monthly remuneration exceeding two and a half lakh rupees.

c. Contracts or arrangements with respect to Clause (g) of Section 188 (1) wherein such related party receives a remuneration for underwriting the subscription of any securities or derivatives thereof, of the Company exceeding one percent of the net worth.

6. PROCEDURES

a. Review and approval of Related Party Transactions by Audit Committee Members

- Audit Committee shall review all the potential/proposed Related Party Transactions, to ensure that no conflict of interest exists and evaluate it from the perspective of Arms' Length Pricing.
- Any member of the Audit Committee who has an interest in the transaction under discussion shall abstain from voting on the approval of the Related Party Transaction, but may, if so requested by the Chairperson of the Committee, participate in some or all of the Committee's discussions of the Related Party Transaction.
- Audit Committee shall have all the rights to call for information/documents in order to understand the scope of the proposed related party transactions and devise an effective control system for the verification of supporting documents. The Audit Committee shall be provided with the following information and details

pertaining to each proposed related party transactions/ contracts –

i. The name of the related party and nature of relationship;

ii. The nature, duration of the transaction /contract or arrangement and particulars of the transaction/ contract or arrangement;

iii. The material terms of the transaction/contract or arrangement including the value and / or the maximum amount for which the same is proposed to be entered into ;

iv. Any advance paid or received for the transaction / contract or arrangement, if any;

v. The manner of determining the pricing and other commercial terms, both included as part of transaction / contract and not considered as part of the same;

vi. Whether all factors relevant to the contract have been considered, if not, the details of factors not considered.

vii. The rationale for not considering the relevant factors; and

viii. Any other information relevant or important for the Audit/ Board to take a decision on the proposed transaction.

- The Audit Committee shall while reviewing the Related Party Transaction, consider all the relevant information/ facts submitted to it, including but not limited to the (a) Commercial or business reasonableness of the terms of the subject transaction so as to analyse that transaction is on an arms' length basis, benchmarking the same with the information and /or drawing reference to the information that may have a bearing on the arms' length analysis. eg: industry trends, certificate from an independent auditor, valuation reports, third party comparables, publications or quotations. etc. (b) availability and / or the opportunity cost of the alternate transactions (c) materiality and interest (direct/ indirect) of the related party in the subject transaction, (d) actual or apparent conflict of interest of the Related Party, (e) If the Related party is an Independent Director then the Audit Committee shall also consider the impact of the said Related Party Transaction on the Director's independence. Upon completion of its review of the transaction, the Audit Committee may determine whether to allow or disallow from entering into the Related Party Transaction. The Audit Committee shall also have the right to suggest any modification(s) in the proposed related party transaction. The Audit Committee, if considers it appropriate, can also propose modification/s in the approved related party transaction subsequently.

b. Omnibus Approval of Related Party Transactions

The Audit Committee may grant omnibus approval, pertaining to the transactions in the ordinary course of business, transactions for support service/ sharing of services with Associates Companies, Sub Lease of Office Premises or Office Sharing arrangement with Associate Companies or any other transactions or arrangements as it may deem appropriate, being proposed to be entered into on arms' length basis, subject to the following conditions.

i. The Audit Committee shall grant omnibus approval in line with this policy and such approval shall be applicable in respect of transactions which are repetitive in nature.

ii. The Audit Committee shall satisfy itself in respect of the need for such omnibus approval and that such approval is in the interest of the company;

iii. Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions or criteria's, as the Audit Committee may deem fit;

However, where the need for Related Party Transaction 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 per transaction.

iv. Audit Committee shall review, on a quarterly basis, the details of Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given.

v. Such omnibus approvals shall be valid for a period not exceeding one year and shall require fresh approvals after the expiry of one year.

c. Review and approval of Related Party Transactions by Board of Directors.

- In case the Audit Committee determines that the Related Party Transaction requires the approval of the Board of Directors or Shareholders as per the terms of this policy and applicable regulatory provisions then it shall refer the said Related Party Transaction to the Board of Directors for its approval alongwith all the relevant information/ documents pertaining to the same.

- The Board shall review the Related Party Transaction and recommendations of the Audit Committee, if any, and shall have the authority to call for such additional information as it may deem appropriate and may approve with or without modification(s) or reject the proposed related party transaction as per the terms of this policy and other applicable regulatory provisions.

- In case, the Board determines that the Related Party Transaction requires approval of the shareholders as per the terms of this policy and applicable regulatory provisions then it shall refer the said Related Party Transaction to the shareholders for its approval alongwith all the relevant information/documents pertaining to the same, as per the appropriate regulatory provisions..

d. All Material related party transaction(s) to be entered into between the Company and its Wholly owned Subsidiary whose accounts are consolidated with the Company and placed before the Shareholders at the general meeting for approval, shall not require approval of the Shareholders.

e. Approval of the Audit Committee /Board of Directors shall be required in case of any subsequent amendment/ modification/renewal, in the terms of the earlier approved Related Party Transaction, as the case may be.

7. DISCLOSURES

Every Director of a Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into -

a. With a body corporate in which such director or such director in association with any other director, holds more than two per cent shareholding of that body corporate, or is a promoter, manager, Chief Executive Officer of that body corporate; or

b. With a firm or other entity in which, such director is a partner, owner or member, as the case may be, shall disclose the nature of his concern or interest at the meeting of the Board in which the contract or arrangement is discussed and shall not participate in such meeting:

   Provided that where any director who is not so concerned or interested at the time of entering into such contract or arrangement, he shall, if he becomes concerned or interested after the contract or arrangement is entered into, disclose his concern or interest forthwith when he becomes concerned or interested or at the first meeting of the Board held after he becomes so concerned or interested.

   - Each Director, Key Managerial Personnel shall be required to disclose to the Audit Committee any potential Related Party Transaction(s) proposed to be entered into by them or their relatives.
   - The Related Party Transaction entered into with the related party/ies shall be disclosed in the Director's Report / Annual Report as per the disclosure requirement(s) of the Companies Act, 2013. Material Transactions exceeding the threshold limits as prescribed under Rule 15 sub rule(3) of Companies (Meetings of Board and its Powers) Second Amendment Rules, 2014 shall be disclosed under "Details of material contracts or arrangements or transactions at arms' length" in Form no. AOC-2 as a part of the Directors Report, as prescribed under Companies Act, 2013.
   - The particulars of all the Related Party Transaction entered into with the approval of the Audit Committee / Board of Directors / Shareholders shall be entered into the Register of Contracts or Arrangements in which Directors are interested, maintained by the Company as per the provisions of the Companies Act, 2013 and rules framed thereunder.
   - All entities falling under the definition of related parties shall abstain from voting at the Board Meeting or at Annual General Meeting irrespective of whether the entity is a party to the particular transaction/ contract / arrangement or not.
   - This Policy shall be uploaded on the website of the Company and a web link thereto shall be provided in the Annual Report.
   - Quarterly/periodical updates shall be provided to the Audit Committee members on the related party transactions entered by the Company.

8. RATIFICATION

If any contract or arrangement is entered into by a director or any other employee of the Company, without obtaining the consent of the Board or approval by a resolution in the general meeting as per the provisions of Section 188 (1) of the Companies Act, 2013 and if it is not ratified by the Board and/or by the shareholders at a meeting, as the case may be, within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board and if the contract or arrangement is with a related party to any director, or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it. However, the above provisions for ratification shall not apply to the Material Related Party Transactions.

9. AMENDMENTS

The Audit Committee shall periodically review, propose modifications/ amendments, if deemed necessary, to this policy which shall be subject to the approval of the Board of Directors. In the event of any conflict between the provisions of this Policy, Act or any other statutory enactments/rules/laws, the provisions of such Act or any other statutory enactments/rules/laws would prevail over this Policy.

For and on behalf of the Board of Directors

	Sd/-	Sd/-
	Eapen Alexander	**George Alexander Muthoot**
Place: Kochi	Whole-time Director	Director
Date: August 08, 2025	DIN: 03493601	DIN:00016787

Annexure 2A

FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto (Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

I	**Details of contracts or arrangements or transactions not at arm's length basis**	**NIL**
A	Name(s) of the related party and nature of relationship	
B	Nature of contracts/arrangements/transactions	
C	Duration of the contracts/arrangements/transactions	
D	Salient terms of the contracts or arrangements or transactions including the value, if any	
E	Justification for entering into such contracts or arrangements or transactions	
F	date(s) of approval by the Board	
G	Amount paid as advances, if any:	
H	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

II	**Details of material contracts or arrangement or transactions at arm's length basis**	**NIL**
A	Name(s) of the related party and nature of relationship	
B	Nature of contracts/arrangements/transactions	
C	Duration of the contracts/arrangements/transactions	
D	Salient terms of the contracts or arrangements or transactions including the value, if any	
E	Justification for entering into such contracts or arrangements or transactions	
F	date(s) of approval by the Board	
G	Amount paid as advances, if any:	

For and on behalf of the Board of Directors

Sd/-
Eapen Alexander
Whole-time Director
DIN: 03493601

Sd/-
George Alexander Muthoot
Director
DIN:00016787

Place: Kochi
Date: August 08, 2025

Annexure 3

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. **Brief outline of the CSR Policy of the Company**

   CSR vision and policy of Muthoot Homefin (India) Limited (MHIL) is aimed to create a nationwide social impact by constantly giving back to the community by identifying and facilitating growth in areas which are less privileged. The Company's CSR policy is committed towards CSR activities as envisaged in Schedule VII of the Companies Act, 2013. MHIL undertakes CSR activities through Muthoot M George Foundation, a charity foundation for CSR activities of Muthoot Group. The Company mainly focuses on health awareness and educational initiatives

2. **Composition of CSR Committee**

Sl No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR committees held during the year	Number of meetings of CSR Committees attended during the year
1	Eapen Alexander	Executive Director	1	1
2	K. R. Bijimon	Non-Executive Director	1	1
3	Jose Kurian	Independent Director	1	1

3. Web-link for disclosure of composition of CSR Committee, CSR Policy and CSR Projects approved by the Board - The prescribed details are available on the website of the Company at www.muthoothomefin.com

4. Details of impact assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – **Not applicable**

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 - **NIL**

Sl No	Financial Year	Amount available for set off from preceding financial years (in Rs)	Amount required to be set off
Not Applicable			

6. Average net profit of the Company as per Section 135(5) – **INR 144.03 million**

7. (a) Two percent of average net profit of the company as per section 135(5) **– INR 2.88 million**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - **NIL**

   (c) Amount required to be set off for the financial year, if any – **NIL**

   (d) Total CSR obligation for the financial year (7a+7b-7c) - **INR 2.88 million**

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

Total amount Spent for the financial year (INR)	**Amount Unspent (in Rs)**				
	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	Date of transfer	Name of Fund	Amount	Date of transfer
28,80,776	NIL	NA	NA	NA	NA

(b) Details of CSR amount spent against **ongoing projects** for the financial year – **NIL**

Sl No	Name of 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 Rs)	Amount spent in the current financial year (in Rs)	Amount transferred to unspent CSR account for the project as per section 135(6) (in Rs)	Mode of implementa-tion- Direct (Yes / No)	Mode of implementation – through implementing agency	
				State	District						Name	CSR Registration Number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year

Sl No	Name of project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project		Amount spent in the current financial year	Mode of implementation- Direct (Yes / No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR Registration Number
1	Medical assistance to poor and needy assistance	Item (i) Promotion of healthcare including preventive health care	No	Kerala	Various districts	25,12,276	No	Muthoot M. George Foundation	CSR00008030
2	Educational assistance – Scholarship to College Students	Item (ii) Promotion of education	No	Kerala Karnataka Tamil Nadu	Various districts	3,28,500	No	Muthoot M. George Foundation	CSR00008030
3	Marriage Assistance - assisting widowed mothers to get their daughters married, thereby assuring the families a secured life.	Item (iii) Promotion of gender equality & empowerment of women	No	Kerala	Various districts	40,000	No	Muthoot M. George Foundation	CSR00008030
						28,80,776			

(d) Amount spent in Administrative Overheads - **NIL**

(e) Amount spent on Impact Assessment, if applicable – **Not Applicable**

(f) Total amount spent for the financial year (8b+8c+8d+8e) – **INR 28,80,776**

(g) Excess amount for set off, if any

Sl No	Particulars	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	28,80,776
(ii)	Total amount spent for the financial year	28,80,776
(iii)	Excess amount spent for the financial year (ii – i)	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years (iii-iv)	0.00

9. (a) Details of unspent CSR amount for the preceding three financial years – **NIL**

Sl No	Preceding Financial year	Amount transferred to unspent CSR account for the project as per section 135(6) (in Rs)	Amount spent in the reporting financial year (in Rs)	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 Rs)
				Name of Fund	Amount (in Rs)	Date of Transfer	
Not Applicable							

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

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 Rs)	Amount spent on the Project in the reporting financial year (in Rs)	Cumulative amount spent at the end of the reporting financial year (in Rs)	Status of the Project Completed / ongoing
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created / acquired through CSR spent in the financial year – **No capital asset was created / acquired for fiscal 2025 through CSR spent**

    a) Date of creation or acquisition of the capital asset(s) – **Not applicable**

    b) Amount of CSR spent for creation or acquisition of capital asset - **Not applicable**

    c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, address etc - **Not applicable**

    d) Provide details of the capital asset created or acquired (including complete address and location of the capital asset) - **Not applicable**

11. Specify the reason, if any, if the company has failed to spend two per cent of the average net profit as per section 135(5) - **Not applicable**

For and on behalf of the CSR Committee

Place: Kochi
Date: August 08, 2025

Sd/-
Eapen Alexander
Whole-time Director
DIN: 03493601
Chairman, CSR Committee

Sd/-
K.R. Bijimon
Director
DIN: 00023071
Member, CSR Committee

Annexure 4

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

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

To
The Members,
M/s. Muthoot Homefin (India) Limited
Muthoot Chambers, Kurians Tower, Banerji Road
Ernakulam North, Cochin – 682 018, Kerala

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Muthoot Homefin (India) Limited (CIN – U65922KL2011PLC029231) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the M/s. Muthoot Homefin (India) Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **March 31, 2025** complied with the statutory provisions listed hereunder, wherever and to the extent applicable, 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 M/s. Muthoot Homefin (India) Limited for the above said financial year ended on **March 31, 2025**, according to the provisions of;

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 [SCRA] and the rules made thereunder

(iii) Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not applicable to the company during the audit period)

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable as the listed entity has not offered any shares or granted any options pursuant to any employee benefit scheme during the Review Period);

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the audit period)

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the company during the audit period), and

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

vi. The company has complied with the following specifically applicable laws, directions, circulars to the company, as confirmed by the management of the company:

   a) National housing Bank Act, 1987

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

c) Reserve Bank of India / National Housing Bank Circulars, Notifications and Guidelines

d) Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest [SARFAESI] Act, 2002

e) Credit Information Companies (Regulation) Act, 2005

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India with respect to board of directors and general meetings.

(ii) Listing Agreement entered by the company with BSE Limited with respect to listing of Non-convertible Debentures.

(iii) during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations:

- *Delay in filing Form MGT-15 u/s Section 121 of the Companies Act, 2013.*

We report that, during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Guidelines, standards etc; mentioned above;

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

There was no change in the composition of the Board of Directors during the period under review. As per the information given to us and duly certified by the management, adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through and recorded as part of the minutes. We did not find any dissenting directors views recoded in the minutes. The directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholding / directorships in other companies and interest in other entities.

We further report that, based on the information provided by the Company, its officers and authorised representatives during the conduct of the Audit, in our opinion, adequate systems, processes and control mechanism exist in the Company, commensurate with the size and operations of the company, to monitor and ensure Compliance with applicable general laws, rules, regulations and guidelines.

We further report that the following key corporate actions were held during the period under review;

SR #	Date of Event	Authority	Particulars	Forms Filed/Actions taken
1	31/05/2024	Shareholders	Re-appointment of Mr. Jacob K Varghese (DIN 07261140) as an Independent Director.	DIR 12

SUNIL SANKAR PUTHALATH
Company Secretary in Practice
Membership No : 20171
Certificate of Practice No : 10613
UDIN : A020171G000865763
Peer Review Certificate no. : 4335/2023

Ernakulam
July 25, 2025

This report is to be read with our letter of even date which is annexed hereto as **Annexure A** and forms an integral part of this report.

Annexure A

To
The Members,
M/s. Muthoot Homefin (India) Limited
Muthoot Chambers, Kurian Tower, Banerji Road
Ernakulam North, Cochin – 682 018, Kerala

Our report of even date is to be read along with this letter

1. Maintenance of Secretarial or other statutory records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and process 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 process and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

SUNIL SANKAR PUTHALATH
Company Secretary in Practice

Membership No	:	20171
Certificate of Practice No	:	10613
UDIN	:	A020171G000865763
Peer Review Certificate no.	:	4335/2023

Ernakulam
July 25, 2025

Annexure 5

Disclosure pursuant to Part A of Schedule V read with Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(₹ in millions)

Sl No	Loans and Advances in the nature of loans	Amount outstanding as at 31.03.2025	Maximum amount outstanding during the year
(A)	To Holding Company	NIL	NIL
	From Holding Company	NIL	250
(B)	To Associates	NIL	NIL
(C)	To firms / companies in which directors are interested (other than (A) and (B) above)	NIL	NIL
(D)	Investment by the loanee in the shares of the Parent Company and Subsidiary Company when the Company has made a loan or advance in the nature of loan	NIL	NIL

For and on behalf of the Board of Directors

Place: Kochi
Date: August 08, 2025

Sd/-
Eapen Alexander
Whole-time Director
DIN: 03493601

Sd/-
George Alexander Muthoot
Director
DIN:00016787

Annexure 6

A. INFORMATION REQUIRED PURSUANT TO SECTION 197 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. 1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sl No	Name of Director and KMP	Designation	Ratio of the remuneration of each director to the median remuneration of the employees of the company	Percentage increase in remuneration during FY 25
1	Jose Kurian	Independent Director	1:2	NA
2	V. C. James	Independent Director	1:2	NA
3	Jacob K. Varghese	Independent Director	1:2	NA
4	K. R. Bijimon	Non-Executive Director	1:2	NA
5	Alok Aggarwal *	CEO	25:1	7%
6	Pandurang Kadam	CFO	10:1	7%
7	Riya P G**	Company Secretary	1:1	NA
8	Riddhi Jain**	Company Secretary	1:1	NA
9	Moona Selim M V **	Company Secretary	1:1	NA

2. The percentage increase in the median remuneration of employees in the financial year – 8.35%
3. The number of permanent employees on the rolls of company as on 31.03.2025 – 924
4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration - There was no increase in the Average percentile salary.
5. Affirmation that the remuneration is as per the remuneration policy of the company - We affirm that remuneration is paid as per the remuneration policy of the Company

B) INFORMATION REQUIRED PURSUANT TO SECTION 197 READ WITH RULE 5 (2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details of employee of the Company in terms of the remuneration drawn

Name of employee	Alok Aggarwal
Designation	Chief Executive Officer
Remuneration received	1.68Cr
Nature of employment, whether contractual or otherwise;	Fixed Term
Qualifications and experience of the employee;	M.B.A
Date of commencement of employment;	02nd January 2023
Age	46
Last Employment held before joining the oragnisation	National Trust Housing Finance Limited
% of equity shares held by the employee in the Company	NIL
Relationship with Managing Director and CEO or Directors	NIL

For and on behalf of the Board of Directors

Place: Kochi
Date: August 08, 2025

Sd/-
Eapen Alexander
Whole-time Director
DIN: 03493601

Sd/-
George Alexander Muthoot
Director
DIN:00016787

1. Board of Directors

A. Composition of Board

The Board of Directors of your Company has an optimum combination of Executive and Non-Executive Directors in compliance with Section 149 of the Companies Act, 2013 ("Act"). As of March 31, 2025 , your Company has eight Directors including one woman Director, three Non-Executive Directors, three Independent Directors and one Whole Time Director. Your Company believes that the Independent Directors bring with them the rich experience, knowledge and practices followed in other companies resulting in imbibing the best practices followed in the industry.

The Board of Directors of your Company plays the primary role as the trustees to safeguard and enhance stakeholders' value through its effective decisions and supervision.

The composition of Board of Directors as of March 31, 2025 are as follows

Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	George Thomas Muthoot	26/08/2011	Non-Executive	00018281	6	6	14	-	-	-	1 share
2	George Alexander Muthoot	26/08/2011	Non-Executive	00016787	6	6	14	-	-	-	1 share
3	Eapen Alexander	19/05/2015	Executive	03493601	6	6	15	-	-	-	-
4	K R Bijimon	30/09/2014	Non-Executive	00023071	6	6	10	-	3,30,000	-	-
5	Anna Alexander	25/10/2018	Non-Executive	00017147	6	6	17	-	-	-	-
6	Jose Kurian	07/09/2015	Independent	07258367	6	6	NIL	-	4,30,000	-	-
7	V C James	25/01/2019	Independent	01398943	6	6	0	-	4,30,000	-	-
8	Jacob K Varghese	03/05/2019	Independent	07261140	6	6	0	-	4,60,000	-	-

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

Sl.No.	Name of Director	Director since	Capacity	Nature of Change	Effective Date
1	K V Eapen	11/06/2025	Additional Director(Independent)	Appointment	11/06/2025

C) Mr. Eapen Alexander, Whole Time Director, Mr. George Alexander Muthoot and Mrs. Anna Alexander, Non-executive Directors on the Board are related to each other

2. Committees of the Board and their Composition

A. Audit Committee

The Audit Committee of the Board is constituted under Section 177 of the Act read with Rule 6 & 7 of Companies (Meetings of Board and its Powers) Rules, 2014, and Reserve Bank of India directions/guidelines.

Composition and Attendance

As on March 31, 2025, the Audit Committee of the Board consisted of four Members out of which three are Non - Executive Independent Directors. All the Members of the Committee are financially literate and have accounting and financial management expertise. The Company Secretary of the Company acts as the Secretary to the Committee.

The composition and attendance of the Members at the Audit Committee meetings held during the FY 2024-245are as follows:

Sl.No.	Name of Director	Member of Committee since	Capacity	Number of Meetings		No. of shares held in and convertible instruments held in the NBFC
				Held	Attended	
1	Eapen Alexander	02/08/2019	Member Whole Time Director	4	4	-
2	Jose Kurian	02/08/2019	Member Independent Director	4	4	-
3	V C James	02/08/2019	Member Independent Director	4	4	-
4	Jacob K Varghese	02/08/2019	Member Independent Director	4	4	-

Terms of reference of the Audit Committee:

- Providing recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Reviewing and monitoring auditor's independence and performance and effectiveness of audit process;
- Examining financial statement and the auditors' report thereon;
- Scrutinizing inter-corporate loans and investments;
- Evaluating internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Approval or any subsequent modification of transactions of the Company with related parties; and
- Any other responsibilities as may be assigned by the Board from time to time.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is set up by the Board in compliance with the Section 178 (1) of the Act. The Committee is entrusted with combined advisory responsibilities concerning the nomination for appointment or removal of Directors and Key Managerial Personnel and recommendation of remuneration policy. The Company Secretary of the Company acts as the Secretary to the Committee.

Composition and attendance

As at March 31, 2025, the Nomination and Remuneration Committee comprise of four Members out of which three are Non-Executive Independent Directors.

The composition and attendance of the Members at the meetings of the Nomination and Remuneration Committee held during the FY 2024-25 are as follows:

Sl.No.	Name of Director	Member of Committee since	Capacity	Number of Meetings		No. of shares held in and convertible instruments held in the NBFC
				Held	Attended	
1	K R Bijimon	02/08/2019	Chairman Executive Director	4	4	-
2	Jose Kurian	02/08/2019	Member Independent Director	4	4	-
3	V C James	02/08/2019	Member Independent Director	4	4	-
4	Jacob K Varghese	02/08/2019	Member Independent Director	4	4	-

Terms of Reference of Nomination & Remuneration Committee:

- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with criteria as laid down and recommend to the Board their appointment and removal;
- Ensuring persons proposed to be appointed on the Board do not suffer any disqualifications for being appointed as a director under the Companies Act.

- Ensuring that the proposed appointees have given their consent in writing to the Company;
- Reviewing and carrying out every Director's performance, the structure, size and composition including skills, knowledge and experience required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
- Planning for the succession planning for directors in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- Being responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise;
- Keeping under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the organization to compete efficiently in the market place;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment setting out clearly what is expected of them in terms of committee services and involvement outside board meetings;
- Determining and agreeing with the Board the framework for broad policies for criteria for determining qualifications, positive attitudes and independence of a director and recommend to the Board policies, relating to remuneration for the Directors, Key Managerial Personnel and other employees.
- Reviewing the on-going appropriateness and relevance of the remuneration policy;
- Ensuring that contractual terms of the agreement that Company enters into with Directors as part of their employment in the Company are fair to the individual and the Company;
- Ensuring that all provisions regarding disclosure of remuneration and Remuneration Policy as required under the Companies Act or such other acts, rules, regulations or guidelines are complied with.
- Formulating ESOP plans and deciding on future grants; and
- Formulating terms and conditions for a suitable employee stock option scheme and to decide on followings under employee stock option schemes of the Company:

a) the quantum of option to be granted under ESOP Scheme(s) per employee and in aggregate;

b) the condition under which option vested in employees may lapse in case of termination of employment for misconduct;

c) the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

d) the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;

e) the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

f) the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of rights issues, bonus issues and other corporate actions;

g) the grant, vest and exercise of option in case of employees who are on long leave;

h) the procedure for cashless exercise of options; and

i) any other matter, which may be relevant for administration of ESOP Scheme including allotment of shares pursuant to exercise of options from time to time

C. Stakeholders Relationship Committee

In compliance with the provisions of Section 178 (5) of the Act, the Board has constituted a Stakeholders Relationship Committee to redress the grievances of shareholders, debenture holders and other stakeholders. The Company Secretary of the Company acts as the Secretary to the Committee.

Composition and attendance

The composition and attendance of the Members at the Stakeholders Relationship Committee meetings held during the FY 2024-25 are as follows:

Sl.No.	Name of Director	Member of Committee since	Capacity	Number of Meetings		No. of shares held in and convertible instruments held in the NBFC
				Held	Attended	
1	Eapen Alexander	13/05/2019	Member Whole Time Director	4	4	-
2	Jose Kurian	13/05/2019	Member Independent Director	4	4	-
3	V C James	13/05/2019	Member Independent Director	4	4	-

Terms of reference of the Stakeholders Relationship Committee:

- To approve or otherwise deal with applications for transfer, transmission, transposition and mutation of shares and certificates including duplicate, split, sub-division or consolidation of certificates and to deal with all related matters; and also to deal with all the matters related to de-materialisation or re-materialisation of securities, change in the beneficial holders of de-mat securities and granting of necessary approvals wherever required.
- To look into and redress shareholders / investors grievances relating to:
    i. Transfer/Transmission of securities
    ii. Non-receipt of Interest and declared dividends
    iii. Non-receipt of annual reports
    iv. All such complaints directly concerning the Security holders as stakeholders of the Company
    v. Any such matters that may be considered necessary in relation to the security holders of the Company

D. Risk Management Committee

Pursuant to the RBI Regulations, the Company has constituted a Risk Management Committee (RMC). The composition and attendance of the Members at the Risk Management Committee meetings held during the FY 2024-25 are as follows:

Sl. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings		No. of shares held in and convertible instruments held in the NBFC
				Held	Attended	
1	Eapen Alexander	23/10/2020	Member Whole Time Director	4	4	-
2	George Alexander Muthoot	23/10/2020	Member Non-Executive Director	4	4	1 share
3	K R Bijimon	23/10/2020	Member Non-Executive Director	4	4	-

Terms of Reference of Risk Management Committee are:

- Credit deployment in line with business plan and within the defined risk appetite;
- Creating requisite capacity in the risk management with a view of monitoring and control.
- Maintaining a well-diversified loan book;
- Optimise profits by way of controlling risk in the Operations and credit delivery process; and
- Inculcating the culture of informed decision-making by creating environment of taking calculated business risk to maximise profits.

E. Asset Liability Management Committee

Your Board has created an Asset Liability Management Committee to oversee the ALM position of the Company. The Asset Liability Management Committee is responsible for overseeing the liquidity position of the Company and liquidity risk management.

Composition and attendance

The composition and attendance of the Members at the meetings of the Asset Liability Management Committee held during the FY 2024-25 are as follows:

Sl. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings		No. of shares held in and convertible instruments held in the NBFC
				Held	Attended	
1	Eapen Alexander	23/10/2020	Chairman Whole Time Director	4	4	-
2	George Alexander Muthoot	23/10/2020	Member Non-Executive Director	4	4	1 share
3	K R Bijimon	23/10/2020	Member Non-Executive Director	4	4	-
4	Jose Kurian	06/02/2024	Member Independent Director	4	4	-
5	V C James	06/02/2024	Member Independent Director	4	4	-
6	Jacob K Varghese	06/02/2024	Member Independent Director	4	4	-

Terms of reference of the Asset Liability Management Committee:

- Developing an asset/liability management process and related procedures;
- Developing asset/liability management strategies and tactics;
- Establishing a monitoring and reporting system;
- Submitting a written report to the Board at least once every quarter; and
- Overseeing the maintenance of a management information system that supplies, on a timely basis, the information and data necessary for the Asset Liability Management Committee to fulfil its role as asset/liability manager of the Company.

F. Corporate Social Responsibility (CSR) Committee

In line with the requirements of Section 135 of the Act, your Board has constituted a Corporate Social & Business Responsibility Committee of the Board to oversee the CSR functions of the Company.

Composition and attendance

The composition and attendance of the Members at the meetings of the CSR Committee held during the FY 2024-25 are as follows:

Sl. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings		No. of shares held in and convertible instruments held in the NBFC
				Held	Attended	
1	Eapen Alexander	23/10/2017	Member Whole Time Director	1	1	-
2	K R Bijimon	23/10/2017	Member Non-Executive Director	1	1	-
3	Jose Kurian	23/10/2017	Member Independent Director	1	1	-

Terms of Reference of CSR Committee are as under:

a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

b. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;

c. To monitor the CSR policy of the Company from time to time;

d. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

IT strategy Committee

The composition of IT strategy committee for FY 2024-25 are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings		No. of shares held in and convertible instruments held in the NBFC
				Held	Attended	
1	Jacob K Varghese	02/08/2019	Chairman Independent Director	4	4	-
2	Eapen Alexander	02/08/2019	Member Whole Time Director	4	4	-
3	K R Bijimon	06/02/2024	Member Non-Executive Director	4	4	-

Terms of Reference:

- To work in partnership with other committees of the Board of Directors and Senior Management members to provide input to them on Information Technology; and
- To carry out review and amend the Information Technology strategies in line with the corporate strategies, cyber security arrangements and any other matter related to Information Technology governance.

Finance Committee

The composition of Finance Committee for the FY 2024-25 are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity	Number of Meetings		No. of shares held in and convertible instruments held in the NBFC
				Held	Attended	
1	Eapen Alexander	20/09/2018	Chairman Whole Time Director	9	9	-
2	George Alexander Muthoot	20/09/2018	Member Non-Executive Director	9	9	1 share
3	George Thomas Muthoot	20/09/2018	Member Non-Executive Director	9	9	1 share
4	K R Bijimon	20/09/2018	Member Non-Executive Director	9	9	-

The terms of reference of Finance Committee are as under:

- Review of Company's financial policies, working capital and cash follow management and make reports and recommendations to the Board with respect thereto as it may deem advisable;
- Review of banking arrangements and cash management;
- Exercise all powers to borrow moneys whether secure or unsecure and taking necessary actions connected therewith including borrowing monies by way of short term / long term loans, cash credit arrangement and / or by way other instruments and Commercial Papers in any form on such terms as Committee may deem fit not exceeding the limit by the shareholders under section 180(1)(c) of the Companies Act, 2013
- Review, approve and accept Renewal / enhancement / disbursement of credit facilities including Cash credit / short term loan / term loans from Banks / financial institutions;
- Giving guarantees / issuing letters of comfort / providing security / corporate guarantee / performance guarantee / letter of credit on such terms as Committee may deem fit;
- Exercise all the powers with regard to foreign currency transactions including entering into various hedging mechanism like forward contracts, option contracts, swaps etc.
- Opening / closing of Bank Accounts and availing various facilities for operating the said Bank Accounts including internet banking and authorise / change / removal of signatories for said Bank Accounts;
- Carry out any other functions as mandated by the Board from time to time and / or enforced by any statutory notifications, amendment or modification as may be applicable;
- To invest the funds of the Company on such terms as Committee may deem fit;
- To determine and approve the terms and conditions and nature of the debentures (NCDs) including Secured Non-Convertible Debentures and Unsecured Non-Convertible Debentures in nature of Sub-Ordinated Debt to be issued

on basis of private placement and/or Public Issue;

- To determine and approve the nature/type/pricing/terms of the NCD issue;
- To approve the Draft Issue Documents or Offer Document(s) including Prospectus, Shelf Prospectus, Tranche Prospectus etc related to issue of NCDs ; and
- To appoint Compliance Officer and to authorise and appoint Officers of the Company for negotiations, signing and execution of any documents including offer documents, trust deed, Charge Documents and other statutory documents for and on behalf of the Company to the extend authorised by the Committee and
- To appoint and deal with Stock Exchanges, Depositories, Registrar, Merchant Bankers, Brokers, Debentures Trustees, Bankers, agents, attorneys, experts or any other persons in relation to the issue and continuous management of NCDs and enter into agreement with them for and on behalf of the Company;
- To appoint Trustees of the each Issue/tranche of the Issue for NCDs as Issued by Board of Directors of the Company from time to time and to approve the Trust Deed;
- To create or modify the Charge on assets of the Company for purpose of securing the NCDs to extent of NCDs issued by Board of Directors of the Company from time to time.
- Ensure that all provisions regarding disclosure and other required under the Companies Act, 2013, Reserve Bank of India Guidelines, SEBI (Issue of Debt and Listing) Regulations, 2008 for listing of debentures issued on private placement basis, or such other acts, rules, regulations or guidelines are complied with.
- To approve Rematerialisation/Dematerialisation of NCD's, transfer and transmission of NCD's and issuance of Duplicate NCD Certificates and other day to day activities issued through Private Placement and/or Public Issue.
- To approve and deal with all other matters relating to the issue and do all such acts, deeds, matters and things as it may, at its discretion, deem necessary for such purpose and other matters entrusted by Board of Directors from time to time including without limitation the utilisation of the issue proceeds etc.
- Other transactions or financial issues that the Board may desire to have them reviewed by the Finance Committee;
- Give authorization from time to time to the executives / Authorised Persons (including Change/Removal of Authorised persons) to implement decisions of the Committee and to execute necessary papers, agreements or any other documents for the purpose of giving effect to this resolution;
- Regularly review and make recommendations about changes to the Charter/terms of reference of the Committee.

3. General Body Meeting

The details of Annual General Meeting (AGM) held during the financial year 2024-25 are as under:

Sl.No.	Type of Meeting	Date and Place	Special Resolutions passed
1	13th Annual General Meeting	12th August 2024 Muthoot Chambers, Kurians Tower, Banerji Road, Ernakulam North, Kochi	NIL

4. Details of Non-Compliance, if any

The Company has complied with all applicable legal requirements of the Companies Act, 2013 including accounting and secretarial standards.

5. Details of Penalties and Strictures

- During the FY2025, no penalties or strictures have been imposed on the Company by the Reserve Bank of India, the National Housing Bank or any other statutory authority.
- No penalties or strictures have been imposed by the stock exchange, SEBI or any other statutory authority, in any matter related to capital markets, during the last three years.

6. Breach of Covenant

During the financial year ended March 31, 2025, no bank or financial institution or debenture trustee has issued any notice of breach of covenant in respect of loans availed or debt securities issued by the Company.

7. Divergence in Asset Classification and Provisioning

Sl. No.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a)	The additional provisioning requirements assessed by National Housing Bank (NHB) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period or	NIL	NIL
b)	the additional Gross NPAs identified by NHB exceeds 5 per cents of the reported Gross NPA for the reference period.	NIL	NIL

For and on behalf of the Board of Directors

Place: Kochi
Date: August 08, 2025

Sd/-
Eapen Alexander
Whole-time Director
DIN: 03493601

Sd/-
George Alexander Muthoot
Director
DIN:00016787

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MUTHOOT HOMEFIN (INDIA) LIMITED

Report on the Audit of the Financial Statements

1. Opinion

We have audited the accompanying Financial Statements of Muthoot Homefin (India) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025 the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date and notes to financial statement, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing ('SAs") specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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 Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Key audit matters	How our audit addressed the key audit matter
Impairment of Financial Instruments as per Ind AS 109 Credit to P&L - ₹52.34 Lakhs (allowance for loan losses), Outstanding Expected Credit Loss (ECL) provision as on March 31, 2025, ₹2869.7 Lakhs. [Refer note no. 6 and 25 to the financial statements].	
Ind AS 109 Financial instruments (Ind AS 109) requires the Company to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model. These judgement and estimates include: 1. Data inputs – The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. 2. Model estimations – Inherently, judgemental 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 key drivers of estimation complexity in the ECL and as a result are considered the most significant judgemental aspect of the Company's modelling approach. 3. Economic scenarios – Ind AS 109 requires the Company to measure ECLs on an unbiased forward looking reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them.	Our audit approach/procedures included the following: • Read and assessed the Company's accounting policies for impairment of financial assets and their compliance with Ind AS 109 • Performed end to end process walkthroughs to identify the key systems, and manual controls used in the Computation of ECL. • Testing the design and operating effectiveness of the key controls over the application of the staging criteria. • Testing key controls relating to selection and implementation of material macro-economic variables and the controls over the scenario selection and application of probability weights. • Evaluated the reasonableness of the methodology and tools to compute ECL rates. • Performed test of details over calculations of ECL rate computation, in relation to the completeness and accuracy of data on sample basis. • Obtained written representations from the management on the reasonableness of the significant assumptions used in computation of ECL provision. • Assessing management overlays to calibrate the risks that are not yet fully captured by existing model. • Assessed the disclosures included in the Ind-AS financial statements with respect to such allowance / estimate are in accordance with the requirements of Ind AS 109 and Ind AS 107 Financial Instruments Disclosures.

<table>
<tr><td>4. The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, including off balance sheet elements, has a high degree of estimation uncertainty, with a potential range of reasonable outcome greater than our materiality for the financial statements as a whole. Management overlay based on risk assessment.

Disclosures:

The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and material inputs to the Ind AS 109 ECL results. Further, disclosures to be provided as per the RBI circulars with regards to non-performing assets and provisions will also be an area of focus.</td><td></td></tr>
<tr><td colspan="2">Evaluation of Company's Information Technology (IT) systems and Controls over Financial Reporting</td></tr>
<tr><td>The information system is a critical component of Company's operations, enabling efficient processing of transactions, safeguarding of information, and supporting decision-making. The Company uses Emnest Application for managing its loan transactions and also for overall financial reporting.

As such, it is important for us to evaluate the effectiveness of information system controls to ensure the correctness, integrity, availability, and confidentiality of data. We identified 'IT systems and controls including audit trail (audit log)' as key audit matter because of the pervasive nature of IT environment and the scale and complexity of the IT architecture.</td><td>Audit approach/procedures carried out by us including our IT Specialist are as under:
• Evaluated the extent to which the controls are designed and implemented to mitigate the risk of material misstatement in financial reporting.
• Obtained an understanding of the IT control environment and IT policies during the audit period.
• Obtained an understanding of the Company's information processing systems, IT General Controls and automated IT controls for select applications and databases relevant to our audit.
• Testing IT general controls related to User access management, Change Management Controls, Information Security Controls, Log management and Data backup.
• Assessment and identification of key IT applications including those identified by the management for audit trail (audit log) further verifying, testing, and reviewing the design and operating effectiveness of the IT system based on reports and other financial and non-financial information generated from the system on a test check basis.</td></tr>
</table>

4. Information Other than the Financial Statements and Auditors' Report thereon

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

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

5. Responsibilities of management for the Financial Statements

The Company's Management and Board of Directors is responsible for the matters stated in Section 134(5)of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act.

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 of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

6. Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Financial Statements made by the management and Board of Directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current 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

1. As required by the Companies(Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books expect for the matters stated in para 2(i)(vi) below on reporting under rule 11(g).

   (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in

Equity and the Cash Flow Statement dealt with by this report are in agreement with the books of account.

(d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

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

(f) With respect to the maintenance of accounts and other matters connected therewith, as stated in paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

(g) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

(h) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The company has disclosed the impact of pending litigations on its financial position in its Financial Statements- 34 to the Financial Statements

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the Financial Statements.

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

iv. (a) The management has represented in note no. 44 that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(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 in note no. 44 that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a)and (b) above, contain any material misstatement.

v. the Company has not declared paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account that have a feature of recording audit trail (edit log) facility, and the audit trail feature has operated throughout the year for all relevant transactions recorded in the software.

Hower, as per the audit evidence obtained, the feature of recording audit trail (edit log) facility has not been enabled and operated throughout the year at the database level to log any direct data changes.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

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

Suresh Agaskar
Partner
Membership No.: 110321
UDIN: 25110321BMKWHY6883

Place: Mumbai
Date: May 09, 2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date on the financial statements of Muthoot Homefin (India) Limited for the year ended March 31, 2025]

i. In respect of its Property, Plant and Equipment and Intangible Asset:

a. (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of the Property, Plant and Equipment.

(B) According to the information and explanation given to us, the Company has maintained proper records showing full particulars of intangible assets.

b. The Property, plant and equipment were physically verified by the company during the year in accordance with a regular programme of verification at reasonable intervals. In our opinion, this periodicity of the physical verification is reasonable having regard to the size of the Company and the nature of its assets. For the assets where physical verification exercise was completed, no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us, the company has immovable properties under Property Plant and Equipment (Other than properties where company is the lessee and lease agreements are duly executed in favour of the lessee) and the title deeds for the immovable property are held in the name of the Company.

d. According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment (Including Right of use assets) or intangible assets during the year.

e. As disclosed by the management in note 9.3, no proceedings have been initiated or are pending against the company as at March 31, 2025, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

ii. a. The Company is Non-banking financial company engaged in lending activities. Accordingly, it does not hold any physical inventories. Therefore, the reporting under this paragraph 3(ii)(a) of the said Order are not applicable to the Company.

b. The Company has been sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. According to the information and explanations given to us, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the Company with banks and financial institutions when compared with the books of account and other relevant information provided by the Company.

iii. a. The Company has granted secured Loans to its customers as it is primarily engaged in lending activities and hence reporting under para 3(iii)(a) of the order is not applicable to the Company.

b. In our opinion, the terms and conditions of the loans granted during the year are in normal course of business during the year and are, prima facie, not prejudicial to the Company's interest. Further, according to the information and explanations provided to us, the Company has not provided any guarantees during the year.

c. In respect of loans and advances in nature of loans, granted by the Company during the normal course of its business, having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid /paid when they were due or were repaid/paid with a delay. Further for loans where there are delays or defaults in repayment of principal and/or payment of interest as at the balance sheet date, the summary of the same are disclosed by Management in Note 6 of Notes to Financial Statements.

d. In respect of loans granted by the Company, the overdue amount remaining outstanding as at the balance sheet date is as reported by the management in Note 6 of Notes of the Financial Statements. The total amount overdue for more than 90 days amounts to ₹3,014.60 lakhs for 475 cases. The Company has taken reasonable steps in its normal course of business for recovery of overdue principal and interest in respect of such loans.

e. The principal business of the company is to give loans. Accordingly, reporting under paragraph 3(iii)(e) of the Order is not applicable to the Company.

f. According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Thus, reporting under paragraph 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us, the company has not advanced any loans, given any guarantee or provided any security in connection with loans to any of its directors or to any person in whom the director is interested. Thus, the provisions of section 185 are not applicable to the company. Pursuant to the provisions of sub section 11 of section 186 of the Act, the company is exempted from provisions of section 186 of the Act, with respect to the loans given.

v. The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-banking financial company, and also the Company has not accepted any deposits from public or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not prescribed the maintenance of cost records for any of the services provided by the company under section 148(1) of the Act. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

vii. According to the information and explanations provided to us, in respect of statutory dues,

a. The amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and other statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, value added tax, duty of customs and duty of excise;

b. The details of statutory dues referred to in sub- paragraph (a) above which have not been deposited as on March 31, 2025, on account of disputes are given below:

Name of the Statute	Nature of dues	Amount (` In lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	2839	Assessment year 2018-19	Commissioner of Income Tax (Appeals), Kochi
The Income Tax Act, 1961	Income Tax	897.4	Assessment year 2022-23	Commissioner of Income Tax (Appeals) Kochi

viii. As disclosed by the management in note 45 and as verified by us, there are no transactions which are recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

ix. a. According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b. According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financials institution or any other lender till the date of our audit report.

c. According to the information and explanations given to us and based on the audit procedures performed by us, the Company has utilized the money raised by way of term loans, non-convertible debentures and commercial papers during the year for the purpose for which they were raised, other than temporary deployment pending application of proceeds.

d. On an overall examination of financials statement of the Company, funds raised by the Company on short term basis, have prima facie not been used during the year for long term purposes.

e. The company does not have any subsidiary, joint venture or associates and accordingly, the provision of Clause 3 (ix) (e) and (f) of the Order is not applicable.

x. a. According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

b. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

xi. a. During the course of our examination of the books and records of the company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the company or on the company noticed or reported during the year, nor have we been informed of any such cases by the management except the case reported under fraud monitoring report by the management to NHB.

b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

c. According to the information, explanations and representations given to us by the management, there were no whistle blower complaints received by the Company during the year and hence reporting under paragraph 3 (xi)(c) of the Order is not applicable to the Company.

xii. According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, all the transactions with the related parties are in compliance with Section 177 and Section 188 of the Act, where applicable and the details of such transactions have been disclosed in the financial statements, as required by the applicable Indian accounting standard.

xiv. a. In our opinion and according to the information and explanations given to us and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

b. We have taken into consideration, the internal audit reports for the period under audit issued to the Company while determining the nature, timing and extent of audit procedures.

xv. The Company has not entered into any non- cash transactions with its directors or directors of its holding, or subsidiary company or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

xvi. a. As the Company is a Non-Banking Financial Company and registered under National Housing Bank (NHB) Act, 1987, it has been exempted from the requirement of Registration under section 45-IA of Reserve Bank of India Act,1934. Accordingly, reporting under clause 3(xvi) (a) of the Order is not applicable to the Company.

b. The Company has a valid certificate of registration from National Housing Bank (NHB).

c. The Company is not a Core Investment Company ('CIC') as defined under the Regulations by the Reserve Bank of India. Accordingly, reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.

d. According to information and explanation given to us, there is no core investment company as part of the group.

xvii. The company has not incurred cash losses in the financial year and in the immediately preceding financial year. Accordingly, the reporting under the clause 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors, however the outgoing Statutory Auditor has completed their tenure during the period. There has not been any issues, concerns or objections raised by the outgoing auditors.

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 and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumption, nothing has come to our attention which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the balance sheet date as and when they fall due within a period of one year from balance 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. As disclosed by the management in note 28.2 of the Financial Statements and as verified by us, the gross amount required to be spent by company towards Corporate Social Responsibility (CSR) during the year has been duly spent during the year. Hence reporting under clause (xx)(a) and clause (xx)(b) of the Order is not applicable.

xxi. Reporting under paragraph 3(xxi) of the Order is not applicable as the same is required to be reported only in case of consolidated financial Statements.

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

Suresh Agaskar
Partner
Membership No.: 110321
UDIN: 25110321BMKWHY6883

Place: Mumbai
Date: May 09, 2025

ANNEXURE 'B'
TO THE INDEPENDENT AUDITORS' REPORT

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

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

We have audited the internal financial controls with reference to financial statements of Muthoot Homefin (India) Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the company has, in all material respects, an adequate internal financial controls systems with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025 based on the criteria for internal financial control with reference to financial statements established by the company considering the essential components of internal control stated in the guidance note on audit of Internal control stated in the guidance note on audit of internal controls over financial reporting issued by the institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

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

Suresh Agaskar
Partner
Membership No.: 110321
UDIN: 25110321BMKWHY6883

Place: Mumbai
Date: May 09, 2025

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS
MUTHOOT HOMEFIN (INDIA) LIMITED

Report on Compliance with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended.

1. 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 70.1 of the Directions in respect of Muthoot Homefin (India) Limited ("the Company") for the year ended March 31, 2025.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

3. Pursuant to requirement of the Directions, it is our responsibility to provide a limited 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 70.1 of Chapter XII of the Directions, based on our audit for the financial statement for the year ended March 31, 2025.

4. The financial statements of the Company as of and for the financial year ended March 31, 2025, as mentioned in paragraph 3 above, have been audited by us on which we issued an unmodified audit opinion dated vide our report dated May 09, 2025. Our audit of these financial statements was conducted in accordance with the Standards on Auditing issued by Ministry of Corporate Affairs ('MCA') and other authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

5. For the purpose of this report, we have planned and performed the following procedures;

   a. obtained and sighted certificate of registration No. 05.0112.14 dated May 19, 2014, issued by the National Housing Bank ("NHB");

   b. obtained and sighted the Board of Directors' resolution on non-acceptance of public deposits and other records of the Company.

   c. trace the details appearing in the Returns from the audited financial statements of the Company for the year ended March 31, 2025.

   d. obtained and sighted the half yearly Schedule II returns filed by the Company, from April 2024 to March 2025, prepared and submitted by management of the Company to the NHB from time to time.

6. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

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

8. 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.

Conclusion

9. Based on our procedures performed as mentioned in paragraph 5 above, our examination of the audited financial statements as at and for the year ended March 31, 2025, and books of account and other records of the Company and information and explanations provided to us by management, nothing has come to our attention that causes us to believe that, in all material respects, the Company has not complied with below requirements of the Directions:

   a) The Company had applied for registration as required under Section 29A of the National Housing Bank Act, 1987 ("the

Act") and has been granted the certificate of registration dated May 19, 2014. Further, the Company is compliant of the Principal Business Criteria as specified in para 4.1.17 of the of the 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 Section 29C of the National Housing Bank Act, 1987.

d) The total borrowings of the Company are within the limits prescribed under paragraph 27.2 of the Directions

e) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, we report that the Company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market as specified in the Directions and as applicable to the Company.

f) The capital adequacy ratio as disclosed in the Half Yearly statutory returns, submitted to the 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 NHB within the stipulated period the Schedule-II (Half Yearly) return as specified in the Housing Finance Companies (NHB) Directions, 2010, as amended.

h) As informed by the management of the Company, furnishing of Schedule III (Statutory Liquid Assets) is not applicable in the case of the Company. Accordingly, reporting for timely submission of Schedule III is not required.

i) The Company has complied with the requirements contained in the 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 single product gold jewellery or against Company's own shares.

k) The Company has complied with the requirements of Para 3.1.3 of the Direction for loan against security of shares.

l) The Board of Directors of the Company has passed a resolution for the non-acceptance of any public deposits.

m) The Company has not accepted any public deposits during the year 2024-2025.

Restriction of use

10. This report has been issued pursuant to the requirement as per Paragraph 69 of Chapter XII of the Directions. It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

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

Suresh Agaskar
Partner
Membership No.: 110321
UDIN: 25110321BMKWHY6883

Place: Mumbai
Date: May 09, 2025

(₹ in Millions)

Balance Sheet
as at March 31, 2025

Particulars	Notes	As at March 31, 2025 Audited	As at March 31, 2024 Audited
I ASSETS			
1 Financial assets			
a) Cash and cash equivalents	5.1	1,016.15	1,920.65
b) Bank Balance other than cash and cash equivalents	5.2	303.80	286.51
c) Loans	6	25,452.62	16,792.35
d) Investments	7	100.05	-
e) Other financial assets	8	883.46	657.83
2 Non-financial assets			
a) Property, plant and equipment	9	338.01	341.07
b) Other intangible assets	10	-	0.20
c) Current tax assets (net)		145.20	116.06
d) Other non financial assets	11	55.57	55.60
Total assets		**28,294.86**	**20,170.27**
II LIABILITIES AND EQUITY			
1 Financial Liabilities			
a) (I) Trade payable			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	12	62.86	48.25
b) Debt securities	13	2,181.87	3,150.22
c) Borrowings (other than debt securities)	14	18,846.40	9,997.23
d) Other Financial Liabilities	15	1,768.56	2,024.43
2 Non-financial Liabilities			
a) Provisions	16	20.99	13.62
b) Deferred tax liabilities (Net)		244.36	165.59
c) Other non-financial liabilities	17	17.40	12.17
3 Equity			
a) Equity share capital	18	1,191.56	1,191.56
b) Other equity	19	3,960.86	3,567.20
Total liabilities and equity		**28,294.86**	**20,170.27**

Notes on accounts form part of financial statements
As per our Report of even date

For C N K & Associates LLP
Chartered Accountants
FRN: 101961 W / W-100036

Suresh Agaskar
Partner
M. No. 110321

Place: Mumbai
Date: May 09, 2025

For and on behalf of Board of Directors
of Muthoot Homefin (India) Limited

George Alexander Muthoot
Director
DIN: 00016787

Eapen Alexander
Whole Time Director
DIN: 03493601

Alok Aggarwal
Chief Executive Officer

Pandurang Kadam
Chief Financial Officer

Moona Selim
Company Secretary

Place: Kochi
Date: May 09, 2025

(₹ in Millions)

Statement of Profit and Loss

for the year ended March 31, 2025

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
		Audited	Audited
Revenue from operations			
(i) Interest income	21	2,728.12	1,782.15
(ii) Sale of service		140.44	91.48
(iii) Net gain on derecognised (assigned) loans		344.10	73.07
(iv) Net gain/(loss) on fair value changes	22	50.66	42.15
(I) Total Revenue from operations		**3,263.32**	**1,988.85**
(II) Other Income	23	271.38	198.86
(III) Total Income (I + II)		**3,534.70**	**2,187.71**
Expenses			
(i) Finance cost	24	1,502.24	802.79
(ii) Impairment of financial instruments and write Off	25	92.99	193.30
(iII) Employee benefit expenses	26	915.82	567.60
(iv) Depreciation, amortization and impairment	27	55.82	48.71
(v) Other expenses	28	427.36	319.39
(IV) Total Expenses (IV)		**2,994.23**	**1,931.79**
(V) Profit before exceptional items and tax (III - IV)		**540.47**	**255.92**
(VI) Exceptional items		**-**	**-**
(VII) Profit before tax (V- VI)		**540.47**	**255.92**
(VIII) Tax Expense:			
(1) Current tax		66.53	56.85
(2) Deferred tax		79.15	14.14
(3) Earlier years adjustments		-	-
Net Tax Expense (VIII)		**145.68**	**70.99**
(IX) Profit for the period (VII-VIII)		**394.79**	**184.93**
(X) Other Comprehensive Income			
(i) Items that will not be classified to profit or loss			
(a) Remeasurements of the defined benefit plans		(1.51)	(1.12)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.38	0.28
Other Comprehensive Income (i + ii)		**(1.13)**	**(0.84)**
(XI) Total Comprehensive Income for the period (IX + X)		**393.66**	**184.09**
(XII) Earnings per equity share (Face Value of Rs. 10/- Each)			
Basic (Rs.)		3.31	1.55
Diluted (Rs.)		3.31	1.55

Notes on accounts form part of financial statements
As per our Report of even date

For C N K & Associates LLP
Chartered Accountants
FRN: 101961 W / W-100036

Suresh Agaskar
Partner
M. No. 110321

Place: Mumbai
Date: May 09, 2025

For and on behalf of Board of Directors
of Muthoot Homefin (India) Limited

George Alexander Muthoot
Director
DIN: 00016787

Eapen Alexander
Whole Time Director
DIN: 03493601

Alok Aggarwal
Chief Executive Officer

Pandurang Kadam
Chief Financial Officer

Moona Selim
Company Secretary

Place: Kochi
Date: May 09, 2025

(₹ in Millions)

Cash Flow Statement

for the year ended March 31, 2025

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A. Cash flow from Operating Activities		
Profit before tax	540.47	255.92
Adjustments to reconcile profit before tax to net cash flows:		
Interest Income	(2,728.12)	(1,782.15)
Depreciation, amortisation & impairment	55.82	48.71
Impairment on financial instruments and write Off	92.99	193.30
Interest Expenses	1,502.24	802.79
Net gain on derecognised (assigned) loans	(344.10)	(73.07)
Net gain on fair value changes	(50.66)	(42.15)
Loss on sale of Property, plant and equipment	-	(0.06)
Asset written off	0.11	-
	(931.25)	**(596.71)**
Cash inflow from interest on loans	2,676.51	1,761.18
Cash inflow from interest on fixed deposits	51.61	20.97
Cash inflow from receivables on assignment of loans	157.45	161.20
Cash outflow towards finance cost	(1,559.80)	(649.62)
Operating Profit Before Working Capital Changes	**394.52**	**697.02**
Working capital changes		
Bank balance other than cash and cash equivalents	(17.29)	(19.59)
Loans given	(12,440.82)	(8,163.70)
Loans received back	3,687.56	1,727.76
Other financial asset	(38.98)	(9.75)
Other non financial asset	0.04	(29.04)
Other financial liabilities and other non financial liabilities	(183.29)	1,133.59
Trade payables	14.61	16.61
Provision	5.86	11.83
Cash Generated from Operations	**(8,577.79)**	**(4,635.27)**
Income tax paid	(95.70)	(108.03)
Net cash flows from/(used in) operating activities (A)	**(8,673.49)**	**(4,743.30)**
B.Cash flow from Investing Activities		
Purchase of Property, plant and equipment/intangible assets	(53.02)	(30.56)
Sale of Property, plant and equipment	0.34	1.07
Purchase of Investments	(12,630.00)	(9,440.00)
Proceeds from Sale of Investments	12,580.61	9,482.15
Purchase of Security Receipt	-	-
Redemption of Security Receipt	-	1.45
Net cash flows from/(used in) investing activities (B)	**(102.06)**	**14.12**
C.Cash flow from Financing activities		
Proceeds from issue of shares	-	-
Borrowings other than debt securities issued	11,235.32	6,788.67
Borrowings other than debt securities repaid	(2,386.14)	(1,493.15)
Commercial paper issued	490.22	

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Commercial paper repaid	(500.00)	
Debt securities issued	-	1,500.00
Debt securities repaid	(968.35)	(250.00)
Net cash flows from/(used in) financing activities (C)	**7,871.05**	**6,545.52**
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(904.50)	1,816.34
Add: Cash and cash equivalents as at beginning of the year	1,920.65	104.32
Cash and cash equivalents as at the end of the year	**1,016.15**	**1,920.65**
Components of cash & cash equivalents		
Cash on hand	1.28	3.07
In current accounts	1,014.87	1,917.58
In Bank deposit with maturity of less than 3 months	-	-
Total	**1,016.15**	**1,920.65**

Notes on accounts form part of financial statements
As per our Report of even date

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FRN: 101961 W / W-100036

Suresh Agaskar
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Place: Mumbai
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Chief Financial Officer

Moona Selim
Company Secretary

Place: Kochi
Date: May 09, 2025

(₹ in Millions)

Statement of changes in Equity

as at March 31, 2025

a. Equity Share Capital

Equity shares of Rs. 10 each issued, subscribed and fully paid

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
Balance at the beginning of the year	11,91,55,843	1,191.56	11,91,55,843	1,191.56
changes in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	**11,91,55,843**	**1,191.56**	**11,91,55,843**	**1,191.56**
changes in equity share capital during the period	-	-	-	-
Balance at the end of the year	**11,91,55,843**	**1,191.56**	**11,91,55,843**	**1,191.56**

b. Other Equity

Particulars	Reserves and Surplus				
	Statutory Reserve	Share Premium Account	Retained Earnings	Other comprehensive income	Total
Balance as at April 1, 2023	356.30	2,146.81	878.31	1.69	3,383.11
Changes due to prior period errors	-	-	-	-	-
Restated balance as at April 1, 2023	**356.30**	**2,146.81**	**878.31**	**1.69**	**3,383.11**
Other Additions/ Deductions during the year					
Transfer to/from retained earnings	36.98		(36.98)	-	-
Premium received during the year	-	-	-	-	-
Profit (loss) for the year after income tax	-	-	184.93	-	184.93
Other Comprehensive Income for the year before income tax	-	-	-	(1.12)	(1.12)
Less: Income Tax	-	-	-	0.28	0.28
Balance as at March 31, 2024	**393.28**	**2,146.81**	**1,026.26**	**0.85**	**3,567.20**
Changes due to prior period errors	-	-	-	-	-
Restated balance as at April 1, 2024	**393.28**	**2,146.81**	**1,026.26**	**0.85**	**3,567.20**
Other Additions/ Deductions during the year					
Transfer to/from retained earnings	78.96	-	(78.96)	-	-
Premium received during the year	-	-	-	-	-
Profit (loss) for the period after income tax	-	-	394.79	-	394.79
Other Comprehensive Income for the year before income tax	-	-	-	(1.51)	(1.51)
Less: Income Tax	-	-	-	0.38	0.38
Balance as at March 31, 2025	**472.24**	**2,146.81**	**1,342.09**	**(0.28)**	**3,960.86**

Notes on accounts form part of financial statements
As per our Report of even date

For C N K & Associates LLP
Chartered Accountants
FRN: 101961 W / W-100036

Suresh Agaskar
Partner
M. No. 110321

Place: Mumbai
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For and on behalf of Board of Directors
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Chief Executive Officer

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Chief Financial Officer

Moona Selim
Company Secretary

Place: Kochi
Date: May 09, 2025

Notes on accounts

for the year ended March 31, 2025

1. Corporate Information

Muthoot Homefin (India) Limited was incorporated on 26 August 2011. The Corporate Identification Number (CIN) is U65922KL2011PLC029231. The Company obtained the certificate of registration under the National Housing Bank ("NHB") as required under Section 29A of the NHB Act, 1987 on 19th May, 2014. The Company fulfils the Principal Business Criteria as laid down under paragraph 4.1.17, of the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 ('Master Directions'). The Company's financial assets constitute more than 60% of its total assets and out of the total assets, the Company has financed over 50% towards housing loans to individuals.

The Company is a wholly owned subsidiary of Muthoot Finance Limited.

The registered office of the Company is at Muthoot Chambers, Kurian Towers, Banerji Road, Ernakulam North, Kochi – 682 018.

The Company is primarily engaged in the business of providing long term finance to construct, purchase, acquire, renovate, modify, extend, enlarge or repair any house, villa, flat, apartment on the terms and conditions as the company may deem fit.

2. Basis of preparation

2.1 Statement of Compliance

The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows (the "financial statements") have been prepared in accordance with the Indian Accounting Standards ("Ind AS") and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified) and the guidelines issued by the National Housing Bank ("NHB") and the Reserve Bank of India ("RBI") to the extent applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Details of the Company's accounting policies are disclosed below.

2.2. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for following assets and liabilities which have been measured at fair value:

i) fair value through other comprehensive income (FVOCI) instruments,

ii) derivative financial instruments,

iii) other financial assets held for trading,

iv) financial assets and liabilities designated at fair value through profit or loss (FVTPL)

2.3 Functional and presentation currency

The financial statements are presented in Indian Rupees (INR) which is also its functional currency and all values are rounded to the nearest million, except when otherwise indicated.

3. Significant accounting policies

3.1. Recognition of interest income

1. The Company recognises Interest income by applying the effective interest rate to the gross carrying amount of a financial asset except for purchased or originated credit-impaired financial assets and other credit-impaired financial assets.
2. For purchased or originated credit-impaired financial assets, the Company applies the credit- adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.
3. For other credit-impaired financial assets, the Company applies effective interest rate to the amortised cost of the financial asset in subsequent reporting periods.
4. The effective interest rate on a financial asset is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While estimating future cash receipts, factors like expected behaviour and life cycle of the financial asset, probable fluctuation in collateral value etc are considered which has an impact on the EIR.
5. While calculating the effective interest rate, the Company includes all fees or received to and from the borrowers that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.
6. Fee income includes fees other than those that are an integral part of EIR The Company recognises the fees and commission income in accordance with the terms of the relevant contracts / agreements and when it is probable that the Company will collect the consideration.
7. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in statement of profit or loss. Profit /Loss on sale of investment is shown as net gain/(loss) in statement of profit and loss.

3.2 Recognition of Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established. This is established when it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

3.3 Other Income and Charges

Other income and charges represents income earned from the activities incidental to the business and is recognised upon realisation.

3.4 Financial instruments

A. Financial Assets

3.4.1 Initial recognition and measurement

All financial assets are recognised initially at fair value when the parties become party to the contractual provisions of the financial asset. In case of financial assets which are not recorded at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial assets, are adjusted to the fair value on initial recognition.

3.4.2 Subsequent measurement

The Company classifies its financial assets into various measurement categories. The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

1. *Financial assets measured at amortised cost*

   A financial asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. *Financial assets measured at fair value through other comprehensive income (FVTOCI).*

   A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. *Financial assets measured at fair value through profit or loss (FVTPL)*

   A financial asset which is not classified in any of the above categories are measured at FVTPL.

3.4.3 Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the changes in fair value through other comprehensive income (FVTOCI)

B. Financial Liabilities

3.4.4 Initial recognition and measurement

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The company's financial liabilities include trade and other payables, loans and borrowings including book overdrafts.

3.4.5 Subsequent Measurement

Financial liabilities are subsequently carried at amortized cost using the effective interest method.

3.5 Derecognition of financial assets and liabilities

3.5.1 Financial Asset

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

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

3.5.2 Financial Liability

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as 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.

3.5.3 Income on derecognised (assigned) loans

The Company, on de-recognition of financial assets under the direct assignment transactions, recognises the right of excess interest spread (EIS) which is difference between interest on the loan portfolio assigned and the applicable rate at which the direct assignment is entered into with the assignee. The Company records the discounted value of scheduled cash flow of the future EIS, entered into with the assignee, upfront in the Statement of Profit and Loss. Any subsequent increase or decrease in the fair value of future EIS is recognised in the period in which it occurs. The embedded interest component in the future EIS is recognised as interest income in line with Ind AS 109 'Financial instruments'

3.6 Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. Financial assets and liabilities are offset and the net amount is presented in the balance sheet when the Company has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously in all the following circumstances:

a. The normal course of business
b. The event of default
c. The event of insolvency or bankruptcy of the Company and/or its counterparties

3.7 Impairment of financial assets

In accordance with IND AS 109 , the Company uses 'Expected Credit Loss' model (ECL) , for evaluating impairment of financial assets other than those measured at Fair value through profit and loss.

3.7.1 Overview of the Expected Credit Loss (ECL) model

Expected Credit Loss, at each reporting date, is measured through a loss allowance for a financial asset:

- At an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.
- At an amount equal to 12-month expected credit losses, if the credit risk on a financial instrument has not increased significantly since initial recognition.

Lifetime expected credit losses means expected credit losses that result from all possible default events over the expected life of a financial asset.

12-month expected credit losses means the portion of Lifetime ECL that represent the ECLs that result from default events on financial assets that are possible within the 12 months after the reporting date.

The Company performs an assessment, at the end of each reporting period, of whether a financial assets credit risk has increased significantly since initial recognition. When making the assessment, the change in the risk of a default occurring over the expected life of the financial instrument is used instead of the change in the amount of expected credit losses.

Based on the above process, the Company categorises its loans into three stages as described below:

For non-impaired financial assets

- Stage 1 is comprised of all non-impaired financial assets which have not experienced a significant increase in credit risk (SICR) since initial recognition. A 12-month ECL provision is made for stage 1 financial assets. In assessing whether credit risk has increased significantly, The Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition.
- Stage 2 is comprised of all non-impaired financial assets which have experienced a significant increase in credit risk since initial recognition. The Company recognises lifetime ECL for stage 2 financial assets. In subsequent reporting periods, if the credit risk of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then entities shall revert to recognizing 12 months ECL provision.

For impaired financial assets:

Financial assets are classified as stage 3 when there is objective evidence of impairment as a result of one or more loss events that have occurred after initial recognition with a negative impact on the estimated future cash flows of a loan or a portfolio of loans. The Company recognises lifetime ECL for impaired financial assets.

3.7.2 Estimation of Expected Credit Loss

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon.

The Company uses historical information where available to determine PD. Considering the different products, the Company has bifurcated its loan portfolio into various pools. For certain pools where historical information is available, the PD is calculated considering fresh slippage of past years. For those pools where historical information is not available, the PD/ default rates as stated by external reporting agencies is considered.

Exposure at Default - The Exposure at Default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

Loss Given Default - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral.

Forward looking information - While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral is generally in the form of mortgages of Properties. However, the fair value of collateral affects the calculation of ECLs. The collateral is majorly the property for which the loan is given. The fair value of the same is based on data provided by third party or management judgements.

Collateral repossessed - In its normal course of business whenever default occurs, the Company exercises its right of repossession under the SARFAESI Act. The repossessed assets are generally disposed through auction, to settle outstanding debt. Any surplus funds are returned to the customers/ obligors. The company does not record repossessed assets on its balance sheet as non-current assets held for sale.

Write-offs - Loans are written off 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 subjected to write-offs. A write off constitutes a de-recognition event. The company has a right to apply enforcement activities to recover such written off financial asset. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

3.8 Determination of fair value of Financial Instruments

The Company measures financial instruments, such as, investments at fair value at each balance sheet date.

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

i. In the principal market for the asset or liability, or

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

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

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

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

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

The financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

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 include one or more unobservable input that is significant to the measurement as whole.

3.9 Cash and cash equivalents

Cash and cash equivalents comprise of cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

3.10 Property, plant and equipment

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

The cost of property, plant and equipment not ready for its intended use at each reporting date are disclosed as capital work-in-progress.

Subsequent expenditure related to the asset are added to its carrying amount or recognised as a separate asset only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Property, plant 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 income / expense in the statement of profit and loss in the year 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.

3.10.1 Depreciation

Depreciation is calculated using written down value (WDV) method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Companies Act, 2013. Leasehold Improvements are amortised in 10 years unless it has a shorter life. The estimated useful lives are as follows:

Particulars	Useful life
Furniture and fixture	10 years
Office equipment	5 years
Server and networking	6 years
Computer	3 years
Building	30 years

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.

3.11 Intangible assets

The Company's intangible assets consist of computer software and website development.

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets comprising of software and website development are amortised on a WDV basis over a period of 5 years, unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit or Loss when the asset is derecognised.

3.12 Impairment of non–financial assets: Property, Plant and Equipment and Intangible Assets

Upon an observed trigger, the Company reviews the carrying amounts of its PPE and intangible asset to determine whether there is any indication that the asset have suffered an impairment loss. If such indication exists, the PPE and intangible assets are tested for impairment so as to determine the impairment loss, if any.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is the higher of fair value less cost of disposal 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 recoverable amount of an asset is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset is reduced to its recoverable amount. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

3.13 Employee Benefits Expenses

3.13.1 Short Term Employee Benefits.

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services

3.13.2 Post-Employment Benefits

A. Defined contribution schemes

Eligible employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service.

B. Defined Benefit schemes

Gratuity

The Company provides for gratuity covering eligible employees under which a lump sum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Company.

The Company accounts for its liability for future gratuity benefits based on actuarial valuation determined at each Balance Sheet date by an Independent Actuary using Projected Unit Credit Method.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Re-measurement, comprising of actuarial gains and losses (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

3.13.3 Other Long term employee benefits

Accumulated compensated absences

The Company provides for liability of accumulated compensated absences for eligible employees on the basis of an independent actuarial valuation carried out at the end of the year, using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of Profit and Loss for the period in which they occur.

3.13.4 Provisions (other than employee benefits)

Provisions are recognised when the enterprise 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 enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

3.14 Taxes

Income tax expense represents the sum of current tax and deferred tax

3.14.1 Current Tax

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible in accordance with applicable tax laws.

The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the end of reporting date in India where the Company operates and generates taxable income.

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

3.14.2 Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

i. Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii. In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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

i. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

ii. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

3.15 Contingent Liabilities and assets

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

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The company does not have any contingent assets in the financial statements.

3.16 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

3.17 Leases

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Leases that do not transfer to the Company substantially all the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognised based on contractual terms.

3.18 Finance Costs

Borrowing costs include interest expenses incurred in connection with borrowing of funds. Borrowing cost is calculated using EIR on respective financial liabilities, subsequently measured at amortised cost as per IND AS 109. All other Borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

3.19 Statement of Cash Flows

The Statement of Cash Flows has been prepared and presented as per 'Indirect method' as per Ind AS 7 "Statement of Cash Flows".

4 Significant accounting judgements, estimates 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 reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

4.1 Business Model Assessment

Classification and measurement of financial assets depends on the results of the sole payments of principal and interest ('the 'SPPI criterion') and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Based on this assessment and future business plans of the Company, the management has measured its financial assets at amortised cost as the asset is held within a business model whose objective is to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest ('the 'SPPI criterion')."

4.2 Impairment of loans portfolio

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

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

4.3 Defined employee benefit assets and liabilities

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

4.4 Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using various valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.5 Other estimates

These include contingent liabilities, useful lives of tangible and intangible assets etc.

(₹ in Millions)

Notes to the financial statements

for the year ended March 31, 2025

Note 5.1: Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	1.28	3.07
Balances with Banks		
- in current accounts	1,014.87	1,917.58
Bank deposit with maturity of less than 3 months	-	-
Total	**1,016.15**	**1,920.65**

Note 5.2: Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Bank deposit with maturity of more than 3 months but less than 12 months*	129.12	286.51
Bank deposit with maturity of more than 12 months*	174.68	-
Total	**303.80**	**286.51**

*Balance with Banks to the extent pledged as security against borrowings and guarantee - ₹236.25 million (31 March 2024: ₹ 236.78 millions)

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

Note 6: Loans

Particulars	As at March 31, 2025				As at March 31, 2024			
	Amortised Cost	At Fair value			Amortised Cost	At Fair value		
		Through Other Comprehensive Income	Through profit or loss	Designated at fair vale through profit or loss		Through Other Comprehensive Income	Through profit or loss	Designated at fair vale through profit or loss
Housing Loans	17,787.55	-	-	-	12,296.31	-	-	-
Non Housing Loans	7,952.04	-	-	-	4,788.24	-	-	-
Total - Gross	**25,739.59**	**-**	**-**	**-**	**17,084.55**	**-**	**-**	**-**
Less : Impairment loss allowance	(286.97)	-	-	-	(292.20)	-	-	-
Total - Net	**25,452.62**				**16,792.35**			
Housing and Non Housing Loans								
I) Secured by tangible assets	25,739.59	-	-	-	17,084.55	-	-	-
II) Secured by intangible assets/ covered by bank/government guarantee/Unsecured	-	-	-	-	-	-	-	-
Total - Gross	**25,739.59**	**-**	**-**	**-**	**17,084.55**	**-**	**-**	**-**
Less : Impairment loss allowance	(286.97)	-	-	-	(292.20)	-	-	-
Total - Net	**25,452.62**	**-**	**-**	**-**	**16,792.35**	**-**	**-**	**-**
Housing and Non Housing Loans								
i) Public Sector	-	-	-	-	-	-	-	-
ii) Others	25,739.59	-	-	-	17,084.55	-	-	-
iii) Corporates/Other Entities	-	-	-	-	-	-	-	-
Total - Gross	**25,739.59**	**-**	**-**	**-**	**17,084.55**	**-**	**-**	**-**
Less: Impairment Loss Allowance	(286.97)	-	-	-	(292.20)	-	-	-
Total - Net	**25,452.62**	**-**	**-**	**-**	**16,792.35**	**-**	**-**	**-**

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

6.1 ECL provision is made as per NPA provision norms specified in Housing Finance Companies(NHB) Directions 2010 vide circular number NHB (ND)/DRS/REG/MC-01/2016 dated 01 July 2016 and in accordance with IND AS regulations.

6.2 Non Housing Loan includes top-up loan given against residential housing property and loan against property.

6.3 The company is not granting any loans against gold and gold jewellery as collateral.

6.4 The company is not granting any loans against security of shares as collateral.

6.5 Insurance portion of Housing Loan is excluded from Housing Loan and regrouped in Non Housing Loan. The amount of insurance portion included in Non Housing Loan amounts to ₹1,016.41 million (Mar 31,2024: ₹774.70 million). Insurance on housing loans is taken to cover the borrower's life, thereby serving as a risk mitigation measure to protect the loan portfolio. This helps safeguard the Company's housing loan portfolio against unforeseen events or borrower-related contingencies.

6.6 The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment.

6.7 The Company has not granted any loans outside India.

Notes to the Financial Statements
for the year ended March 31, 2025

(₹ in Millions)

6.8 Credit Quality of Loan Assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of the Company's internal grading system are explained in Note 38.

	As at March 31, 2025				As at March 31, 2024			
Particulars	**Stage 1 Collective**	**Stage 2 Collective**	**Stage 3**	**Total**	**Stage 1 Collective**	**Stage 2 Collective**	**Stage 3**	**Total**
Internal rating grade								
Performing								
High grade	24,728.98	-	-	24,728.98	16,185.90	-	-	16,185.90
Standard grade	-	-	-	-	267.63	-	-	267.63
Sub-standard grade	-	697.01	-	697.01	-	276.48	-	276.48
Past due but not impaired	-	12.14	-	12.14	-	40.59	-	40.59
Non- performing								
Individually impaired	-	-	301.46	301.46	-	-	321.21	321.21
Total	**24,728.98**	**709.15**	**301.46**	**25,739.59**	**16,453.53**	**317.07**	**321.21**	**17,091.81**
Ind AS Adjustment	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(7.26)**
Gross Carrying Amount	**-**	**-**	**-**	**25,739.59**	**-**	**-**	**-**	**17,084.55**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances, as follows:

	As at March 31, 2025				As at March 31, 2024			
Particulars	**Stage 1 Collective**	**Stage 2 Collective**	**Stage 3**	**Total**	**Stage 1 Collective**	**Stage 2 Collective**	**Stage 3**	**Total**
Gross carrying amount opening balance	16,453.53	317.07	321.21	17,091.81	9,761.84	690.35	436.33	10,888.52
New assets originated or purchased/further increase in existing assets	12,695.87	20.39	-	12,716.26	8,853.67		-	8,853.67
Assets derecognised or repaid (excluding write offs)	(3,880.13)	(34.99)	(43.61)	(3,958.73)	(2,329.93)	(55.92)	(72.36)	(2,458.21)
Transfers to Stage 1	136.84	(84.07)	(52.77)	-	420.97	(372.82)	(48.15)	-
Transfers to Stage 2	(519.19)	533.28	(14.09)	-	(159.04)	163.92	(4.88)	-
Transfers to Stage 3	(155.68)	(40.39)	196.07	-	(93.98)	(108.46)	202.44	-
Amounts written off	(2.26)	(2.14)	(105.35)	(109.75)	-	-	(192.17)	(192.17)
Gross carrying amount closing balance	**24,728.98**	**709.15**	**301.46**	**25,739.59**	**16,453.53**	**317.07**	**321.21**	**17,091.81**
Ind AS Adjustment				**-**				**(7.26)**
Gross Carrying Amount				**25,739.59**				**17,084.55**

Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in Millions)

Reconciliation of ECL balance is given below:

Particulars	As at March 31, 2025				As at March 31, 2024			
	Stage 1 Collective	Stage 2 Collective	Stage 3	Total	Stage 1 Collective	Stage 2 Collective	Stage 3	Total
ECL allowance - opening balance	62.39	4.69	225.12	292.20	35.66	32.79	289.36	357.81
ECL Remeasurements due to changes in EAD / assumptions	33.29	(0.13)	(39.68)	(6.52)	26.07	(4.21)	(40.38)	(18.52)
Transfers to Stage 1	0.52	(0.73)	(36.98)	(37.19)	1.68	(28.07)	(26.87)	(53.26)
Transfers to Stage 2	(1.96)	4.65	(9.87)	(7.18)	(0.64)	12.34	(2.72)	8.98
Transfers to Stage 3	(0.59)	(0.35)	120.46	119.52	(0.38)	(8.16)	112.97	104.43
Amounts written off	(0.01)	(0.02)	(73.83)	(73.86)	-	-	(107.24)	(107.24)
ECL allowance - closing balance	**93.64**	**8.11**	**185.22**	**286.97**	**62.39**	**4.69**	**225.12**	**292.20**

6.9 A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

As at 31 March 2025

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 as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	24,728.98	93.64	24,635.34	73.40	20.24
	Stage 2	709.15	8.11	701.04	2.00	6.11
Subtotal		**25,438.13**	**101.75**	**25,336.38**	**75.40**	**26.35**
Non-Performing Assets (NPA)						
Substandard	Stage 3	197.81	118.70	79.11	29.67	89.03
Doubtful - up to 1 year	Stage 3	87.19	52.31	34.88	21.80	30.51
Doubtful - 1 to 3 Year	Stage 3	11.22	8.97	2.25	4.49	4.48
Loss Assets	Stage 3	5.24	5.24	-	5.24	-
Subtotal		**301.46**	**185.22**	**116.24**	**61.20**	**124.02**
Total	**Stage 1**	**24,728.98**	**93.64**	**24,635.34**	**73.40**	**20.24**
	Stage 2	**709.15**	**8.11**	**701.04**	**2.00**	**6.11**
	Stage 3	**301.46**	**185.22**	**116.24**	**61.20**	**124.02**
	Total	**25,739.59**	**286.97**	**25,452.62**	**136.60**	**150.37**
Ind AS Adjustment		-	-	-	-	-
Total		**25,739.59**	**286.97**	**25,452.62**	**136.60**	**150.37**

Notes to the Financial Statements
for the year ended March 31, 2025

(₹ in Millions)

As at 31 March 2024

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 as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	16,453.53	62.39	16,391.14	48.19	14.20
	Stage 2	317.07	4.69	312.38	0.82	3.87
Subtotal		**16,770.60**	**67.08**	**16,703.52**	**49.01**	**18.07**
Non-Performing Assets (NPA)						
Substandard	Stage 3	255.09	177.39	77.70	38.26	139.13
Doubtful - up to 1 year	Stage 3	47.17	32.80	14.37	11.57	21.23
Doubtful - 1 to 3 Year	Stage 3	13.20	9.18	4.02	5.28	3.90
Loss Assets	Stage 3	5.75	5.75	-	5.75	-
Subtotal		**321.21**	**225.12**	**96.09**	**60.86**	**164.26**
Total	**Stage 1**	**16,453.53**	**62.39**	**16,391.14**	**48.19**	**14.20**
	Stage 2	**317.07**	**4.69**	**312.38**	**0.82**	**3.87**
	Stage 3	**321.21**	**225.12**	**96.09**	**60.86**	**164.26**
	Total	**17,091.81**	**292.20**	**16,799.61**	**109.87**	**182.33**
Ind AS Adjustment		(7.26)	-	(7.26)	-	-
Total		**17,084.55**	**292.20**	**16,792.35**	**109.87**	**182.33**

(₹ in Millions)

Notes to the Financial Statements
for the year ended March 31, 2025

Note 7: Investments

Particulars	As at March 31, 2025				As at March 31, 2024			
	Amortised Cost	At Fair value			Amortised Cost	At Fair value		
		Through Other Comprehensive Income	Through profit or loss	Designated at fair vale through profit or loss		Through Other Comprehensive Income	Through profit or loss	Designated at fair vale through profit or loss
Mutual Funds	-	-	100.05				-	
Total Gross (A)	**-**	**-**	**100.05**	**-**	**-**	**-**	**-**	**-**
i) Overseas investments	-	-	-	-	-	-		-
ii) Investments in India	-	-	100.05	-	-	-	-	-
Total Gross (B)	**-**	**-**	**100.05**	**-**	**-**	**-**	**-**	**-**
Less : Allowance for impairment loss (C)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total - Net (D) = (A) - (C)	**-**	**-**	**100.05**	**-**	**-**	**-**	**-**	**-**

Note 8: Other financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	19.37	17.12
Receivable on Assignment of Loans	803.15	616.50
Other financial assets	60.94	24.21
Total	**883.46**	**657.83**

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

Note 9: Property, plant and equipment

Particulars	Furniture & Fixtures	Leasehold Improvements	Computer	Office Equipment	Building	Motor Vehicle	Servers and Networks	Total
Gross Carrying Amount:								
At April 1, 2023	12.90	59.57	35.99	19.99	321.38	-	4.67	454.50
Additions	1.49	8.84	12.54	4.89	-	2.74	0.06	30.56
Disposals	-	0.88	-	0.50	-	-	-	1.38
At March 31, 2024 (A)	**14.39**	**67.53**	**48.53**	**24.38**	**321.38**	**2.74**	**4.73**	**483.68**
Additions	6.60	21.24	14.53	10.16	-	-	0.49	53.02
Disposals	-	0.29	0.19	-	-	-	-	0.48
At March 31, 2025 (B)	**20.99**	**88.48**	**62.87**	**34.54**	**321.38**	**2.74**	**5.22**	**536.22**
Depreciation and impairment:								
At April 1, 2023	7.26	27.26	32.40	16.98	7.45	-	3.72	95.07
Disposals	-	-	-	0.32	-	-	-	0.32
Depreciation charge for the year	1.59	9.09	4.86	2.01	29.90	-	0.41	47.86
At March 31, 2024 (C)	**8.85**	**36.35**	**37.26**	**18.67**	**37.35**	**-**	**4.13**	**142.61**
Disposals	-	0.03	-	-	-	-	-	0.03
Depreciation charge for the year	2.29	10.93	9.56	4.65	26.98	0.85	0.37	55.63
At March 31, 2025 (D)	**11.14**	**47.25**	**46.82**	**23.32**	**64.33**	**0.85**	**4.50**	**198.21**
Net book value:								
At March 31, 2024 (A-C)	**5.54**	**31.18**	**11.27**	**5.71**	**284.03**	**2.74**	**0.60**	**341.07**
At March 31, 2025 (B-D)	**9.85**	**41.23**	**16.05**	**11.22**	**257.05**	**1.89**	**0.72**	**338.01**

9.1 The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. There are no jointly held immovable properties with others.

9.2 The company has not revalued its Property, Plant and Equipment during the year.

9.3 There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Note 10: Other Intangible Assets

Particulars	Computer Software and Website Development
Gross Carrying Amount:	
At April 1, 2023	13.57
Additions	-
Disposals	-
At March 31, 2024 (A)	**13.57**
Additions	-
Disposals	-
At March 31, 2025 (B)	**13.57**
Depreciation and impairment:	
At April 1, 2023	12.52
Disposals	-
Depreciation charge for the year	0.85

(₹ in Millions)

Notes to the Financial Statements
for the year ended March 31, 2025

Particulars	Computer Software and Website Development
At March 31, 2024 (C)	**13.37**
Disposals	-
Depreciation charge for the year	0.20
At March 31, 2025 (D)	**13.57**
Net book value:	
At March 31, 2024 (A-C)	**0.20**
At March 31, 2025 (B-D)	**-**

10.1 The company has not revalued its Intangible Asset during the year.

10.2 The company do not have any intangible asset under development during the year.

Note 11: Other Non-financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	35.05	33.44
Other receivable	3.06	4.53
Balance from government authorities	17.46	17.63
Total	**55.57**	**55.60**

Note 12: Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	62.86	48.25
Total	**62.86**	**48.25**

12.1 Trade payables aging schedule

	As at March 31, 2025				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	-	-	-	-
(ii) Others	0.90	0.05		0.35	1.30
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled dues		-	-	-	61.56

	As at March 31, 2024				
Particulars	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	-	-	-	-
(ii) Others	9.46	0.04	0.02	1.63	11.15
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
(v) Unbilled dues		-	-	-	44.68

(₹ in Millions)

Notes to the Financial Statements
for the year ended March 31, 2025

Note 13: Debt Securities

Particulars	As at March 31, 2025			As at March 31, 2024		
	At amortised cost	At fair through profit or loss	Designated at fair value through profit or loss	At amortised cost	At fair through profit or loss	Designated at fair value through profit or loss
Secured Non-Convertible Debentures - Listed *(Secured by way of pari passu charge over Book Debts of the company)*	181.87	-	-	1,150.22	-	-
(Secured by way of specific subservient charge over Book Debts of the company)	2,000.00	-	-	2,000.00	-	-
Total (A)	**2,181.87**	**-**	**-**	**3,150.22**	**-**	**-**
Debt securities in India	2,181.87	-	-	3,150.22	-	-
Debt securities outside India	-	-	-	-	-	-

13.1 Secured Redeemable Non-Convertible Debentures - Public Issue & Listed

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures raised through Public Issue stood at INR 181.87 millions (March 31, 2024: INR 1150.22 millions).

ISIN	Date of allotment	Amount	Amount	Redemption period from the date of allotment	Interest Rate %
		As at March 31, 2025	As at March 31, 2024		
INE652X07035	13.05.2019	-	457.96	60 Months	9%-10%
INE652X07068	13.05.2019	-	420.59	60 Months	9%-10%
INE652X07092	13.05.2019	-	89.78	60 Months	NA
INE652X07100	13.05.2019	181.87	181.87	90 Months	NA
	Total	**181.87**	**1,150.20**		

13.2 Secured Redeemable Non-Convertible Debentures - Private Placement & Listed

The principal amount of outstanding Secured Redeemable Non-Convertible Listed Debentures privately placed stood at INR 2000 millions (March 31, 2024: INR 2000 millions).

ISIN	Date of allotment	Amount	Amount	Redemption period from the date of allotment	Interest Rate %
		As at March 31, 2025	As at March 31, 2024		
INE652X07126	20.09.2022	500.00	500.00	120 Months	8%-9%
INE652X07134	30.05.2023	1,500.00	1,500.00	120 Months	8%-9%
	Total	**2,000.00**	**2,000.00**		

(₹ in Millions)

Notes to the Financial Statements
for the year ended March 31, 2025

Note 14: Borrowings (other than debt securities)

Particulars	As at March 31, 2025			As at March 31, 2024		
	At amortised cost	At fair through profit or loss	Designated at fair value through profit or loss	At amortised cost	At fair through profit or loss	Designated at fair value through profit or loss
(a) Term loan						
(i) from banks	17,425.93	-	-	8,294.89	-	-
(Secured by way of pari passu charge over Book Debts of the company)						
(ii) from National Housing Bank (Secured by way of exclusive charge over Book Debts & Corporate Guarantee from Muthoot Finance Limited)	1,420.47	-	-	1,702.34	-	-
Total	**18,846.40**	**-**	**-**	**9,997.23**	**-**	**-**
Borrowings in India	18,846.40			9,997.23		
Borrowings outside India	-	-	-	-	-	-

14.1 The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken as at the reporting date.

14.2 Registration, Modification and Satisfaction of charges relating to the year under review, had been filed with the Registrar of Companies, within the prescribed time or within the extended time requiring the payment of additional fees.

14.3 The Company has availed borrowings from banks and financial institutions on the basis of security of current assets (Book debts) and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the company.

14.4 The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders.

Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in Millions)

Terms of borrowings and repayment as at March 31, 2025

Original maturity of loan	Interest rate	Due within 1 year		Due 1 to 2 years		Due 2 to 3 years		Due 3 to 4 years		Due 4 to 5 years		Due 5 to 10 years		Total	
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Term Loan from Banks															
Monthly repayment schedule	8%-10%	36	237.59	36	218.98	24	134.47	12	49.97	8	33	-	-	**116**	**674.34**
Quarterly repayment schedule	7%-10%	72	2,109.39	76	2,333.21	76	2,334.43	63	1,999.52	44	1,517.44	78	2,549.27	**409**	**12,843.26**
Half yearly repayment schedule	8%-10%	4	382.57	4	382.70	4	382.85	2	299.68	2	299	-	-	**16**	**1,747.17**
Yearly repayment schedule	9%-10%	2	450.64	1	284.66	1	285	1	285	1	285	2	571	**8**	**2,161.16**
Term Loan from National Housing Bank															
Quarterly repayment schedule	up to 7%	12	22.10	16	29.46	16	29.46	16	29.46	10	22.71	1	2.40	**71**	**135.59**
Quarterly repayment schedule	7%-9%	18	189.31	24	252.41	24	252.41	23	237.65	20	198.07	30	155.04	**139**	**1,284.89**
		144	**3,391.60**	**157**	**3,501.42**	**145**	**3,418.44**	**117**	**2,901.28**	**85**	**2,356.10**	**111**	**3,277.57**	**759**	**18,846.40**

Terms of borrowings and repayment as at March 31, 2024

Original maturity of loan	Interest rate	Due within 1 year		Due 1 to 2 years		Due 2 to 3 years		Due 3 to 4 years		Due 4 to 5 years		Due 5 to 10 years		Total	
		No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount	No. of installments	Amount
Term Loan from Banks															
Monthly repayment schedule	7%-8%	24	169.65	24	169.05	24	169.05	12	84.52	-	-	-	-	**84**	**592.27**
Quarterly repayment schedule	7%-8%	46	1,177.16	50	1,267.82	48	1,233.25	48	1,234.15	35	899.05	35	850.32	**262**	**6,661.75**
Half yearly repayment schedule	7%-8%	6	292.08	4	249.37	2	83.33	2	83.33	-	-	-	-	**14**	**708.11**
Yearly repayment schedule	7%-8%	1	166.61	1	166.16	-	-	-	-	-	-	-	-	**2**	**332.77**
Term Loan from National Housing Bank															
Quarterly repayment schedule	up to 7%	12	22.10	16	29.46	16	29.46	16	29.46	16	29.46	11	25.11	**87**	**165.05**
Quarterly repayment schedule	7%-8%	18	189.31	24	252.41	24	252.41	24	252.41	23	237.65	50	353.11	**163**	**1,537.30**
		107	**2,016.89**	**119**	**2,134.26**	**114**	**1,767.50**	**102**	**1,683.87**	**74**	**1,166.16**	**96**	**1,228.54**	**612**	**9,997.23**

(₹ in Millions)

Notes to the Financial Statements
for the year ended March 31, 2025

Note 15: Other Financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	287.12	354.46
Due to assignees towards collections in derecognised assets	90.26	81.40
Book Overdraft	1,251.88	1,485.33
Salary Payable	56.32	33.74
Others	82.98	69.50
Total	**1,768.56**	**2,024.43**

Note 16: Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
- Gratuity	8.33	5.94
- Provision for compensated absences	12.66	7.68
Total	**20.99**	**13.62**

Note 17: Other Non-financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	17.40	12.17
Total	**17.40**	**12.17**

Note 18: Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised:		
150,000,000 Equity Shares of INR 10/- each (March 31, 2024: 150,000,000 Equity Shares of INR 10/- each)	1,500.00	1,500.00
Issued, subscribed and fully paid up		
119,155,843 Equity Shares of INR 10/- each (March 31, 2024 : 119,155,843 Equity Shares of INR 10/- each)	1,191.56	1,191.56
Total Equity	**1,191.56**	**1,191.56**

Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year

Particulars	No. of shares	Amount in Rs.
As at April 1, 2023	**11,91,55,843**	1,191.56
Issued during the year	-	-
As at March 31, 2024	**11,91,55,843**	**1,191.56**
Issued during the year	-	-
As at March 31, 2025	**11,91,55,843**	**1,191.56**

Terms/ rights attached to equity shares

a) The Company has only one class of equity shares having par value of INR10 per share. All these shares have the same rights and preferences with respect to the payment of dividend, repayment of capital and voting.

b) In the event of liquidation of the company, the holders of equity shares will be entitled to receive the realised value of the assets of the Company, remaining after payment of all preferential dues. The distribution will be in proportion to the number of equity shares held by the shareholdes.

(₹ in Millions)

Notes to the Financial Statements
for the year ended March 31, 2025

Shares held by holding/ultimate holding company/or their subsidiaries/ associates

Particulars	As at March 31, 2025	As at March 31, 2024
	No. of shares	No. of shares
119,155,843 Equity Shares of INR 10/- each (March 31, 2024 : 119,155,843 Equity Shares of INR 10/- each)	11,91,55,843	11,91,55,843
Muthoot Finance Limited		

Details of Equity shareholder holding more than 5% shares in the company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Muthoot Finance Limited	11,91,55,843	100%	11,91,55,843	100%

Details of shares held by promotors

Particulars	As at March 31, 2025		
	No. of shares	% of total shares	% change dunring the year
Muthoot Finance Limited	11,91,55,843	100%	Nil

Particulars	As at March 31, 2024		
	No. of shares	% of total shares	% change dunring the year
Muthoot Finance Limited	11,91,55,843	100%	Nil

As per the records of the Company, including its Register of Members and other declarations received from them regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares

The Company has not issued any shares for consideration other than cash nor there has been any buyback of shares during the five years immediately preceding 31 March 2025

Note 19: Other equity

(Rs in Million)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory reserve (Pursuant to section 29 C of National Housing Bank Act, 1987)*		
Opening balance	393.28	356.30
Add: Transfer from surplus balance in the Statement of Profit and Loss	78.96	36.98
Closing balance	**472.24**	**393.28**
Security Premium		
Opening balance	2,146.81	2,146.81
Add: Securities premium received during the year	-	-
Closing balance	**2,146.81**	**2,146.81**
Retained Earnings		
Opening balance	1,026.26	878.31
Add: Profit for the year	394.79	184.93
Less: Appropriation :-		
Transfer to Statutory Reserve	(78.96)	(36.98)
Closing balance	**1,342.09**	**1,026.26**
Other Comprehensive Income		
Opening balance	**0.85**	**1.69**
Add: Other Comprehensive Income for the year before income tax	(1.51)	(1.12)
Less: Income Tax on OCI	0.38	0.28
Closing balance	**(0.28)**	**0.85**
Total	**3,960.86**	**3,567.20**

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

Note 20: Nature and purpose of reserve

Nature and purpose of Reserves

Securities Premium Reserve: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Statutory reserve

* As per Section 29C (i) of The National Housing Bank Act, 1987, 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 ₹78.96 million to special reserve in terms of Section 29C (i) of NHB Act 1987 for the year ended March 31, 2025 (March 31, 2024: ₹36.98 millions).

Notes to the Financial Statements

for the year ended March 31, 2025

(₹ in Millions)

Note 21: Interest income

Particulars	For the year ended March 31, 2025				For the year ended March 31, 2024			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total	On Financial Assets measured at fair value through OCI	On Financial Assets measured at Amortised Cost	Interest Income on Financial Assets classified at fair value through profit or loss	Total
Interest on Loans:								
Interest income on loans	-	2,676.51	-	2,676.51	-	1,761.18	-	1,761.18
Interest on deposits with Banks	-	51.61	-	51.61	-	20.97	-	20.97
Total	**-**	**2,728.12**	**-**	**2,728.12**	**-**	**1,782.15**	**-**	**1,782.15**

Note 22: Net gain on fair value changes

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
On investment portfolio		
- Investments in Mutual Funds	50.66	42.15
- Security Receipts	-	-
Total Net gain/(loss) on fair value changes	50.66	42.15
Fair Value changes:		
- Realised	50.61	42.15
- Unrealised	0.05	-
Total Net gain/(loss) on fair value changes	**50.66**	**42.15**

Note 23: Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Bad debts recovered	198.05	150.94
Other interest income	0.96	1.68
Other income	72.37	46.24
Total	**271.38**	**198.86**

(₹ in Millions)

Notes to the Financial Statements
for the year ended March 31, 2025

Note 24: Finance Cost

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total	On Financial liabilities measured at fair value through profit or loss	On Financial liabilities measured at Amortised Cost	Total
Interest on Loan from Banks	-	1,150.02	1,150.02	-	383.64	383.64
Interest on Cash Credit	-	0.48	0.48	-	-	-
Interest on Refinance from NHB	-	131.81	131.81		146.36	146.36
Interest on Debt Securities	-	202.47	202.47	-	269.00	269.00
Interest on Commercial Paper	-	9.78	9.78	-	-	-
Interest on Inter Corporate Deposits	-	2.04	2.04	-	-	-
Other borrowing costs	-	5.64	5.64	-	3.79	3.79
Total	**-**	**1,502.24**	**1,502.24**	**-**	**802.79**	**802.79**

Note 25: Impairment of financial instruments and write off

The below table show impairment loss on financial instruments charge to statement of profit and loss based on category of financial instrument.

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	On Financial insrtruments measured at fair value through OCI	On Financial insrtruments measured at Amortised Cost	Total	On Financial insrtruments measured at fair value through OCI	On Financial insrtruments measured at Amortised Cost	Total
Loans	-	92.99	92.99	-	150.50	150.50
Investments	-	-	-	-	42.80	42.80
Total	**-**	**92.99**	**92.99**	**-**	**193.30**	**193.30**

Note 26: Employee Benefit Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and Wages	851.75	525.00
Contributions to Provident and Other Funds	36.33	22.88
Gratuity Expenses	4.39	4.18
Staff Welfare Expenses	23.35	15.54
Total	**915.82**	**567.60**

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

Note 27 Depreciation, amortization and impairment

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of Tangible Assets	55.63	47.86
Amortization of Intangible Assets	0.19	0.85
Total	**55.82**	**48.71**

Note 28: Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent	56.25	32.42
Electricity Charges	10.16	6.82
Business Promotion Expenses	3.75	0.20
Advertisement	0.08	-
Repairs & Maintenance	9.21	7.57
Credit Rating Fees	3.36	3.36
Credit Verification Charges	33.52	18.38
Postage, Telegram and Telephone	13.65	9.85
Printing and Stationery	16.33	14.01
Rates & Taxes	6.52	1.41
Legal & Professional Charges	66.86	106.68
Travelling and Conveyance	40.83	24.49
Bank Charges	1.75	1.60
Franking & Stamp Paper Charges	2.37	0.67
General Office Expenses	3.28	2.03
House Keeping Charges	6.80	6.01
Vehicle Hire & Maintenance	0.59	0.36
Payments to Auditor	1.44	1.33
Directors' Sitting Fee	1.80	1.33
Commission	94.03	39.79
IT Infrastructure and Maintenance Charges	20.49	18.68
Technical Verification charges	31.30	19.84
CSR Expense	2.88	2.56
Other Expense	0.11	-
Total	**427.36**	**319.39**

28.1 Auditor fees

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditor:		
Statutory audit (including Limited Review)	1.03	0.87
Tax audit	0.27	0.29
Other Services	0.14	0.17
Total	**1.44**	**1.33**

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

28.2 Corporate Social Responsibility (CSR)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Amount required to be spent by the company during the year	2.88	2.56
Amount unspent/ (excess spent) carried forward from earlier years	-	-
Amount actually spent during the year	2.88	2.56
(Excess amount spent carried forward)/ Short fall Reason for shortfall	-	-
Related party transactions - Muthoot M George Foundation	2.88	2.56
Provision made for liability incurred	NA	NA

Nature of CSR Activities	For the year ended March 31, 2025	For the year ended March 31, 2024
Promotion of Education	0.33	0.33
eradicating hunger, poverty and malnutrition, promoting health care including preventive health care	2.51	1.76
Promotion of gender equality & empowerment of women	0.04	0.47
Total	**2.88**	**2.56**

Note 29: Income Tax

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	66.53	56.85
Deferred tax relating to origination and reversal of temporary differences	79.15	14.14
Income tax expense reported in statement of profit and loss	**145.68**	**70.99**
OCI Section		
Deferred tax related to items recognised in OCI during the year:		
Net loss/(gain) on remeasurements of defined benefit plans	0.38	0.28
Income tax charged to OCI	**0.38**	**0.28**

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at tax rate applicable to the company. A reconciliation between the tax expense and the accounting profit multiplied by substantively enacted tax rate for the year ended March 31, 2025 and year ended March 31, 2024 is, as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	540.47	255.92
Statutory income tax rate of 25.168% (March 31, 2024: 25.168%)	136.03	64.41
Effect of unrecognised deferred tax assets	7.36	5.53
Additional deduction under Income tax act	-	(0.38)
Effect of change in tax rate	-	-
Others	2.29	1.43
Income tax expense reported in the statement of profit or loss	**145.68**	**70.99**

The effective income tax rate for March 31, 2025 is 26.95% (March 31, 2024: 27.74%).

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

Note 30: Deferred tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Particulars	Balance sheet		Statement of profit and loss	
	As at March 31, 2025	As at March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Fixed assets: Impact of difference between tax depreciation and depreciation as per books of account	11.81	10.78	(1.03)	(0.18)
Statutory Reserve	(96.72)	(76.85)	19.87	9.31
Interest spread on assigned loans	(202.13)	(155.16)	46.97	(22.18)
Provision for NPA	41.95	52.00	10.05	21.64
Prepaid expense	(1.65)	(1.29)	0.36	0.67
Security Deposit	1.73	1.37	(0.36)	(0.51)
Bank Borrowings	(6.70)	(3.00)	3.70	2.85
Housing Loans processing fees	-	1.83	1.83	4.16
Provision for Gratuity	4.16	2.80	(1.36)	(0.83)
Provision for Leave Encashment	3.19	1.93	(1.26)	(1.06)
Tax on carry forward loss	-	-	-	-
Net deferred tax asset / (liabilities)	**(244.36)**	**(165.59)**		
Deferred tax charge/(credit)			**78.77**	**13.86**

Reconciliation of deferred tax assets/(liabilities)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(165.59)	(151.73)
Tax income/(expense) during the year recognised in profit or loss	(79.15)	(14.14)
Tax income/(expense) during the year recognised in OCI	0.38	0.28
Closing balance	**(244.36)**	**(165.59)**

Note 31: Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit for the year attributable to equity holders of Company by the weighted average number of equity shares outstanding during the year.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit attributable to ordinary equity shareholders	394.79	184.93
Weighted average number of ordinary shares for basic earnings per share	**11,91,55,843**	**11,91,55,843**
Effect of dilution:		
Weighted average number of ordinary shares adjusted for effect of dilution	**11,91,55,843**	**11,91,55,843**
Earnings per share		
Basic earnings per share (Rs.)	**3.31**	**1.55**
Diluted earnings per share (Rs.)	**3.31**	**1.55**

(₹ in Millions)

Notes to the Financial Statements
for the year ended March 31, 2025

Note 32: Retirement Benefit Plan

Defined Benefit Plan

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

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 in Indian Rupees.

Statement of Profit and Loss

Net employee benefit expense recognised in the employee cost

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	3.62	2.47
Interest cost on benefit obligation	0.25	0.21
Expected return on plan assets	(0.52)	(0.34)
Past Service Cost	-	-
Net actuarial (gain)/loss recognized in the year	1.51	1.12
Net (benefit) / expense	**4.86**	**3.46**
Actual return on plan assets	**0.58**	**0.37**

Balance Sheet

Reconciliation of present value of the obligation and the fair value of plan assets:

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation	16.53	11.12
Fair value of plan assets	8.19	5.19
Asset/ (liability) recognized in the balance sheet	(8.34)	(5.94)
Experience adjustments on plan liabilities (gain)/ loss	1.33	1.09
Experience adjustments on plan assets gain / (loss)	NA	NA

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening defined benefit obligation	11.13	7.83
Transfer in/ (out)	-	-
Current service cost	3.62	2.47
Interest Cost	0.77	0.56
Benefits paid	(0.57)	(0.88)
Past Service Cost	-	-
Actuarial loss/(gain) on Re-measurements	1.57	1.13
Closing defined benefit obligation	**16.53**	**11.13**

Changes in the fair value of plan assets are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Opening fair value of plan assets	5.19	4.20
Transfer in/Out	-	-
Expected return	0.52	0.34
Contributions by employer	2.99	1.50
Benefits paid	(0.57)	(0.88)
Actuarial gain/ (loss)	0.06	0.03
Closing fair value of plan assets	**8.19**	**5.19**

(₹ in Millions)

Notes to the Financial Statements

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The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rate	6.4% p.a	6.9% p.a
Salary Growth Rate	7% p.a.	7% p.a.
Attrition / Withdrawal Rate	38% p.a.	38% p.a.
Expected rate of return on Assets	6.9% p.a	7.1% p.a

Assumptions	Discount rate		Future salary increases	
Sensitivity Level	**1% increase**	**1% decrease**	**1% increase**	**1% decrease**
Impact on defined benefit obligation (March 31, 2025)	DBO decreases by INR 0.46	DBO increases by INR 0.49	DBO increases by INR 0.48	DBO decreases by INR 0.46
Impact on defined benefit obligation (March 31, 2024)	DBO decreases by INR 0.30	DBO increases by INR 0.31	DBO increases by INR 0.31	DBO decreases by INR 0.30

The weighted average duration of the defined benefit obligation as at March 31, 2025 is 1.5 years (March 31, 2024: 2 years)

The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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.

(₹ in Millions)

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Note 33: Maturity analysis of assets and liabilities

The table below shows the maturity analysis of assets and liabilities according to when they are expected to be recovered or settled and considering contractual terms. For Loans and advances to customers, maturity analysis is based on expected repayment behaviour.

	As at March 31, 2025			As at March 31, 2024		
Particulars	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Assets						
Financial assets						
Cash and cash equivalents	1,016.15	-	1,016.15	1,920.65	-	1,920.65
Bank Balance other than above	129.12	174.68	303.80	286.51	-	286.51
Loans	3,309.95	22,142.67	25,452.62	2,390.08	14,402.27	16,792.35
Investments	100.05	-	100.05	-	-	-
Trade receivables	-	-	-	-	-	-
Other financial assets	274.13	609.33	883.46	163.35	494.48	657.83
Non-financial Assets						
Current tax assets (Net)	145.20		145.20	116.06	-	116.06
Property, plant and equipment	-	338.01	338.01	-	341.07	341.07
Other intangible assets	-	-	-	-	0.20	0.20
Other non financial assets	30.06	25.51	55.57	36.23	19.37	55.60
Total assets	**5,004.66**	**23,290.20**	**28,294.86**	**4,912.88**	**15,257.39**	**20,170.27**
Liabilities						
Financial Liabilities						
Trade Payable	62.86	-	62.86	48.25	-	48.25
Borrowings (other than debt securities)	3,391.60	15,454.80	18,846.40	2,016.09	7,981.14	9,997.23
Debt securities	-	2,181.87	2,181.87	968.35	2,181.87	3,150.22
Other Financial liabilities	1,625.92	142.64	1,768.56	1,892.12	132.31	2,024.43
Non-financial Liabilities						
Provisions	4.94	16.05	20.99	59.94	(46.32)	13.62
Deferred tax liabilities (net)	-	244.36	244.36	-	165.59	165.59
Other non-financial liabilities	17.40	-	17.40	12.17	-	12.17
Total Liabilities	**5,102.72**	**18,039.72**	**23,142.44**	**4,996.92**	**10,414.59**	**15,411.51**
Net Worth	**(98.06)**	**5,250.48**	**5,152.42**	**(84.04)**	**4,842.80**	**4,758.76**

Note 34: Contingent liabilities, commitments and leasing arrangements

(A) Contingent Liabilities

i. Claims against the company not acknowledged as debts:

a) Demand raised against the company amounting to ₹ 283.90 million on account of Income tax dues, disputed on Appeal before CIT (A) for the AY 18-19 (March 31, 2024 : ₹ 283.90 million).

b) Demand raised against the company amounting to ₹143.10 million on account of Income tax dues, disputed on Appeal before CIT (A) for the AY 22-23 (March 31, 2024 : ₹ 89.74 million). The company paid ₹18 million which is 20% of the original demand amount in order to stay full recovery of demand till the disposal of appeal pending before CIT (A).

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Notes to the Financial Statements
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The above demands are disputed by the company and the matter is pending in appeal before the appellate authorities. In the opinion of the management and based on legal advice received, the company is expecting to get full relief and hence no provision has been made in this regard.

ii. **Bank Guarantees issued** in favor of National Housing Bank (NHB) amouting to ₹ 225 million (March 31, 2024 : ₹ 225.5 million). The company has issued these guarantees in the ordinary course of business.

iii. The company does not have any long-term contracts, including derivative contracts, which are expected to result in material foreseeable lossed. Therefore, no provision is required in this regard.

(B) Commitments

i. Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for: NIL (March 31, 2024 :NIL)

ii. Undrawn committed sanctions to borrowers: ₹1,771.14 million (March 31, 2024 : ₹976.75 million)

(C) Lease Disclosures:

Finance Lease:

The Company has not taken or let out any assets on financial lease.

Operating Lease

Lease Disclosure under Ind AS 116

All operating lease agreements entered into by the company are considered as short term and are cancellable in nature. Consequently, the Company has not recognised any right-of-use asset and lease liability during the year.

Lease rental payments for assets taken on an operating lease of ₹56.25 million (March 31, 2024: ₹32.42 million) are recognized as Rent in the Statement of Profit & Loss

Note 35: Related Party Disclosures

Name of the entity	Name of relationship
Muthoot Finance Limited	Holding Company
Muthoot Insurance Broker Private Limited	Fellow Subsidiary
Belstar Microfinance Limited	Fellow Subsidiary
Asia Asset Finance PLC	Fellow Subsidiary
Muthoot Money Limited	Fellow Subsidiary
Muthoot Trustee Private Limited	Fellow Subsidiary
Muthoot Asset Management Private Limited	Fellow Subsidiary
Muthoot M George Foundation	Enterprises owned or significantly influenced by key management personnel or their relatives
Muthoot Securities Limited	Enterprises owned or significantly influenced by key management personnel or their relatives
Name of the Key management personnel (KMP)	
Mr. George Alexander Muthoot	Non executive Director
Mr. George Thomas Muthoot	Non executive Director
Mrs. Anna Alexander	Non executive Director
Mr. K.R Bijimon	Non executive Director
Mr. Eapen Alexander	Whole-time Director
Mr. Jose Kurian	Independent Director
Mr. Jacob K Varghese	Independent Director
Mr. V. C. James	Independent Director
Mr. Alok Aggarwal	Chief Executive Officer
Mr. Pandurang A Kadam	Chief Financial Officer
Ms Riya G (Resigned on 9th August 2024)	Company Secretary
Ms Riddhi Jain (Appointed on 27th September 2024 and Resigned on 26th December 2024)	Company Secretary
Ms Moona Selim (Appointed on 3rd February 2025)	Company Secretary

(₹ in Millions)

Notes to the Financial Statements
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Related Party transactions during the year:

Particulars	Holding Company		Key Management Personnel		Fellow Subsidiary (Muthoot Money Limited)		Enterprises owned or significantly influenced by key management personnel or their relatives (Muthoot M George Foundation & Muthoot Securities Limited)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Sitting fees to Non-executive Directors	-	-	1.65	1.22	-	-	-	-
ICD taken	250.00	-	-	-	-	-	-	-
ICD repaid	250.00	-	-	-	-	-	-	-
Interest paid on ICD	2.04	-	-	-	-	-	-	-
CSR Contribution	-	-	-	-	-	-	2.88	2.56
Rent on account of infrastructure sharing	3.25	1.72	-	-	-	-	-	-
Service charges	0.01	0.01	-	-	-	-	-	-
Charges for Software Support and								
Maintenance Service	0.94	0.20	-	-	-	-	-	-
Purchase of Listed NCD of the Company	-	-	-	-	-	-	-	2.28
Redemption of Listed NCD of the Company	-	-	-	-	-	-	13.20	-
Interest paid on NCD - Listed	-	-	-	-	-	-	1.19	0.88
Balance outstanding as at the year end:								
Term Loan Outstanding	-	-	-	-	-	-	-	-
ICD Payable	-	-	-	-	-	-	-	-
NCDs - Listed	-	-	-	-	-	-	6.61	19.81
Sitting Fees Payable	-	-	-	-	-	-	-	-
Software Support and Maintenance Service Charge Payable	-	0.20	-	-	-	-	-	-
Charges for Collection	-	-	-	-	-	-	-	-
Corporate Guarantee Taken	2,750	2,750	-	-	-	-	-	-

Note:

a) Related parties have been identified on the basis of the declaration received by the management and other records available.

b) 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.

Compensation of key management personnel of the Company:

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company considers the members of the Board of Directors which include independent directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of IND AS 24 Related Party Disclosures.

Particulars	As at March 31, 2025	As at March 31, 2024
Contribution to PF (defined contribution)	1.00	0.87
Short term benefits*	28.87	24.43
Termination benefits	-	-
Total	**29.87**	**25.30**

*Includes sitting fees paid to Non-executive Directors

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

Note 36: Capital Risk Management

Capital Management

The primary objective of the Company's capital management policy is 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 in light of changes in economic conditions and requirements of the financial covenants. 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.

Particulars	Numerator (As at March 31, 2025)	Denominator (As at March 31, 2025)	As at March 31, 2025	As at March 31, 2024	% Variances	Reason for variances (if above 25%)
(i) Capital to risk-weighted asset ratio (CRAR)	4,415.99	19,066.03	23.16%	37.50%	-14.34%	NA
(ii) Tier I CRAR	4,314.23	19,066.03	22.63%	36.90%	-14.27%	NA
(iii) Tier II CRAR	101.75	19,066.03	0.53%	0.60%	-0.07%	NA
(iv) Liquidity coverage ratio	As per RBI master directions RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated october19, 2023 (as amended from time to time), the entity is not required to maintain LCR.					

Note 37: Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

Particulars	Category	Carrying Value		Fair Value	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial assets					
Cash and cash equivalents	Amortised Cost	1,016.15	1,920.65	1,016.15	1,920.65
Bank Balance other than above	Amortised Cost	303.80	286.51	303.80	286.51
Trade receivables	Amortised Cost	-	-	-	-
Loans	Amortised Cost	25,452.62	16,792.35	25,452.62	16,792.35
Other Financial assets	Amortised Cost	883.46	657.83	883.46	657.83
Total Financial Assets		**27,656.03**	**19,657.34**	**27,656.03**	**19,657.34**
Financial Liabilities					
Trade Payable	Amortised Cost	62.86	48.25	62.86	48.25
Debt securities	Amortised Cost	2,181.87	3,150.22	2,181.87	3,150.22
Borrowings (other than debt security)	Amortised Cost	18,846.40	9,997.23	18,846.40	9,997.23
Other Financial liabilities	Amortised Cost	1,768.56	2,024.43	1,768.56	2,024.43
Total Financial Liabilities		**22,859.69**	**15,220.13**	**22,859.69**	**15,220.13**

The fair value of cash and cash equivalents, bank balances, trade receivables, trade payables and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. Hence carrying value of these approximates fair value.

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

Investments

Investments in liquid, short- term mutual funds and security receipts, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Loans

The company provides housing loans at variable rate of interest. Hence, the fair value of the loans will be same as the carrying value of loan.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity nstruments, units of mutual funds (open ended) and traded bonds that have quoted price. Open-ended mutual funds are valued at Net Asset Value (NAV) declared by respective fund house and are classified under Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2, this level of hierarchy includes financial assets, measured using inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: This level of hierarchy includes financial instruments 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.

There have been no transfers amongst the levels of hierarchy during the year ended 31 March 2025 and 31 March 2024.

Fair Value Hierarchy of assets and liabilities

The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2025 is as follows:

Particulars	At FVTPL			
	Level-1	Level-2	Level-3	Total
Investment in Mutual Funds	100.05	-	-	100.05
Investment in Security Receipts	-	-	-	-

The carrying amount and fair value measurement hierarchy for assets and liabilities as at March 31, 2024 is as follows:

Particulars	At FVTPL			
	Level-1	Level-2	Level-3	Total
Investment in Mutual Funds	-	-	-	-
Investment in Security Receipts	-	-	-	-

Fair value technique

Investment at fair value through profit and loss

For investment at fair value through profit and loss, valuation are done using valuation techniques at the measurement date. Valuation techniques include market comparable method, recent transactions happened in the Company and other valuation models. Valuation is also done using quoted prices from active markets at the measurement date.

Note 38: Risk Management

Risk is an integral part of the Company's business and sound risk management is critical to the success. 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 Board of Directors of the Company are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Company has a risk management policy which covers all the risk associated with its assets and liabilities.

The Company's principal financial liabilities comprise loans and borrowings. The main purpose of these financial liabilities is to finance the company's operations. At the other hand Company's principal financial assets include loans and cash and cash equivalents that derive directly from its operations. 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, Audit Committee and Risk Management Committee. Company gives due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk Company face in businesses are credit risk, liquidity risk,market risk and operational and Business risk.

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Notes to the Financial Statements

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A) Credit Risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's main income generating activity is lending to customers and therefore credit risk is a principal risk. Credit risk mainly arises from loans and advances and trade receivables.

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

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

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

Risk assessment and measurement

The Company is having a robust risk assessment framework to address each of the identified risks. The following is the framework implemented in order to ensure completeness and robustness of the risk assessment.

- Selection of client base - Adequate due diligence is carried out for borrowers and regulatory checks are done.
- Credit assessment - credit rating and credit bureau check
- Follow up and regular monitoring of the borrowers through their regularity of payments

Risk Mitigation

The following risk mitigation measures has been suggested at each stage of loan life cycle:

- Loan Origination - site screening, independent visit by manager, adequate training to officers.
- Loan underwriting - Risk rating, independent assessment, etc.
- Loan Pre and Post Disbursement - disbursement at the branch premises and in the bank account only, tracking to avoid misuse of funds.
- Loan monitoring - credit officers to attend group meeting, reminder of payment of EMI's on time, etc.
- Loan collection and recovery - monitor repayments, confirmation of balances.

Impairment assessment

The Company's impairment assessment and measurement approach is set out in this note. It should be read in conjunction with the summary of significant accounting policies.

Definition of default and cure

The Company considers a financial instrument 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. As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the due amount have been paid. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

Company's internal credit rating grades and staging criteria for loans are as follows:

Rating	Loans Days past due	Stages
High grade	Not yet due	Stage I
Standard grade	1-30 DPD	Stage I
Sub-standard grade	31-60 DPD	Stage II
Past due but not impaired	61-90 DPD	Stage II
Individually impaired	91 DPD or More	Stage III

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Notes to the Financial Statements

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Exposure at Default (EAD)

The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

To calculate the EAD for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account. For Stage 2, Stage 3 and purchase of credit impaired asset (POCI) financial assets, the exposure at default is considered for events over the lifetime of the instruments.

Probability of default (PD)

The Probability of Default is an estimate of the likelihood of default over a given time horizon. To calculate the ECL for a Stage 1 loan, the Company assesses the possible default events within 12 months for the calculation of the 12 month ECL. For Stage 2 and Stage 3 financial assets, the exposure at default is considered for events over the lifetime of the instruments.

The Company uses historical information where available to determine PD. For certain pools where historical information is available, the PD is calculated using Incremental NPA approach considering fresh slippage of past years. For those pools where historical information is not available, the PD/ default rates as stated by external reporting agencies is considered.

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.

The maturity schedule for all financial liabilities and assets are regularly reviewed and monitored. Company has an asset liability management (ALM) policy and ALM Committee to review and monitor the liquidity risk and ensure the compliance with the prescribed regulatory requirement. The ALM Policy prescribes the detailed guidelines for managing the liquidity risk.

Notes to the Financial Statements

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(₹ in Millions)

The table below provides details regarding the contractual maturities of significant financial assets and liabilities as on:-

Maturity pattern of assets and liabilities as on March 31, 2025:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 year	3 to 5 years	Over 5 years	Total
Borrowings (other than debt securities)	150.89	98.88	408.94	1,125.53	1,607.36	6,919.86	5,257.38	3,277.56	18,846.40
Debt securities	-	-	-	-	-	181.87	-	2,000.00	2,181.87
Other financial liabilities	1,264.50	280.50	19.66	61.26	-	142.64	-	-	1,768.56
Loans	272.31	272.31	272.31	848.25	1,644.77	4,250.95	5,245.29	12,646.43	25,452.62
Investments	100.05	-	-	-	-	-	-	-	100.05
Other financial assets	56.22	18.00	18.00	73.48	108.43	436.54	161.15	11.64	883.46

Maturity pattern of assets and liabilities as on March 31, 2024:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 year	3 to 5 years	Over 5 years	Total
Borrowings (other than debt securities)	63.24	36.25	357.70	551.64	1,007.26	3,902.03	2,850.00	1,229.11	9,997.23
Debt securities	-	968.35	-	-	-	181.87	-	2,000.00	3,150.22
Other financial liabilities	587.46	768.81	508.81	19.82	21.10	118.43	-	-	2,024.43
Loans	258.31	258.31	258.31	771.17	843.98	2,039.97	1,951.23	10,411.07	16,792.35
Investments	-	-	-	-	-	-	-	-	-
Other financial assets	25.80	12.50	12.50	44.76	80.60	300.00	166.50	15.17	657.83

The table below shows the contractual expiry by maturity of the Company's commitments.

Particulars	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
31-Mar-25						
Other undrawn commitments to lend	-	1,044.97	726.17	-	-	1,771.14
Total commitments	**-**	**1,044.97**	**726.17**	**-**	**-**	**1,771.14**
31-Mar-24						
Other undrawn commitments to lend	-	820.47	156.28	-	-	976.75
Total commitments	**-**	**820.47**	**156.28**	**-**	**-**	**976.75**

(₹ in Millions)

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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 four types of market risk as follows:

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.

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

Due to the very nature of housing finance, the company is exposed to moderate to higher Interest Rate Risk. This risk has a major impact on the balance sheet as well as the income statement of the company. Interest Rate Risk arises due to:

i) Changes in Regulatory or Market Conditions affecting the interest rates
ii) Short term volatility
iii) Prepayment risk translating into a reinvestment risk
iv) Real interest rate risk.

In short run, change in interest rate affects Company's earnings (measured by NII or NIM) and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the company to not only quantify the interest rate risk but also to manage it proactively. The company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

Finance department ensures that the risk is mitigated by availing funds at very competitive rates through diversified instruments and by retaining a high credit rating.

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

Impact on profit before tax	For the year ended March 31, 2025	For the year ended March 31, 2024
On Loans and Advances		
1% increase	201.17	130.50
1% decrease	(201.17)	(130.50)
On Borrowings		
1% increase	(168.65)	(91.10)
1% decrease	168.65	91.10

Price Risk

The Company's exposure to price risk is not material and it is primarily on account of investment of temporary treasury surplus 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.

Prepayment risk

Prepayment risk is the risk that the Company will incur a financial loss because its customers and counterparties repay or request repayment earlier or later than expected, such as fixed rate mortgages when interest rates fall.

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

D) Operational and business risk

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

Note 39: Micro Enterprises and Small Enterprises

Based on and to the extent of information received by the Company from the Suppliers during the year regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act) there are no amounts due to the suppliers registered under MSMED Act, 2006 as on 31.03.2025.

Note 40: Restructuring of Loan Accounts

The economic fallout on account of the Covid-19 pandemic has led to significant financial stress for borrowers across the board. RBI in view of same on 6 August 2020 and 5 May 2021 came up with resolution plan Framework for COVID-19-related Stress. The intent was to facilitate revival of real estate sector activities and mitigate the impact on the ultimate borrowers, it has been decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible borrowers.

In accordance with Resolution Framework for COVID-19 announced by RBI on 6 August 2020 and 5 May 2021, the Company has implemented one-time restructuring for certain eligible borrowers identifed in accordance with the above framework

Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated 6 August 2020 and 05 May 2021 are given below.

Type of Borrower	Exposure to Accounts classified as standard consequent to implementation of resolution plan-Position as at the end of the previous half - year (A)	Of (A), aggregate debt that slipped into NPA during the half year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrower during the half-year*	Exposure to accounts classified as standard consequent to implementation of resolution plan-Position as at the end of this half-year
Others - Housing Loan/ Non Housing Loans	215.75	4.43	-	25.67	206.82

*Represents net movements

Note 41: Segment Information

The Company is mainly engaged in the housing finance business and all other activities are incidental to the main business activities of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act.

Note 42: Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

Note 43: Scheme of arrangements

There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

Note 44: Utilisation of Borrowed funds and share premium

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.

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.

(₹ in Millions)

Notes to the Financial Statements

for the year ended March 31, 2025

Note 45: Undisclosed Income

The Company do not have any transaction which are not recorded in the books of account that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.

Note 46: Details of Crypto Currency or Virtual Currency

The Company did not trade or invest in Crypto Currency or virtual currency during the financial year.

Note 47: Compliance with number of layers of companies

The Company is a wholly owned subsidiary of Muthoot Finance Limited, a non-banking financial company as defined in clause (f) of Section 45-I of the Reserve Bank of India Act, 1934 (2 of 1934) which is registered with the Reserve Bank of India and considered as systematically important non-banking financial company by the Reserve Bank of India to which the Companies (Restriction on number of Layers) Rules, 2017 is not applicable. The Company do not have any subsidiaries. Hence compliance 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 is not applicable for the year.

Note 48: Disclosures pursuant to Reserve Bank of India (RBI) Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021

The disclosure requirements pursuant to Master Direction RBI/2020-21/73 DOR.FIN.HFC.CC.No. 120/03.10.136/2020-21 dated 17 February 2021 (as amended from time to time), issued by the RBI is given in annexure A.

Note 49: Previous year figures have been regrouped/ reclassified, wherever necessary to be in conformity with current year's disclosure.

As per our Report of even date

For C N K & Associates LLP
Chartered Accountants
FRN: 101961 W / W-100036

Suresh Agaskar
Partner
M. No. 110321

Place: Mumbai
Date: May 09, 2025

For and on behalf of Board of Directors
of Muthoot Homefin (India) Limited

George Alexander Muthoot
Director
DIN: 00016787

Eapen Alexander
Whole Time Director
DIN: 03493601

Alok Aggarwal
Chief Executive Officer

Pandurang Kadam
Chief Financial Officer

Moona Selim
Company Secretary

Place: Kochi
Date: May 09, 2025

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

Annex III
Schedule to Balance Sheet of a HFC

			Particulars		
			Liabilities Side	**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**				
	(a)	Debentures : Secured		218.19	-
		: Unsecured		-	-
	(b)	Deferred Credits		-	-
	(c)	Term Loans		1,884.64	-
	(d)	Inter-corporate loans and borrowing		-	-
	(e)	Commercial Paper		-	-
	(f)	Public Deposits		-	-
	(g)	Other Loans (specify nature)		-	-
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):**				
	(a)	In the form of Unsecured debentures		-	-
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-	-
	(c)	Other public deposits		-	-
			Assets Side		**Amount Outstanding**
(3)	**Break-up of Loans and Advances including bills receivables (other than those included in (4) below]:**				
	(a)	Secured			2,573.96
	(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		10.01
		(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 (Security Receipts of Trust)		-

(₹ in Crores)

Notes to the Financial Statements
for the year ended March 31, 2025

	Long Term 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)	-
2	Unquoted		
	(i)	Shares	
		(a) Equity	-
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others (Security Receipts of Trust)	-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

	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	2,545.26	-	2,545.26
	Total	**2,545.26**	**-**	**2,545.26**

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

	Category	Market Value / 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	10.01	10.01
	Total	**10.01**	**10.01**

(8) Other information

	Particulars	Amount
(i)	Gross Non-Performing Assets	
	a) Related parties	-
	b) Other than related parties	30.15
(ii)	Net Non-Performing Assets	
	a) Related parties	-
	b) Other than related parties	11.62
(iii)	Assets acquired in satisfaction of debt	-

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

Annexure A as referred in Note 48

1. Minimum Disclosures

The following additional disclosures have been given under the Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India vide Circular No: DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021. The following numbers are in crores in accordance with above mentioned RBI circular.

2. Summary of Significant Accounting Policies

The accounting policies regarding key areas of operations are disclosed as note 3 to Financial Statement for the year ended March 31, 2025.

3. Disclosures:

3.1 Capital

Particulars	As at March 31, 2025	As at March 31, 2024
(i) CRAR (%)	23.16%	37.50%
(ii) CRAR – Tier I Capital (%)	22.63%	36.90%
(iii) CRAR – Tier II Capital (%)	0.53%	0.60%
(iv) Amount of subordinated debt raised as Tier - II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

3.2 Reserve Fund u/s 29C of NHB Act, 1987

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	31.05	31.05
b) Amount of Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	8.28	4.58
c) Total	**39.33**	**35.63**
Addition/ Appropriation/ Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	-	-
b) Amount of Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	7.90	3.70
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	31.05	31.05
b) Amount of Special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	16.17	8.28
c) Total	**47.22**	**39.33**

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

3.3 Investment

Particulars	As at March 31, 2025	As at March 31, 2024
3.3.1. Value of Investments		
(i) Gross Value of Investments		
(a) In India	10.01	-
(b) Outside India	-	
(ii) Provision for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of Investments		
(a) In India	10.01	-
(b) Outside India	-	
3.3.2. Movement of provisions held towards depreciation on investments		
(i) Opening Balance	-	-
(ii) Add: Provsions made during the year	-	-
(iii) Less: Write-off/Written-back of excess provsions during the year	-	-
(iv) Closing Balance	-	-

3.4 Derivatives

3.4.1 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) The notional principal of swap agreements	NA	NA
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		
(iii) Collateral required by the MHIL upon entering into swaps		
(iv) Concentration of credit risk arising from the swaps		
(v) The fair value of the swap book		

3.4.2 Exchange Traded Interest Rate (IR) Derivative

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (Instrumentwise)	NA	NA
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31 March, 2021 (Instrumentwise)		
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (Instrumentwise)		
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (Instrumentwise)		

3.4.3 Disclosures on Risk Exposure in Derivatives

A. Qualitative Disclosure – **NA**

B. Quantitative Disclosure

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	NA	NA
(ii) Marked to Market Positions		
(a) Assets (+)		
(b) Liabiltiy (-)		
(iii) Credit Exposure		
(iv) Unhedged Exposures		

(₹ in Crores)

Notes to the Financial Statements
for the year ended March 31, 2025

3.5. Asset liability management

Maturity pattern of certain items of assets and liabilities as at March 31, 2025

Particulars	Liabilities			
	Deposits	Borrowings from banks	Market borrowings	Foreign Currency Liabilities
1 day to 7 days	-	6.45	-	-
8 to 14 days	-	1.25	-	-
15 to 30/31 days	-	7.39	-	-
Over one month upto 2 months	-	9.89	-	-
Over 2 months upto 3 months	-	40.89	-	-
Over 3 months to 6 months	-	112.55	-	-
Over 6 months to 1 year	-	160.74	-	-
Over 1 year to 3 years	-	691.99	18.19	-
Over 3 year to 5 years	-	525.74	-	-
Over 5 years	-	327.75	200.00	-
Total	**-**	**1,884.64**	**218.19**	**-**

Particulars	Assets		
	Advance	Investments	Foreign Currency Assets
1 day to 7 days	8.85	-	-
8 to 14 days	8.85	-	-
15 to 30/31 days	9.52	10.01	-
Over one month upto 2 months	27.23	-	-
Over 2 months upto 3 months	27.23	-	-
Over 3 months to 6 months	84.83	-	-
Over 6 months to 1 year	164.48	-	-
Over 1 year to 3 years	425.10	-	-
Over 3 year to 5 years	524.53	-	-
Over 5 years	1,264.64	-	-
Total	**2,545.26**	**10.01**	**-**

Maturity pattern of certain items of assets and liabilities as at March 31, 2024

Particulars	Liabilities			
	Deposits	Borrowings from banks	Market borrowings	Foreign Currency Liabilities
1 day to 7 days	-	-	-	-
8 to 14 days	-	1.24	-	-
15 to 30/31 days	-	5.08	-	-
Over one month upto 2 months	-	3.63	96.83	-
Over 2 months upto 3 months	-	35.77	-	-
Over 3 months to 6 months	-	55.16	-	-
Over 6 months to 1 year	-	100.73	-	-
Over 1 year to 3 years	-	390.20	18.19	-
Over 3 year to 5 years	-	285.00	-	-
Over 5 years	-	122.91	200.00	-
Total	**-**	**999.72**	**315.02**	**-**

(₹ in Crores)

Notes to the Financial Statements
for the year ended March 31, 2025

Particulars	Assets		
	Advance	Investments	Foreign Currency Assets
1 day to 7 days	8.51	-	-
8 to 14 days	8.48	-	-
15 to 30/31 days	8.85	-	-
Over one month upto 2 months	25.83	-	-
Over 2 months upto 3 months	25.83	-	-
Over 3 months to 6 months	77.12	-	-
Over 6 months to 1 year	84.40	-	-
Over 1 year to 3 years	204.00	-	-
Over 3 year to 5 years	195.12	-	-
Over 5 years	1,041.10	-	-
Total	**1,679.24**	**-**	**-**

3.6. Exposure

3.6.1. Exposure to Real Estate Sector

	Category	As at March 31, 2025	As at March 31, 2024
a)	Direct Exposure		
(i)	**Residential Mortgages**		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; Exposure would also include non-fund based (NFB) limits	2,573.96	1,708.46
(ii)	**Commercial Real Estate -**		
	Lending secured by mortgages on commercial real estates.(office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits	NIL	NIL
(iii)	**Investments in Mortgage Backed Securities (MBS) and other securitized exposures -**		
	A. Residential Exposure	NIL	NIL
	B. Commercial Real Estate	NIL	NIL
b)	**Indirect Exposure**	NIL	NIL
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	NIL	NIL
	Total Exposure to Real Estate Sector	**2,573.96**	**1,708.46**

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

3.6.2 Exposure to Capital Market

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	NIL	NIL
(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	NIL	NIL
(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	NIL	NIL
(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	NIL	NIL
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	NIL	NIL
(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	NIL	NIL
(vii) Bridge loans to companies against expected equity flows / issues	NIL	NIL
(viii) Underwriting commitments taken up by the HFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	NIL	NIL
(ix) Financing to stockbroker for margin trading	NIL	NIL
(viii) All exposures to Alternate Investment Funds (a) Category I (b) Category II (C) Category III	NIL	NIL
Total Exposure to Capital Market	NIL	NIL

3.6.3. Sectoral exposure

Sectors	As at March 31, 2025			As at March 31, 2024		
	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	0.00%	-	-	0.00%
2. Industry	-	-	0.00%	-	-	0.00%
3. Services	-	-	0.00%	-	-	0.00%
4. Personal Loans						
(i) Housing (Including Priority Sector Housing)	2,030.76	29.44	1.45%	1,529.07	39.28	2.57%
(ii) Loan Against Property	683.86	5.40	0.79%	332.38	0.35	0.11%
(iii) Other Personal loans	273.31	3.24	1.19%	175.74	3.15	1.79%
Total of Personal Loans	2,987.93	38.08	1.27%	2,037.19	42.78	2.10%

3.6.4. The Company has not financed any parent company products during the financial year.

3.6.5. The Company has not exceeded exposure limits as stipulated by the NHB prudential norms during the year with reference to Single Borrower Limit(SGL)/Group Borrower Limit(GBL).

3.6.6. The Company does not have any exposure to unsecured advances during the financial year.

(₹ in Crores)

Notes to the Financial Statements
for the year ended March 31, 2025

3.6.7. Exposure to group companies engaged in real estate business.

Description	Amount	% of owned fund
(i) Exposure to any single entity in a group engaged in real estate business	NA	NA
(ii) Exposure to all entities in a group engaged in real estate business	NA	NA

3.6.8. Intra-group exposures

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

3.6.9. Unhedged foreign currency exposure

The Company does not have any exposure to unhedged foreign currency during the financial year.

3.6.10. Related Party Disclosure

Refer note 37 for Related party disclosures in accordance with Ind AS 24

Particulars / Items	Entity having significant influence	Directors	Key Management Personnel	Others (Fellow Subsidiary)	Total
	As at March 31, 2025	As at March 31, 2025	As at March 31, 2025	As at March 31, 2025	As at March 31, 2025
Borrowings	25.00	-	-	-	25.00
Advances	-	-	-	-	-
Interest received	-	-	-	-	-
Interest Paid	0.20	-	-	-	0.20
Remuneration	-	-	2.82	-	2.82
Sitting fees paid to Non-executive Directors	-	0.17	-	-	0.17
Others	2.15	-	-	-	2.15

Particulars / Items	Entity having significant influence	Directors	Key Management Personnel	Others (Fellow Subsidiary)	Total
	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024	As at March 31, 2024
Borrowings	-	-	-	-	-
Advances	-	-	-	-	-
Interest received	-	-	-	-	-
Interest Paid	-	-	-	-	-
Remuneration	-	-	2.41		2.41
Sitting fees paid to Non- executive Directors	-	0.12	-	-	0.12
Others	0.75				0.75

4. Miscellaneous

4.1. Registration obtained from other financial sector regulators

Company has not obtained any registration from other financials sector regulators.

4.2. Group Structure

Diagrammatic representation of group structure has been given in Related Party Transaction Policy.

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

4.3. Rating assigned by Credit Rating Agencies and migration of rating:

During the year, CRISIL has reaffirmed Long term rating of AA+/Stable to the company. ICRA and CARE have reaffirmed short term rating of A1+ to the company.

Rating Agency	Type	As at March 31, 2025	As at March 31, 2024
CARE	Commercial Paper	CARE A1+	CARE A1+
CARE	Non-Convertible Debentures	CARE AA+/Stable	CARE AA+/Stable
ICRA	Commercial Paper	ICRA A1+	ICRA A1+
CRISIL	Term Loan Borrowings	CRISIL AA+/Stable	CRISIL AA+/Stable
CRISIL	Non-Convertible Debentures	CRISIL AA+/Stable	CRISIL AA+/Stable

4.4. Management

Refer to the Management Discussion and Analysis report for the relevant disclosures.

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

Particulars	As at March 31, 2025	As at March 31, 2024
Net Profit for the year	39.48	18.49
Impact of prior period items on current year's profit:		
Prior Period Tax	-	-
Reason for Changes in accounting policies	NA	NA

4.6. Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

4.7. Company does not have any subsidiary, associate or joint venture accordingly Accounting Standard 21 – Consolidated Financial Statements (CFS) is not applicable.

5. Additional Disclosures

5.1. Breakup of Provisions and Contingencies shown under the head Expenditure in Profit & Loss Account

Particulars	As at March 31, 2025	As at March 31, 2024
1. Provisions for depreciation on Investment	-	-
2. Provision made towards Income Tax	6.65	5.69
3. Provision towards NPA	(3.99)	(6.42)
4. Provision for Standard Assets	3.47	2.53
5. Provision for Restructured Assets	-	(2.67)
6. Provision for Gratuity	0.44	0.42
7. Provision for Compensated Absences	0.50	0.42

Break up of Loans & Advances and Provisions thereon

Particulars	Housing		Non-Housing	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Standard Assets				
a) Total Outstanding Amount	1,756.73	1,201.74	787.08	475.32
b) Provision Made	7.03	4.77	3.15	1.94
Sub-Standard Assets				
a) Total Outstanding Amount	13.11	22.61	6.67	2.90
b) Provision Made	7.87	15.72	4.00	2.01
Doubtful Assets - Category - I				
a) Total Outstanding Amount	7.53	4.23	1.19	0.48
b) Provision Made	4.52	2.94	0.71	0.34

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

Particulars	Housing		Non-Housing	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Doubtful Assets - Category - II				
a) Total Outstanding Amount	0.94	1.20	0.18	0.12
b) Provision Made	0.74	0.84	0.16	0.08
Loss Assets				
a) Total Outstanding Amount	0.43	0.57	0.09	0.01
b) Provision Made	0.43	0.57	0.09	0.01
TOTAL				
a) Total Outstanding Amount	1,778.74	1,230.35	795.21	478.83
b) Less: Ind AS Adjustments	-	0.73	-	-
Total Outstanding Amount (A-B)	1,778.74	1,229.62	795.21	478.83
C) Provision Made	20.59	24.84	8.11	4.38

5.2. Divergence in Asset Classification and Provisioning

There is no divergence in asset classfication and provisioning indentified by the National Hosing Bank during the financial year.

5.3. Draw Down from Reserves

The Company has not made any draw down from reserves during the financial year.

5.4. Concentration of Public Deposits, Advances, Exposures and NPAs

5.4.1.Concentration of Public Deposits

Particulars	As at March 31, 2025	As at March 31, 2024
Total Deposits of twenty largest depositors	NA	NA
Percentage of Deposits of twenty largest depositors to total deposits of the HFC	NA	NA

5.4.2.Concentration of Loans and Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total Loans & Advances to twenty largest borrowers	20.60	19.93
% of Loans & Advances to twenty largest borrowers to Total Advances of the company	0.80%	1.17%

5.4.3. Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers	20.60	20.26
% of Exposures to twenty largest borrowers to Total Advances of the company	0.69%	1.00%

5.4.4. Concentration of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to top ten NPA Accounts	3.95	2.77

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

5.4.5. Sector-wise NPAs

Sector	% of NPAs to Total Advances in that sector	
	As at March 31, 2025	As at March 31, 2024
A. Housing Loans:		
1 Individuals	0.86%	1.68%
2 Builders/Project Loans	0.00%	0.00%
3 Corporates	0.00%	0.00%
4 Others	0.00%	0.00%
B. Non-Housing Loans:		
1 Individuals	0.32%	0.21%
2 Builders/Project Loans	0.00%	0.00%
3 Corporates	0.00%	0.00%
4 Others	0.00%	0.00%

5.5. Movement of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Net NPAs to Net Advances (%)	0.46%	0.57%
(ii) Movement of NPAs (Gross)		
a) Opening Balance	32.12	43.63
b) Additions during the year	24.87	20.82
c) Reductions during the year	26.84	32.33
d) Closing Balance	30.15	32.12
(iii) Movement of Net NPAs		
a) Opening Balance	9.61	14.70
b) Additions during the year	8.52	5.87
c) Reductions during the year	6.50	10.96
d) Closing Balance	11.63	9.61
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening Balance	22.51	28.93
b) Provisions made during the year	16.35	14.95
c) Write-off/write-back of excess provisions	20.34	21.37
d) Closing Balance	18.52	22.51

5.6. The Company does not have any overseas assets as on March 31, 2025 (March 31, 2024 : Nil)

5.7. The company does not have any off-balance sheet sponsored SPVs which needs to be consolidated as per accounting norms

6. The Company has reported fraud amounting to ₹0.55 crore during the year ended 31 March 2025 (March 31, 2024 : Nil).

7. Disclosure of Complaints

7.1. Customer Complaints

Particulars	As at March 31, 2025	As at March 31, 2024
1) No. of complaints pending at the beginning of the year	-	-
2) No. of complaints received during the year	18	70
3) No. of complaints redressed during the year	18	70
4) No. of complaints pending at the end of year	-	-

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

Maintainable complaints received by the company from office of Ombudsman

Particulars	As at March 31, 2025	As at March 31, 2024
5) # Number of maintainable complaints received by the Company from office of Ombudsman	NA	NA
5.1 Of 5, number of complaints resolved in favour of the Company by office of Ombudsman	NA	NA
5.2 Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by Office of Ombudsman	NA	NA
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the Company	NA	NA
6) #Number of Awards unimplemented within the stipulated time (other than those appealed)	NA	NA

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the scheme.

The Reserve Bank - Integrated Ombudsman Scheme, 2021 is not applicable to the Company.

7.2 Top five grounds of complaints received by the Company from customers

Grounds of Complaints (i.e. complaints relating to)	Number of complaints pending at the begining 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
Year ended 31st March 2025					
1. Foreclosure letter issuance	-	6	-70%	-	-
2. Loan Closure related	-	-	-100%	-	-
3. Transaction related	-	-	-100%	-	-
4. Credit Bureau related	-	1	-50%	-	-
5.PMAY Subsidy related	-	-	-100%	-	-
6.Others	-	11	-71%	-	-
Total		18	-74%	-	-
Year ended 31st March 2024					
1. Foreclosure letter issuance	-	20	-70%		
2. Loan Closure related	-	4	-75%	-	-
3. Transaction related	-	3	-70%	-	-
4. Credit Bureau related	-	2	-60%	-	-
5.PMAY Subsidy related	-	3	-25%	-	-
6.Others	-	38	-43%	-	-
Total		**70**	**-59%**	**-**	**-**

8. Breach of covenant

The Company has complied with the financial covenants under the terms of major borrowing facilities through-out the year ended 31 March 2025 and 31 March 2024.

9. Principal Business Criteria for HFCs

Housing finance company" shall mean a company incorporated under the Companies Act, 2013 that fulfils the following conditions:

a) It is an NBFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets).

b) Out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing financing for individuals. The Company meets the aforesaid principal business criteria for HFCs.

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

Particulars	As at March 31, 2025	As at March 31, 2024
Total Assets	2,829.49	2,022.08
Less: Intangible assets	(83.82)	(65.01)
Net total Assets	2,745.67	1,957.07
Housing Finance	1,778.76	1,229.63
Individual Housing Finance	1,778.49	1,229.34
Percentage of housing finance to total assets (netted off intangible assets)	64.78%	62.83%
Percentage of individual housing finance to total assets (netted off intangible assets)	64.77%	62.82%
Percentage of individual housing finance to housing finance	99.98%	99.98%

10. Liquidity Risk Management Framework

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

Particulars	As at March 31, 2025	As at March 31, 2024
Number of significant counter parties	19	19
Amount	2,043.64	1,132.05
Percentage of funding concentration to total deposits	NA	NA
Percentage of funding concentration to total liabilities	88.31%	73.21%

* Company is Non deposit taking HFC and not accepted any deposits

(ii) Top 20 large deposits

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

(iii) Top 10 borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Total amount of top 10 borrowings	1,668.28	803.91
Percentage of amount of top 10 borrowings to total borrowings	79.34%	61.15%

(iv) Funding Concentration based on significant instrument/product

Particulars	As at March 31, 2025	Percentage of total liabilities	As at March 31, 2024	Percentage of total liabilities
Borrowings from Banks	1,742.59	75.30%	829.49	53.65%
Borrowings from Financial Institution	-	0.00%	-	0.00%
Borrowings from National Housing Bank (NHB)	142.05	6.14%	170.23	11.01%
Debt securities	218.19	9.43%	315.02	20.37%

(v) Stock ratio

Particulars	As at March 31, 2025	As at March 31, 2024
Commercial paper as a percentage of total public funds	NA	NA
Commercial paper as a percentage of total liabilities	NA	NA
Commercial paper as a percentage of total assets	NA	NA
Non convertible debentures (original maturity of less than one year) as a percentage of total public funds	NA	NA
Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities	NA	NA

(₹ in Crores)

Notes to the Financial Statements
for the year ended March 31, 2025

Non convertible debentures (original maturity of less than one year) as a percentage of total assets	NA	NA
Other short term liabilities as a percentage of total public funds	NA	NA
Other short term liabilities as a percentage of total liabilities	7.39%	13.06%
Other short term liabilities as a percentage of total assets	6.05%	9.99%

(vi) Institutional set-up for liquidity risk management

The company has an Asset Liability Management Committee (ALCO) to monitor asset liability mismatches to ensure that there is no imbalances or excessive concentration on the either side of the balance sheet. The company maintains a judicious mix of borrowings in the form of Term Loans, Refinance, Securitization, Working Capital and continues to diversify its source of borrowings with the emphasis on longer tenor borrowings. The company has diversified mix of investors/lenders which includes Banks, National Housing Bank etc.

The Liquidity Risk Management (LRM) of the company is governed by the LRM Policy approved by the Board. The Asset Liability Committee (ALCO) is responsible for implementing and monitoring the liquidity risk management strategy of the company in line with its risk management objectives and ensures adherence to the risk tolerance/limits set by the Board.

11. Loans to Directors, Senior Officers and relatives of Directors

Particulars	As at March 31, 2025	As at March 31, 2024
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior officers and their relatives	-	-

12. A comparison between provisions required under Income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments'

As at 31 March 2025

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 as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	2,472.90	9.36	2,463.53	7.34	2.02
	Stage 2	70.92	0.81	70.10	0.20	0.61
Subtotal		**2,543.81**	**10.18**	**2,533.64**	**7.54**	**2.64**
Non-Performing Assets (NPA)						
Substandard	Stage 3	19.78	11.87	7.91	2.97	8.90
Doubtful - up to 1 year	Stage 3	8.72	5.23	3.49	2.18	3.05
Doubtful - 1 to 3 year	Stage 3	1.12	0.90	0.23	0.45	0.45
Loss Assets	Stage 3	0.52	0.52	-	0.52	-
Subtotal		**30.15**	**18.52**	**11.62**	**6.12**	**12.40**
Total	**Stage 1**	2,472.90	9.36	2,463.53	7.34	2.02
	Stage 2	70.92	0.81	70.10	0.20	0.61
	Stage 3	30.15	18.52	11.62	6.12	12.40
	Total	**2,573.96**	**28.70**	**2,545.26**	**13.66**	**15.04**
Ind AS Adjustment		-	-	-	-	-
Total		**2,573.96**	**28.70**	**2,545.26**	**13.66**	**15.04**

(₹ in Crores)

Notes to the Financial Statements

for the year ended March 31, 2025

As at 31 March 2024

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 as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5) = (3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,645.35	6.24	1,639.11	4.82	1.42
	Stage 2	31.71	0.47	31.24	0.08	0.39
Subtotal		**1,677.06**	**6.71**	**1,670.35**	**4.90**	**1.81**
Non-Performing Assets (NPA)						
Substandard	Stage 3	25.51	17.74	7.77	3.83	13.91
Doubtful - up to 1 year	Stage 3	4.72	3.28	1.44	1.16	2.12
Doubtful - 1 to 3 year	Stage 3	1.32	0.92	0.40	0.53	0.39
Loss Assets	Stage 3	0.58	0.58	-	0.58	-
Subtotal		**32.12**	**22.51**	**9.61**	**6.09**	**16.43**
Total	**Stage 1**	1,645.35	6.24	1,639.11	4.82	1.42
	Stage 2	31.71	0.47	31.24	0.08	0.39
	Stage 3	32.12	22.51	9.61	6.09	16.43
	Total	**1,709.18**	**29.22**	**1,679.96**	**10.99**	**18.23**
Ind AS Adjustment		(0.73)	-	(0.73)	-	-
Total		**1,708.46**	**29.22**	**1,679.24**	**10.99**	**18.23**

13. Figures for the previous year have been regrouped/ re-arranged wherever considered necessary to confirm to the figures presented in the current year.

Corporate Information

Board of Directors

Mr. George Thomas Muthoot	-	Director
Mr. George Alexander Muthoot	-	Director
Mr. Eapen Alexander	-	Whole Time Director
Mr. K. R. Bijimon	-	Director
Mrs. Anna Alexander	-	Director
Mr. Jacob K Varghese	-	Independent Director
Mr. Jose Kurian	-	Independent Director
Mr. V C James	-	Independent Director
Mr. K V Eapen	-	Additional Director (Independent)

Key Managerial Personnel

Mr. Alok Aggarwal	-	Chief Executive Officer
Mr. Pandurang Kadam	-	Chief Financial Officer
Ms. Moona Selim M V	-	Company Secretary

Bankers

Axis Bank
Bandhan Bank
Bank of India
CSB Bank
HDFC Bank Limited
Indusind Bank
Standard Chartered Bank
UCO Bank
Bajaj Finance Limited
Bank of Baroda
Bank of Maharashtra
Federal Bank Limited
Indian Bank
Punjab National Bank
State Bank of India
Union Bank of India

Statutory Auditors

M/s. C N K & Associates LLP
3rd Floor, Mistry Bhavan, Dinshaw Vachha Road,
Churchgate, Mumbai 400 020

Debenture Trustee

(Listed Non-Convertible Debentures)

1.Catalyst Trusteeship Limited
GDA House, Plot No. 85, Bhusari Colony (Right),
Paud Road, Pune - 411 038

2. Vardhman Trusteeship Pvt Limited
The Capital, 412A, Bandra Kurla Complex,
Bandra East, Mumbai 400051

Registrar & Transfer Agent

(Listed Non-Convertible Debentures)

MUFG Intime India Pvt. Ltd.
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West), Mumbai – 400083
Maharashtra, India

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