

ANNUAL REPORT  
2023 - 24

# The Leap To Maximum Growth



**easy**  
home finance

We're on an exhilarating journey of exponential growth, embarking on an exciting phase of expansion that promises to be our best yet. We proved that with determination, anything is possible and it is now time to go beyond. Beyond the barriers, beyond the limits and beyond our own boundaries, for as we go up, the sky is the limit.

Fiscal Year 2023 was a year of breakthroughs and triumphs. We shattered expectations and laid a strong foundation for future success, proving that with determination, anything is possible.

FY 2024 has seen us boldly expand into new territories, explore innovative areas, and double our AUM. We've introduced exciting features and transformed our processes. Our progress is a testament to our commitment to excellence and innovation.

Challenges have fuelled our drive and strengthened our resolve, propelling us forward.

As we look to the future, we're inspired by the limitless possibilities that lie ahead. Driven to reach new heights. Turning our dreams into reality with passion, dedication, and innovation, day after day, every day.




# Corporate information

<b>Corporate Identification Number</b>	U74999MH2017PLC297819
<b>Website</b>	<a href="http://www.easyhomefinance.in">www.easyhomefinance.in</a>
<b>Registered &amp; Corporate Office</b>	302, 3rd floor, Savoy Chambers, Dattatray Road & V.P. Road (Extn), Santacruz West, Mumbai City MH 400054 IN.
<b>Board of directors</b>	<b>Debabrata Sarkar</b>   Chairman <b>Rohit Chokhani</b>   Managing Director <b>Praveen Kumar Agrawal</b>   Whole Time Director & CEO <b>Venkateswara Rao Thallapaka</b>   Independent Director <b>Rajinder Singh Loona</b>   Independent Director <b>Sanjay Jain</b>   Independent Director <b>Perumal Srinivasan</b>   Nominee Director <b>Divya Mahendra Sutar</b>   Nominee Director <b>Sho Nakagawa</b>   Nominee Director
<b>Key Managerial Personnel</b>	<b>Bikash Kumar Mishra</b>   Chief Financial Officer <b>Siddharth R. Mehta</b>   Company Secretary
<b>Committees of the board</b>	Audit Committee Nomination and Remuneration Committee Risk Management Committee Information Technology Strategy Committee
<b>Secretarial Auditors</b>	<b>Parikh &amp; Associates, Company Secretaries</b> 111, 11th Floor, Sai-Dwar CHS Ltd, Sab TV Lane, Opp Laxmi Industrial Estate, Off Link Road, Above Shabari Restaurant, Andheri (W), Mumbai - 400053
<b>Statutory Auditors</b>	<b>S K Patodia &amp; Associates, Chartered Accountants</b> Sunil Patodia Tower, J B Nagar, Andheri (East), Mumbai - 400 099.
<b>Bankers</b>	Axis Bank Limited Bank of Baroda State Bank of India Kotak Mahindra Bank
<b>Registrars &amp; Transfer Agents</b>	<b>Link Intime India Private Limited</b> C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

LEAPING  
AHEAD:  
VISION IN  
MOTION







**It gives me great pride to witness the remarkable progress and success of Easy Home Finance over the years.**

**Debabrata Sarkar**

Chairman of the Board,  
Easy Home Finance Limited



Our growth from an AUM of ₹ 255 Cr to ₹ 505 Cr and the expansion of our branches from 32 to 40 are significant milestones that reflect our strategic vision and operational excellence.

***This consistent 2x growth year over year is a clear indicator of our strong foundation and the effectiveness of our tech-native approach.***


At the core of our achievements lies a dedicated team that continuously strives for excellence, ensuring that we meet and exceed the

expectations of our customers and stakeholders. Our commitment towards leveraging technology and innovation has not only driven our growth but also positioned us as a leader in the housing finance sector.

As we move forward, I am confident that Easy Home Finance will continue to achieve new heights, creating lasting value and making a meaningful impact in the communities we serve.

We are excited about the future and remain dedicated towards fostering growth, innovation, and success.





**Celebrating the remarkable achievements of Easy in the past year fills me with immense pride.**

**Praveen Kumar Agrawal**

Whole Time Director & CEO




Our growth from an AUM of ₹ 255 Cr to ₹ 505 Cr and the expansion of our branches from 32 to 40 are testaments to our strategic foresight and operational excellence.

***This consistent doubling of our metrics year over year underscores the robust foundation we have built and the effectiveness of our technology-driven approach.***

Central to our success is our dedicated team, whose relentless pursuit of excellence ensures

we not only meet but exceed the expectations of our customers and stakeholders. By leveraging technology and fostering innovation, we have not only driven growth but also positioned Easy as a leader in the housing finance sector.

Looking ahead, I am confident that Easy will continue its trajectory of success, creating enduring value and making a meaningful difference in the communities we serve. We are excited about the future and remain committed to advancing growth, innovation, and prosperity.





**As we reflect on another remarkable year of growth and innovation at Easy, I am proud to share the strides we have made in our journey.**

**Rohit Chokhani**

Managing Director  
Easy Home Finance



In a short span, we have doubled our Assets Under Management (AUM) from ₹ 255 Cr to ₹ 505 Cr, a testament to our unwavering commitment to excellence and customer satisfaction.

***Our reach has expanded from 32 to 40 locations, fueling our capability to deliver tech-native, customer-centric housing finance solutions.***

Our consistent 2x growth year over year is not just a number; it signifies the trust our customers place in us and the relentless dedication of our talented workforce. As we continue to leverage

cutting-edge technology and innovative approaches, we are poised to redefine the housing finance landscape, making homeownership dreams a reality for many more.

Looking ahead, we are excited about the opportunities that lie before us and remain steadfast in our mission to drive sustainable growth, create value for our stakeholders, and contribute positively to the communities we serve. Together, we are building a future that is bright, inclusive, and full of promise.



BOARDROOM  
LEAPS:  
STRATEGIC  
STEPS AHEAD





## Breaking Barriers:

### Meet Our Trailblazing Board of Directors



**Debabrata Sarkar**

Non-Executive Director (Chairman)



**Rohit Chokhani**

Managing Director



**Praveen Kumar Agrawal**

Whole Time Director and Chief Executive Officer



**Venkateswara Rao Thallapaka**

Independent Director



**Rajinder Singh Loona**

Independent Director



**Sanjay Jain**

Independent Director



**Perumal Srinivasan**

Nominee Director



**Divya Sutar**

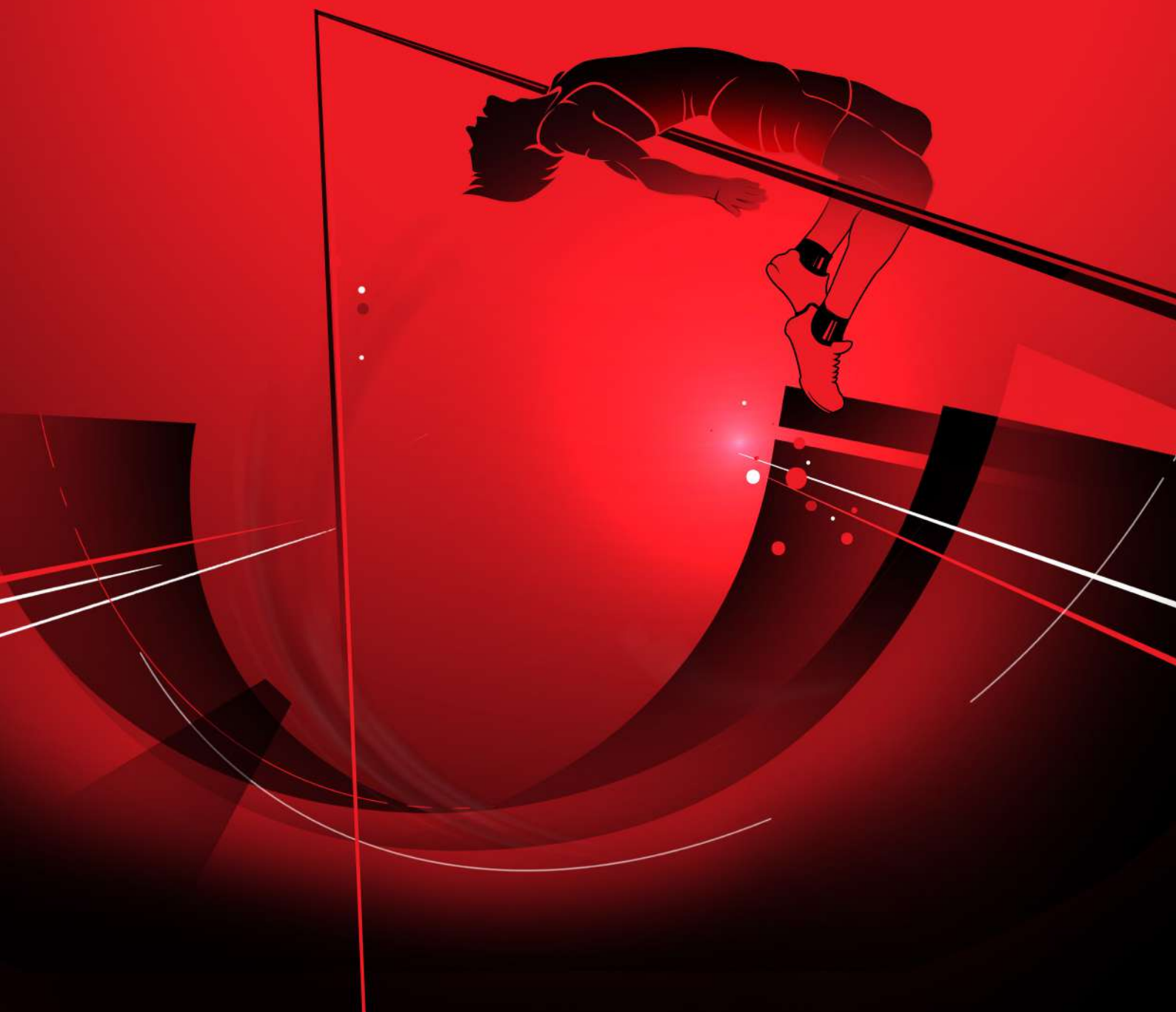
Nominee Director



**Sho Nakagawa**

Nominee Director

MILESTONES IN  
MOTION:  
A YEAR OF LEAPS

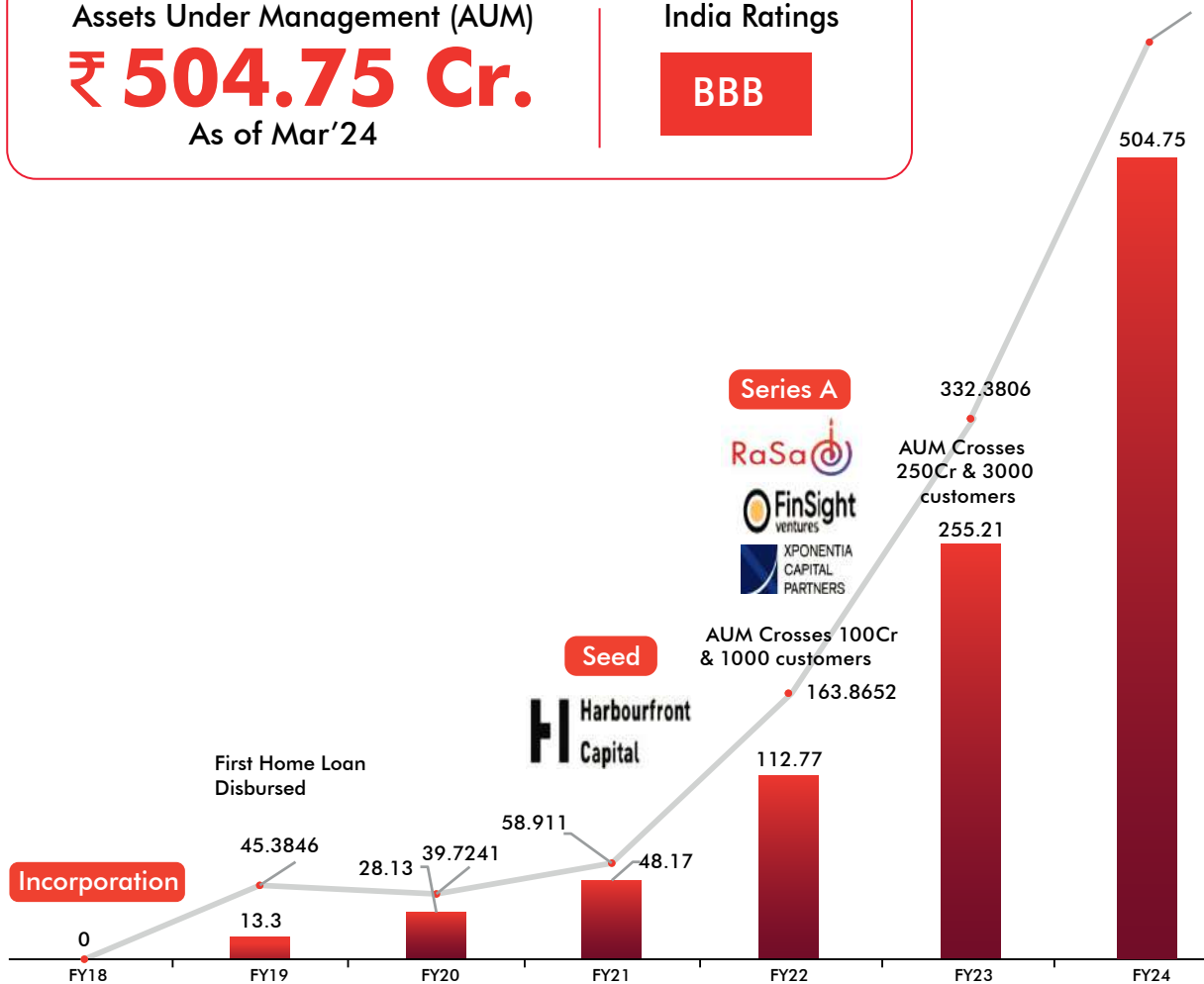


## Journey

Over the past seven years, Easy Home Finance has made significant strides and achieved remarkable growth and success. This progress underscores our commitment to deliver tailored financial solutions that cater to the needs of our valued customers.

Assets Under Management (AUM)  
**₹ 504.75 Cr.**  
 As of Mar'24

India Ratings  
**BBB**

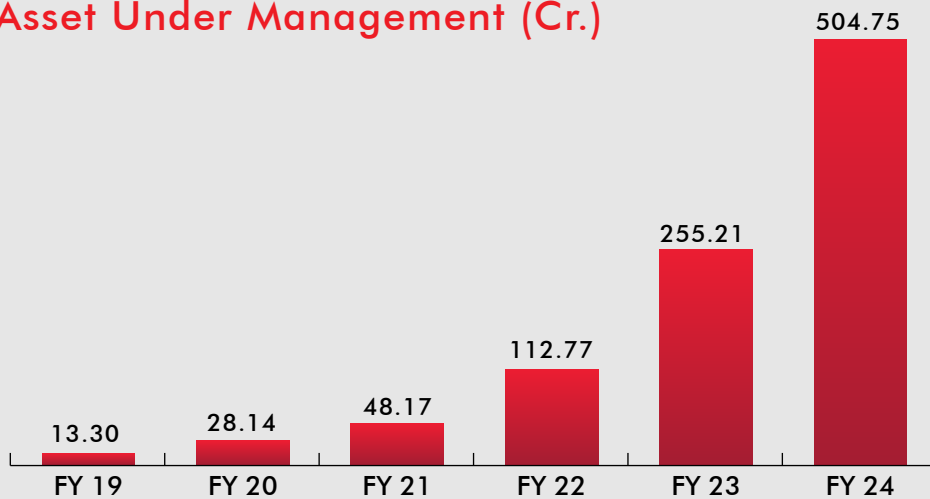




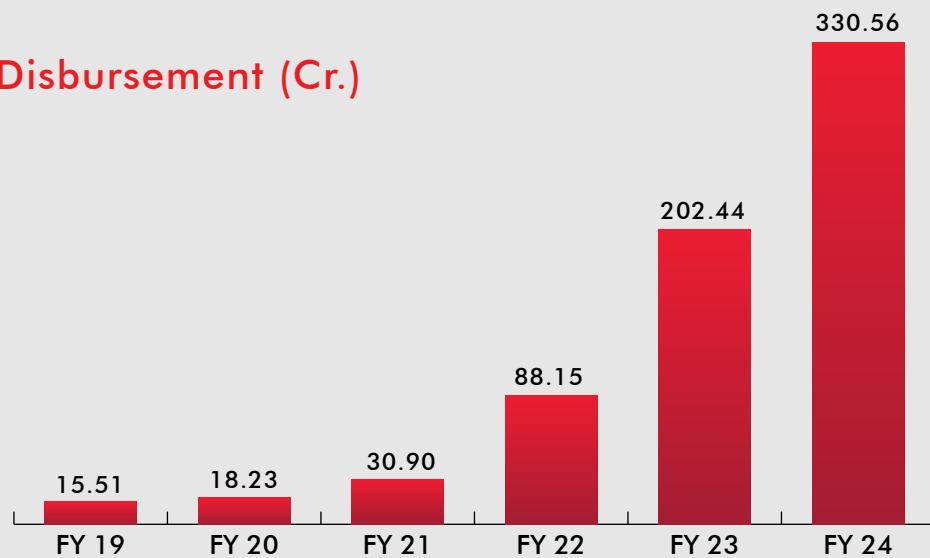
## Growth in Loan Book and Disbursement

Continuing our leap forward, Easy Home Finance has experienced substantial growth in both our loan book and disbursements over the past five years.

### Asset Under Management (Cr.)



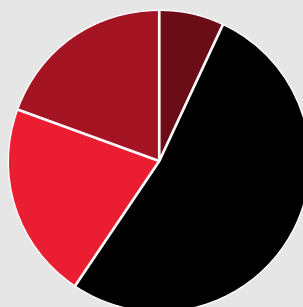
### Disbursement (Cr.)



## Consistent Portfolio Metrics

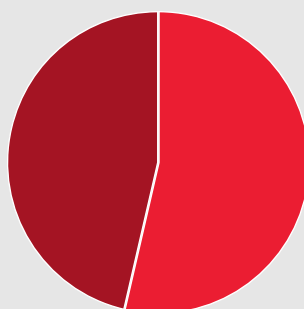
At Easy Home Finance, we pride ourselves on consistently improving portfolio metrics. Our data highlights leaps in managing asset distribution across diverse customer profiles, ensuring effective risk management.

### AUM by Credit Score



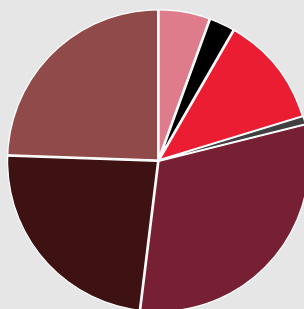
19.40%	0-300
21.00%	301-600
52.51%	601-900
7.09%	NTC

### AUM by Occupation



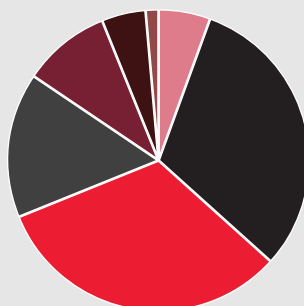
46.28%	Self Employed
53.72%	Salaried

### AUM by Type of Property



24.44%	New Purchased/Builder
23.58%	Resale
30.65%	Self Construction
0.88%	Home Improvement
12.04%	LAP
2.63%	Non-Home (Top-up)
5.77%	Balance Transfer

### AUM by Ticket Size

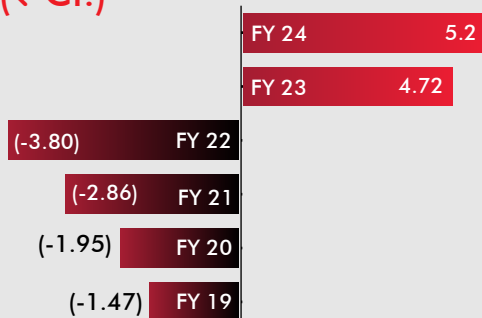


5.62%	Below 5 lakh
31.31%	5 to 10 lakh
32.15%	10 to 15 lakh
15.56%	15 to 20 lakh
9.26%	20 to 25 lakh
4.99%	25 to 30 lakh
1.11%	>30 lakh

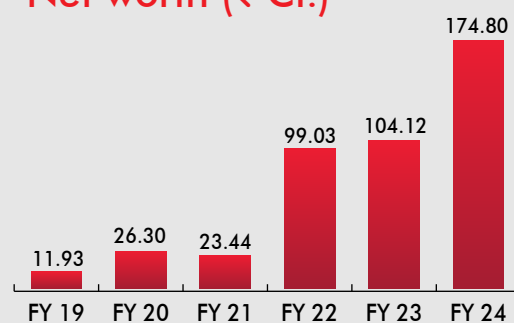
## Financial Highlights

Easy Home Finance has taken significant leaps to achieve notable financial milestones over the years. These metrics underscore our robust financial strength and the sustained growth we continue to experience.

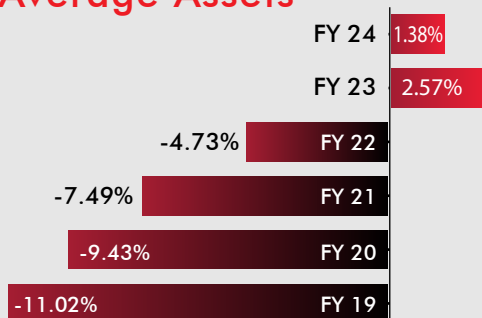
### Profit After Tax (₹ Cr.)



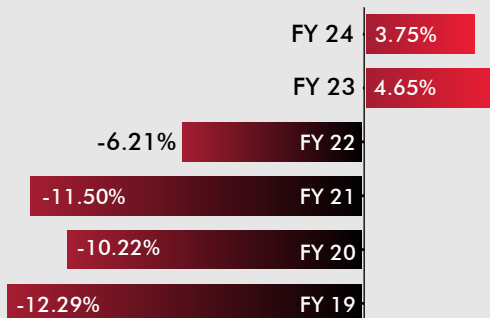
### Net worth (₹ Cr.)



### Return on Average Assets

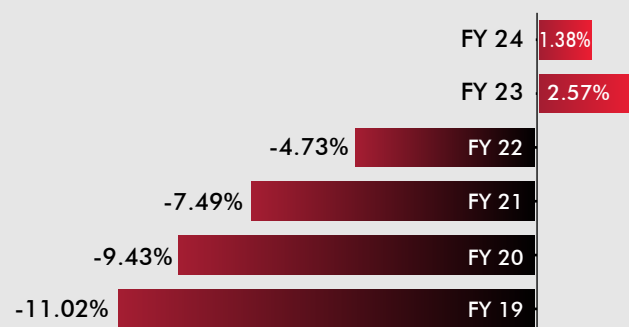


### Return on Equity

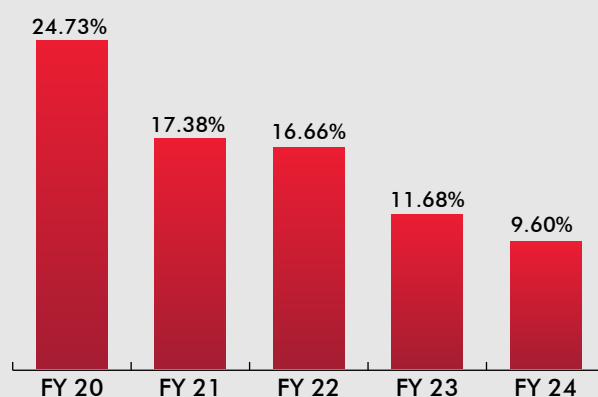


## Key Growth Metrics

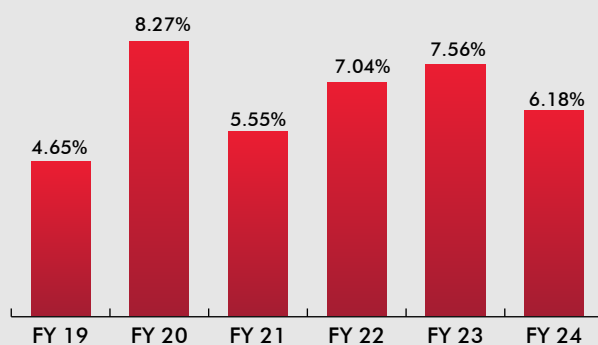
### ROA



### Opex to Asset



### NIM



## Breaking Through Borders

With an ever-expanding presence across markets in India, we at Easy are increasing our geographic reach with a focus on increasing the accessibility of our services, thereby enhancing the lives of India's unserved and underserved.

### List of Branches





MOMENTS OF APPLAUSE  
BY THE ONES  
WHO MATTER MOST



## Client testimonial



### Naresh G. Shelar

I'm Naresh Ganesh Shelar from Nandap, Titwala. For the expansion of my business, I took a mortgage loan from Easy Home Finance. The entire process was completed in a very short time and that too with minimum documentation.

Thanks to their 100% digital process, the entire experience was very simple and transparent.

I am very grateful to Easy Home Finance.



### Shyamsundar Chore

Namaskar! I'm Shyamsundar Chore. I was looking for a home loan in Pune for a long time. I have always dreamt of having my own house, and today, thanks to Easy Home Finance that desire has been fulfilled.

The entire loan process was simple and really quick. Thanks to them, instead of living in a rented place, I now stay in a home I can call my own.

# OUR STRATEGIC PLAYBOOK



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The housing finance sector in India is witnessing significant growth and transformation, driven by rapid urbanization, government initiatives, and an increasing demand for affordable housing. Recent reports from the World Bank and other international bodies provide a comprehensive view of the current state and future prospects of housing finance in India.

As we do each year, the following section will provide an overview of the key drivers influencing the housing finance sector in which Easy Home Finance operates. For clarity and ease of understanding, we have structured this analysis in the following manner:

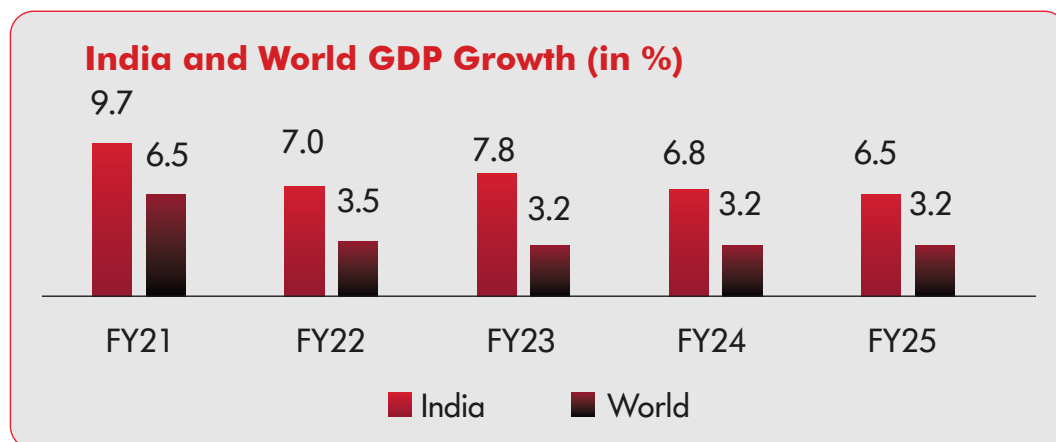
1. GDP Growth Outlook - India and World
2. Resilience of the Indian Economy
3. Housing Finance Sector Overview
4. Key Growth Driver
5. Opportunities and Threats.
6. Segment-wise or product-wise performance
7. Risks and concerns;
8. Internal control systems and their adequacy;
9. Discussion on financial performance with respect to operations; and Material developments in Human Resources in terms of geographical presence of EHFL and Human Resource employed.
10. Outlook.

### 1. GDP Growth Outlook – India and World.

According to the latest IMF's World Economic Outlook (April'24), world economy is projected to grow by ~3.2% CAGR in the near future, similar to growth observed in 2023.

The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine; weak growth in productivity; and increasing geo-economic fragmentation.

However, India, which is the fifth largest economy is projected to fare much better than peers with the highest growth rate amongst large economies. It is estimated to grow at ~6.5% CAGR in 2025. Two sectors of the Indian Economy i.e. Services & Industry are expected to grow by 7.9% & 9.0% respectively in FY'24 as per RBI.



Source: IMF World Economic Outlook (April '24 Update)

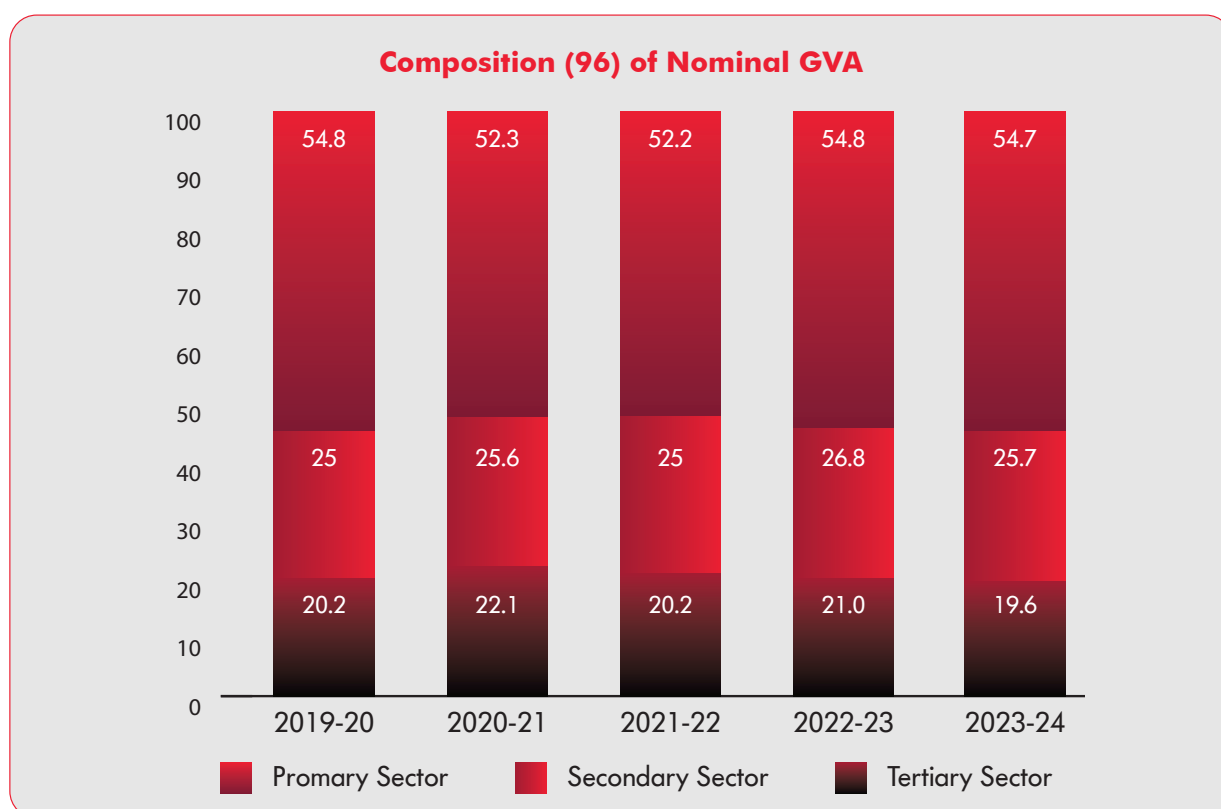
With government initiatives like PLI, improving "Ease of Doing Business" and China +1 factor, these sectors are expected to continue to grow at high growth rates raising economic output, creating more jobs and driving per capita income of the country higher. Easy Home's business growth is correlated with Indian economy's vibrancy creating more locations as housing ecosystem for your company

**GDP of major economies (USD Bn in Current Prices). India is expected to be the 3rd largest economy by 2027 (crossing GDP of \$5 Tn) after USA and China moving up from its current 5<sup>th</sup> position.**

Rank	2016	2017	2018	2019	2020	2021	2022	2023	2024P	2025P	2026P	2027P	2028P
1	USA	USA	USA	USA	USA	USA	USA	USA	USA	USA	USA	USA	USA
2	China	China	China	China	China	China	China	China	China	China	China	China	China
3	Germany	Germany	Germany	Germany	Germany	Germany	Germany	Japan	Japan	Japan	Japan	India	India
4	Japan	Japan	Japan	Japan	Japan	Japan	Japan	Germany	Germany	Germany	India	Japan	Japan
5	UK	UK	UK	UK	UK	India	India	India	India	India	Germany	Germany	Germany
6	France	India	France	India	India	UK	UK	UK	UK	UK	UK	UK	UK
7	India	France	India	France	France	France	France	France	France	France	France	France	France
8	Italy	Italy	Italy	Italy	Italy	Italy	Italy	Italy	Italy	Italy	Canada	Canada	Canada
9	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Italy	Italy	Italy
10	Russia	Russia	Russia	Russia	Russia	Russia	Russia	Russia	Russia	Russia	Russia	Russia	Russia

Source: IMF World Economic Outlook (April, 24 Update)

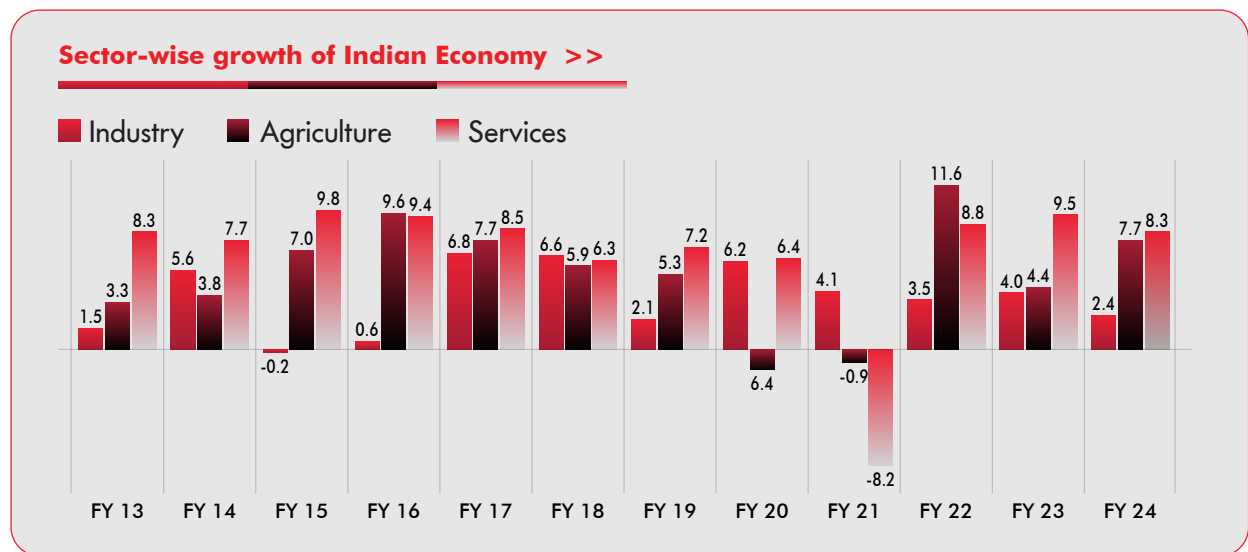
Indian economy's three major pillars witnessed growth in FY 2024 as per government provisional estimates. As per various economists, government's focus on manufacturing and services will raise economic output and create more jobs driving per capita income.



(Source: MOSPI/ <https://pib.gov.in/PressReleaseframePage.aspx?PRID=2022323>)



Indian Economy contribution by 3 major sectors. Services continue to grow on strong IT sector growth, followed by manufacturing sector where government has a strong focus. Following chart Indicate GVA Growth (at 2011-12 prices).



(Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=2010223>)

## 2. Resilience of the Indian Economy – Growth despite major disruptions

India's growth is expected to remain strong, supported by macroeconomic and financial stability. Presently, the official estimate for growth in FY 2023-24 stands at 7.6%, and headline inflation is anticipated to decline gradually to the medium-term target of 4% for FY 2024-25.

Positive outlook is underpinned by entrepreneurship and initiatives to uplift vulnerable communities, which include developing niche manufacturing sectors, improving infrastructure, diversifying exports, and focussing on higher value-added products, all of which contribute to a promising future.

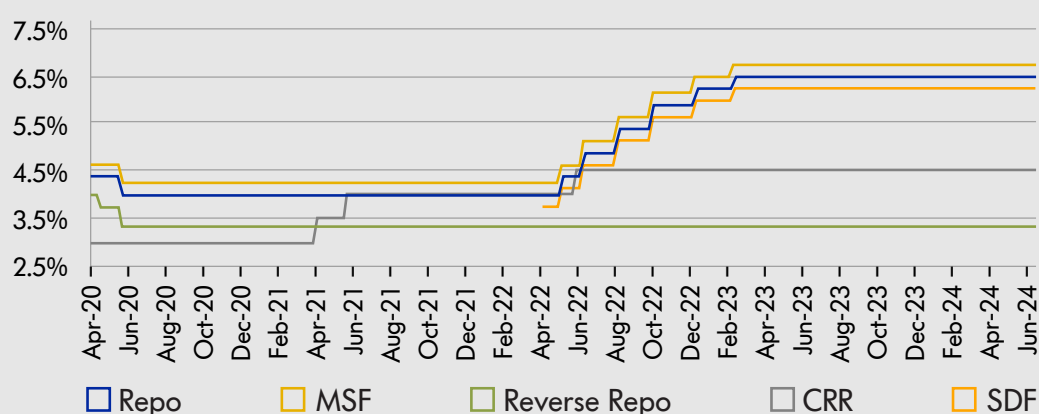
The Indian economy showed positive momentum with a growth rate of 7.6% in FY 2023-24, surpassing the 7% growth rate in FY 2022-23. This robust performance can be largely attributed to the government's economic policy agenda, which prioritised revitalising India's growth potential. The key initiatives include increased public sector investment, the strong resilience shown by the financial sector, and significant expansion in non-food credit.

(Source: MOSPI <https://pib.gov.in/PressReleasePage.aspx?PRID=2010223>)

### Movement in Key rates

- The Monetary Policy Committee (MPC) kept the policy rates and stance unchanged in its second bi-monthly policy meeting for FY 2024-25, in line with expectations with a policy stance as neutral.
- While the MPC kept its CPI inflation projection for FY2024-25 unchanged at 4.5%, that for GDP growth was raised to 7.2% from 7.0%

MPC's continued focus on aligning inflation to the 4.0% target on a durable basis suggest that the Committee is likely to maintain status quo on rates in the near term, however, there might be a shift in the monetary policy stance in case of a good monsoon and consequent soothing impact on inflation.

**EXHIBIT: Movement in key Rates**

### 3. Housing Finance Sector Overview

The housing finance market serves as a vital catalyst for facilitating homeownership by offering loans and mortgages tailored to the needs and aspirations of individuals and families. India's housing market has seen remarkable resilience, defying odds with record-high sales despite rising prices and interest rates. The housing finance sector has shown the tremendous growth over the past four years, buoyed by rising incomes and steady demand. It is estimated that the market size of housing finance sector will be around ₹ 40 trillion by year FY 2025-26. Smaller districts are emerging as key players in housing loans, indicating shifting preferences of home buyers. Housing Finance Companies (HFCs) are poised for future growth, driven by factors such as affordable housing initiatives, increasing per capita income and tax incentives.

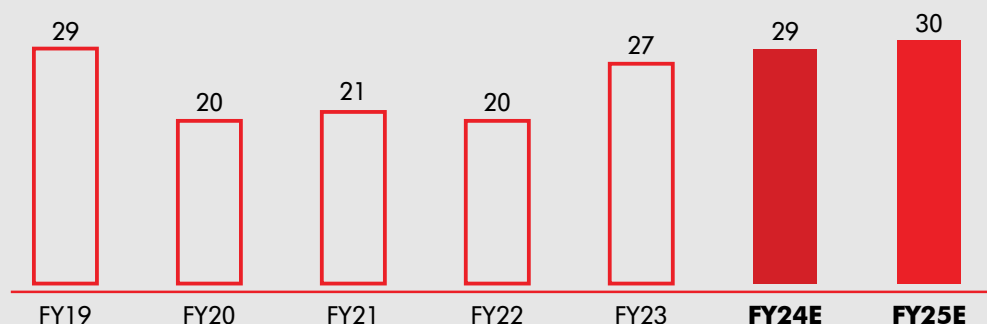
#### Introduction to Affordable Housing finance

India's mortgage market can broadly be divided into two segments by ticket size of the housing loan at the time of disbursement – prime loans and affordable housing loans.

Affordable Housing Loans consider loans to individuals with a ticket size of less than ₹ 2.5Mn. The former, called prime housing loans, is prominent in the metro/urban areas, and the latter generally includes houses in the outskirts of these areas and semi-urban and rural areas, i.e., defined as housing finance market focussing on low-income housing segment.

Despite encountering funding challenges in the past, Affordable Housing Finance Companies (AHFCs) have shown consistent growth, with their portfolio expanding by 27% in FY 2023. This growth trajectory is expected to continue and AHFCs are expected to maintain the similar growth momentum in FY 2024 and FY 2025 also.

#### Continued Growth Momentum (%)



Source: CareEdge Ratings

## • Growth Reached pre-Covid Level for AHFCs

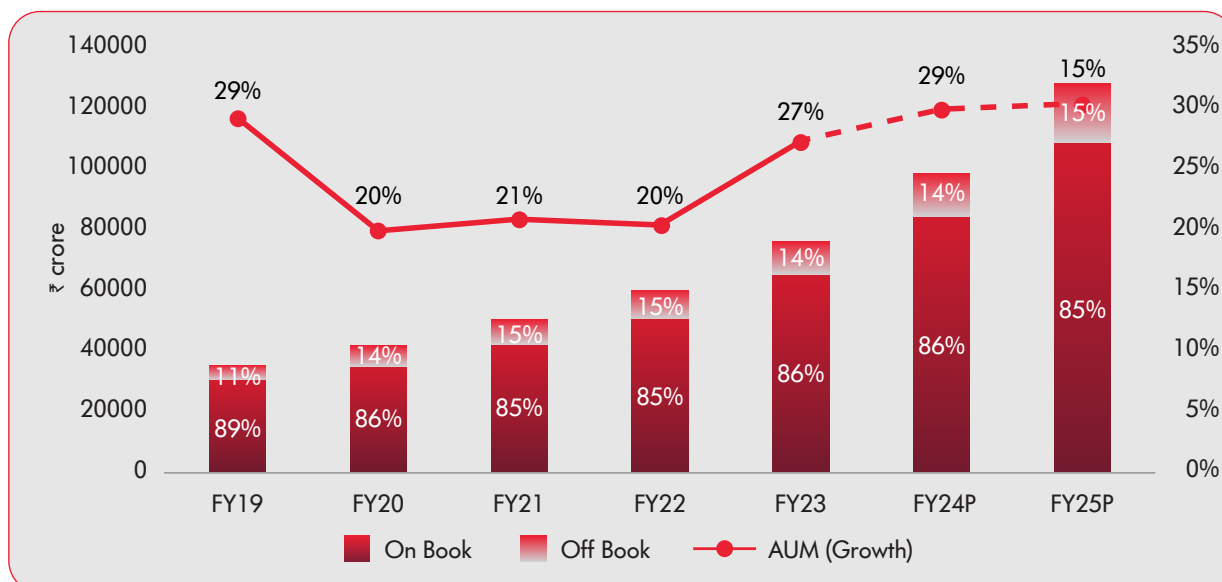
Affordable Housing Finance Companies (AHFC) represent a niche yet swiftly expanding sector within the broader housing finance market, accounting for approximately 6% of the total market share. Despite encountering funding challenges in the past, AHFCs have consistently emerged as the most rapidly growing segment in the housing finance domain.

The growth trajectory for AHFCs experienced a deceleration in fiscal year 2020 due to funding constraints and a cautious approach adopted by these companies. These challenges were further compounded in fiscal years 2021 and 2022 by the adverse impacts of the Covid-19 pandemic.

Buoyed by an improving macroeconomic landscape, AHFCs witnessed a significant rebound in growth during fiscal year 2023, with their portfolio expanding by 27% year-over-year.

This upward trend is anticipated to persist, with CareEdge Ratings forecasting a 29% year-over-year growth for AHFC portfolios in fiscal year 2024, followed by an estimated 30% year-over-year growth in fiscal year 2025. The optimistic outlook for AHFCs is supported by several factors, including their relatively smaller base compared to traditional banking institutions and prime housing finance entities, their capacity to penetrate unorganized market segments, and their adept appraisal skills. These competencies enable AHFCs to effectively serve customers who may not meet the prime credit criteria.

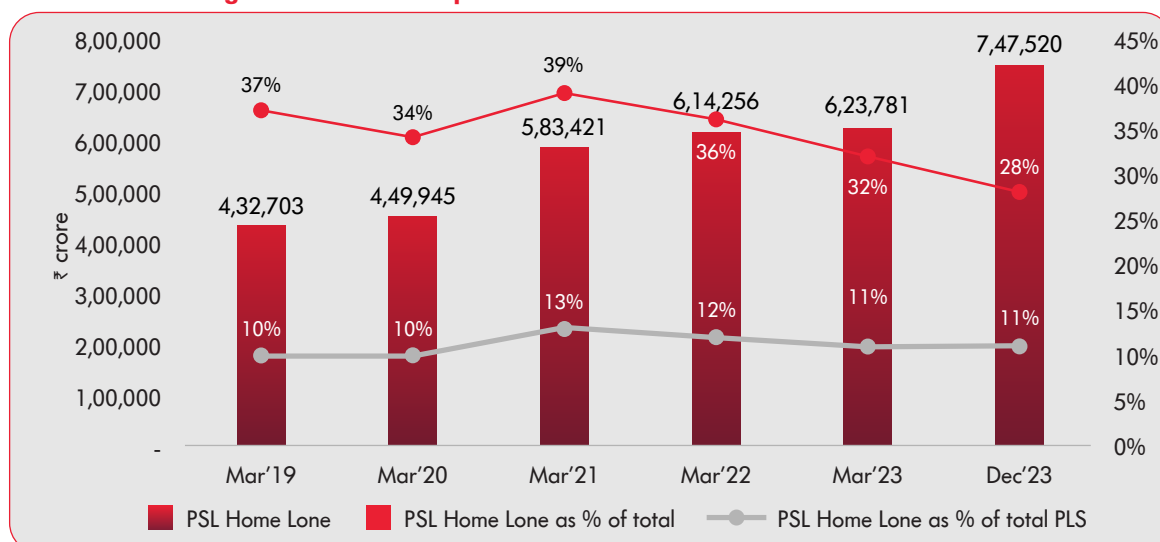
**Exhibit 1: Growth Momentum to Continue**



(Source: Care Edge Rating)

## • Declining Share of PSL-compliant Home Loans

The share of PSL loans in the home loans mix as well as in the overall PSL portfolio for banks is on a declining trend over the past two years. To some extent, it can be attributed to rising ticket sizes of home loans whereas PSL thresholds have remained fixed at up to ₹ 35 lakh in metropolitan cities and ₹ 25 lakh in other cities. This, in turn, acts as an opportunity for AHFCs to further build their portfolio through co-lending or direct assignment transactions with banks. Any upward revision in the PSL thresholds could reduce the attractiveness of this niche sector.

**Exhibit 2: Declining Share of PSL-compliant Home Loans**

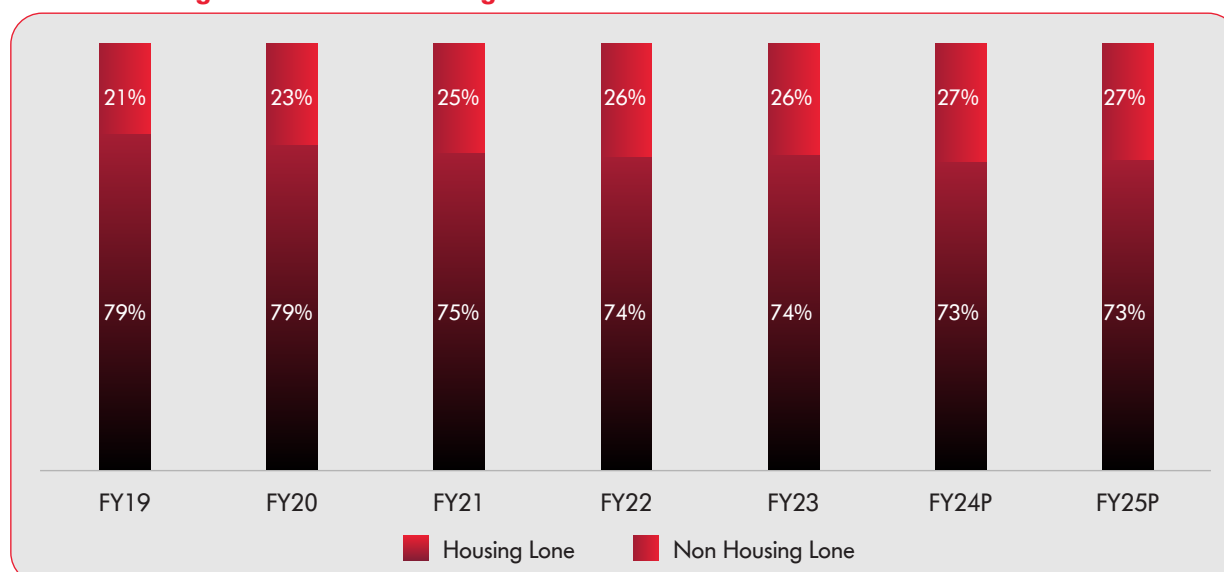
(Source: Care Edge Rating)

### • Rising Share of Loans Against Property in AHFCs Portfolio

In terms of classification based on product type, AHFCs continue to have the majority of their loan book in the form of housing loans, owing to its mandate, which contributed to 74% of the total loan book share as on March 31, 2023. However, amidst the high competitive intensity, AHFCs are increasingly diversifying across non-housing segment to mitigate margin pressures.

Non-housing portfolio is mainly in the form of 'loan against property' (LAP) in which micro, small and medium enterprises (MSMEs) and small businesses raise funds for their business and personal needs against collateral which is mainly in the form of property. Consequently, the share of housing loans reduced from 79%, as on March 31, 2019 to 74%, as on March 31, 2023, in the AHFCs loan portfolio. The rise, however, is within the regulatory guidelines.

As per the RBI, HFCs need to have 60% of the portfolio towards housing finance by March 31, 2024. With non-housing portfolio of most of the AHFCs being well below the regulatory threshold, Care Edge Ratings expects the non-housing share to further increase to 27% in FY2024 and FY2025, in the pursuit to sustain the margins. For some of the AHFCs, where non-housing portfolio is near the threshold, the regulation could be a constraining factor for their growth in the near term.

**Exhibit 3: Rising Share of Non-housing Portfolio**

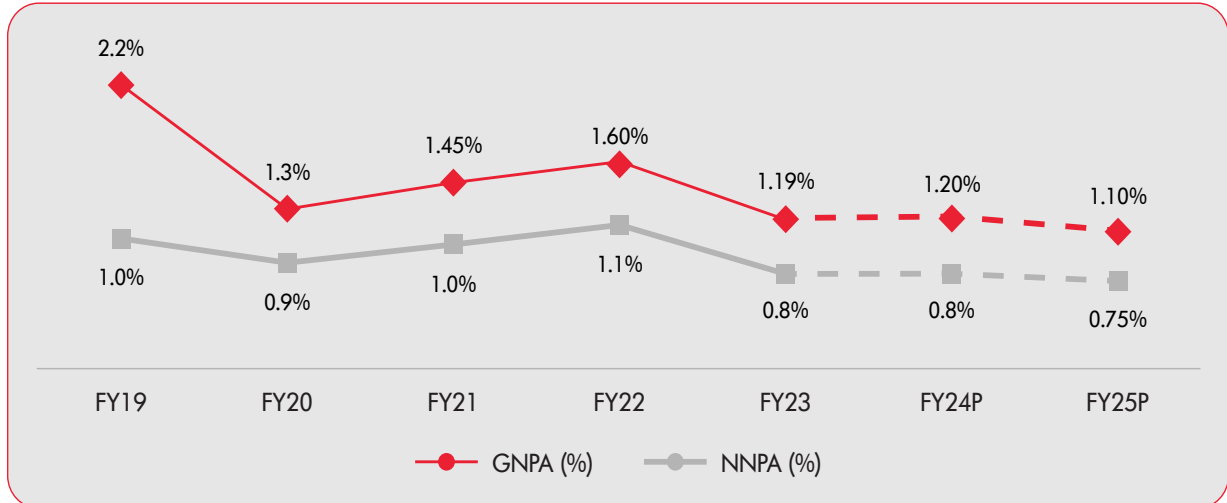
(Source: Care Edge Rating)

## Improving Asset Quality

The improvement in collection efficiency and strategic write-offs led to enhanced asset quality metrics in fiscal year 2023. This culminated in a reduction of the GNPA ratio to 1.19% as of March 31, 2023. This improvement occurred despite the implementation of revised IRAC norms, which slightly increased the overall asset quality metrics.

This positive trend in asset quality metrics is expected to continue into fiscal years 2024 and 2025, with the GNPA ratio projected to stabilize at approximately 1.2% and 1.1%, respectively.

**Exhibit 4: Controlled Asset Quality**



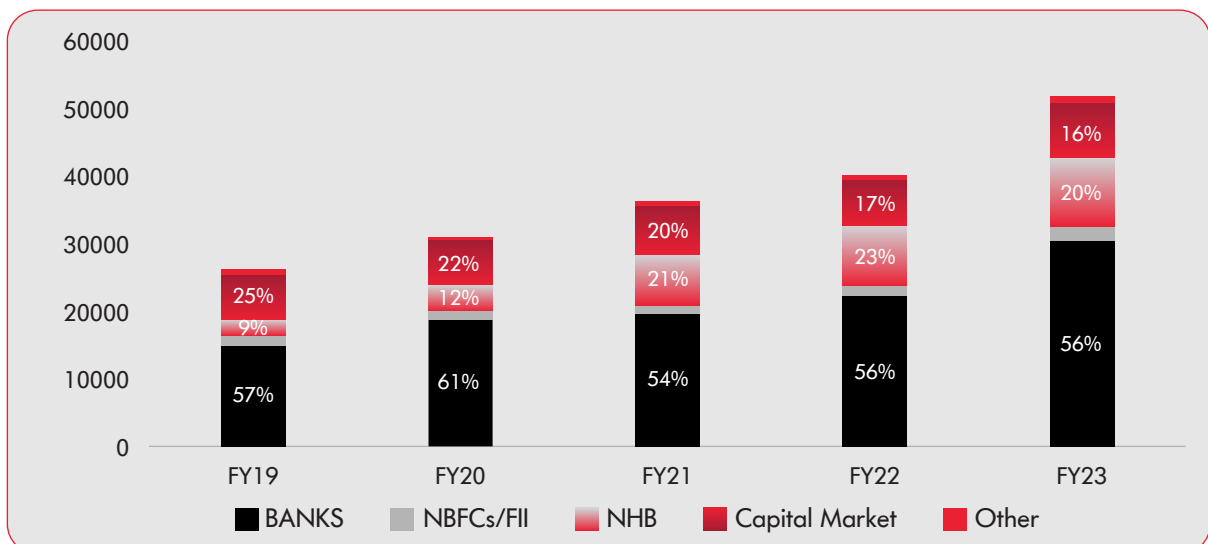
(Source: Care Edge Rating)

## Banks Continue to Dominate the Debt Profile

The AHFCs borrow a major chunk of their debt from banks in the form of term loans, with a few large entities tapping the capital market. As on March 31, 2023, the borrowing mix of the AHFCs had 59% of the overall borrowings from banks, followed by the National Housing Bank (NHB) and capital markets.

During the Covid period, NHB offered liquidity and low-cost funding through its various special liquidity relief schemes. Accordingly, the share of NHB loans in the borrowing mix of AHFCs increased from 12%, as on March 31, 2020, to 20%, as on March 31, 2023. With NHB again moving back to its regular refinance schemes, there has been a gradual normalization in NHB share. Garnering low cost resources will continue to be significantly important agenda item of all HFCs including AHFCs.

**Exhibit 5 : High Share of Banks in Borrowing Profile of AHFCs**



(Source: Care Edge Rating)

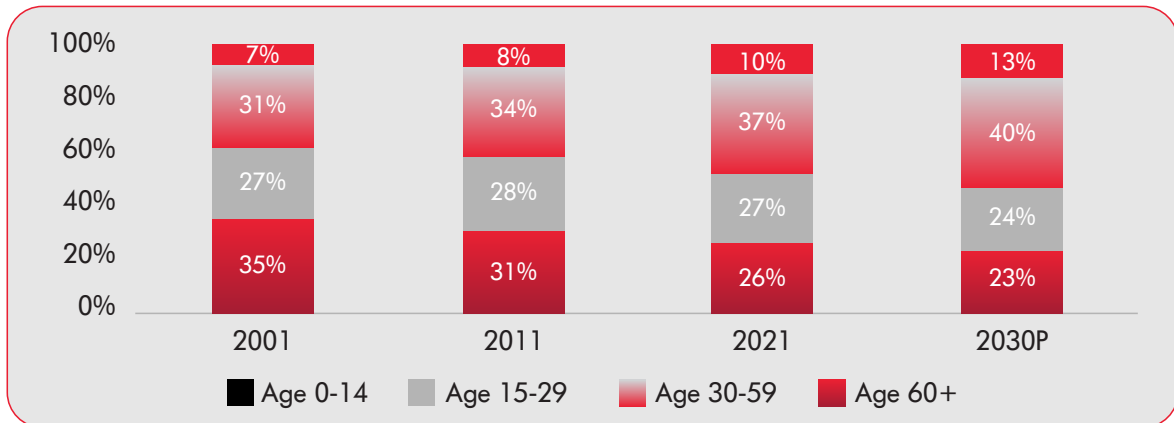


#### 4. Key Growth Driver

- Favourable demographics**

Demographic dividend is likely to drive the Indian growth story as well as growth in housing sector. India, currently, has one of the largest young populations in the world, with a median age of 28 years approximately 90% of Indians in the less than or equal to 60 years age category and around 65% between 15 and 60 years age group which makes India better placed as compared to countries like United States (US), China and Brazil which had 77%, 83% and 86% of their population below the age of 60 years respectively.

##### India's demographic dividend



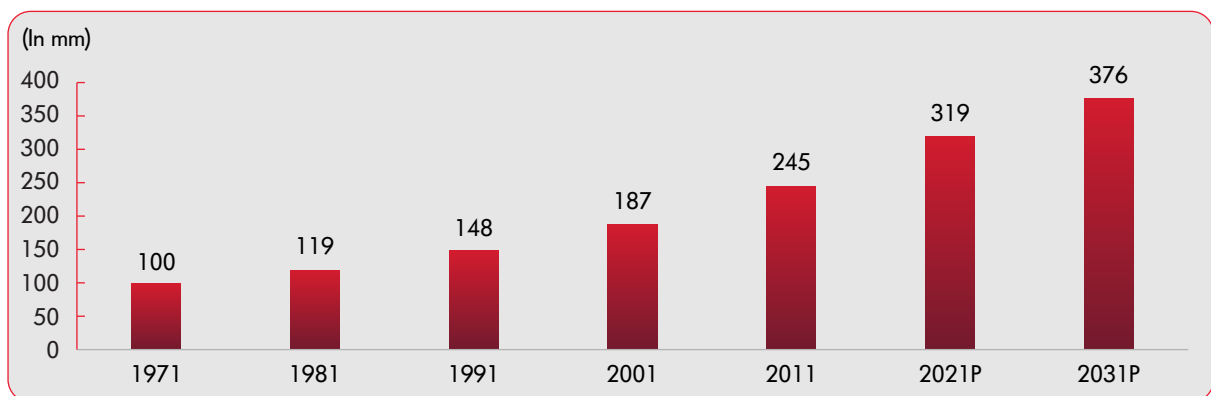
E: Estimated, P: Projected

Source: United Nations Department of Economic and Social affairs<sup>1</sup>, CRISIL MI&A

- India has the world's largest population**

As per Census 2011, India's population was ~1.25 billion, and comprised nearly 245 million households, is expected by CRISIL MI&A to increase to 1.52 billion by 2031, and number of households are expected to reach ~376 million over the same period.

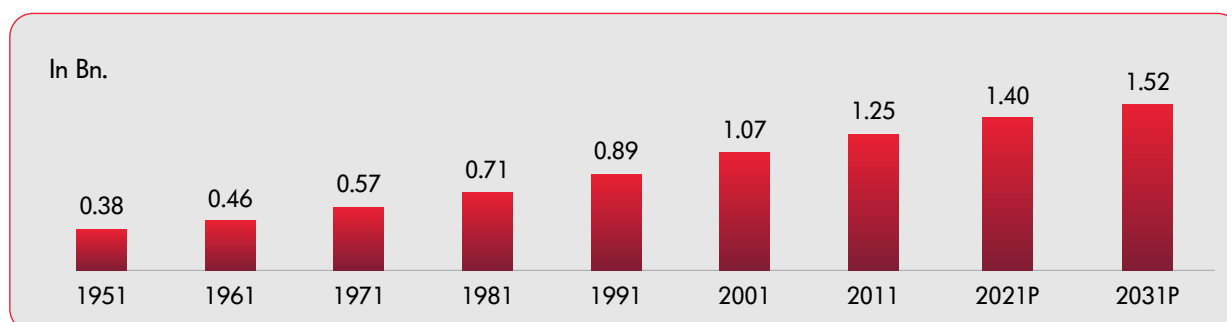
##### Number of households in India



Note: As at the end of each Fiscal. P: Projected

Source: Census India, CRISIL MI&A

## India's population growth trajectory



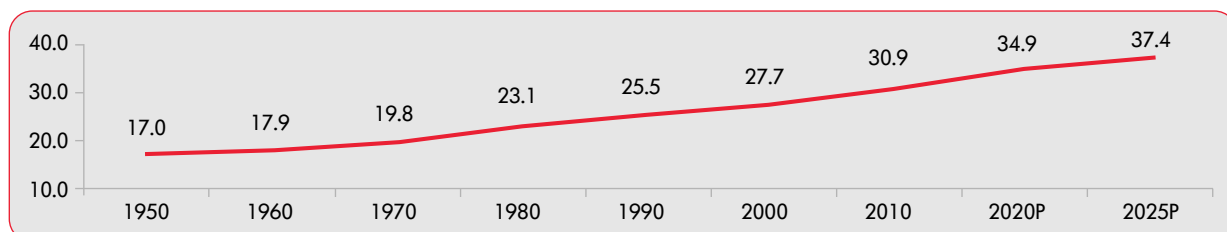
Note: As at the end of each Fiscal. P: Projected,

Source: United Nations Department of Economic and Social Affairs, (<https://population.un.org/wpp/>), CRISIL MI&A

## Urbanization

Urbanization is one of India's most important economic growth drivers. It is expected to drive substantial investments in infrastructure development. India's urban population has been rising consistently over the decades. (Source: World Urbanization Prospects). As per the 2018 revision of World Urbanization Prospects, it was estimated at 34.9% for India. According to the World Urbanization Prospects, the percentage of population residing in urban areas in India is expected to increase to 37.4% by 2025.

### Urban population as a percentage of total population (%)



Note: P - Projected; Source: Census 2011 and World Urbanization Prospects: The 2018 Revision (UUN)

(<https://population.un.org/wpp/>)

## Increasing per capita GDP

In Fiscal 2023, India's per capita income expanded by 6.0%. As per IMF estimates, India's per capita income (at constant prices) is expected to grow at 5% CAGR from Fiscal 2023 to Fiscal 2026.

Per capita income	Level in FY2023 <sup>^</sup> (R '000)		Growth at constant prices(%)										
	Current prices	Constant prices	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY26P
	172	98	4.6	6.2	6.7	6.8	5.7	5.8	2.9	-7.6	7.6	6.0	5.3*

Note: P - Projected, (^) Per Capita NNI as per second advanced estimates of national income, 2022-23; (\*) - 3-year CAGR growth (FY2023-FY2026), as per IMF estimates (2023 October Update); Source - Ministry of Statistics and Program Implementation (MOSPI), International Monetary Fund (IMF), CRISIL MI&A

## Government schemes and assistance

Under government of India's "Housing for All" mission, there is a significant opportunity to address the housing shortage faced by low-income residents. Launched in 2015 with a revised target of 2024, the PMAY scheme provides financial assistance for individual house construction, re-development with private participation and credit-linked subsidies for home purchases. Under this scheme, GOI has sanctioned 1.19 crores units of housing under the affordable segment. The cumulative budget allocation by the central government from FY 2015-16 to FY 2023-24 was ₹ 4 trillion to cater to the housing demand.

- **Adoption of Technology**

With the adoption of technology, processes such as property searches, transactions, registrations etc. have become quicker and more organised. The emergence of Prop-tech in recent years has played a pivotal role in streamlining property search and transactions. Innovative technologies along with growing internet penetration in India will provide an impetus for the real estate industry to reach its growth targets efficiently.

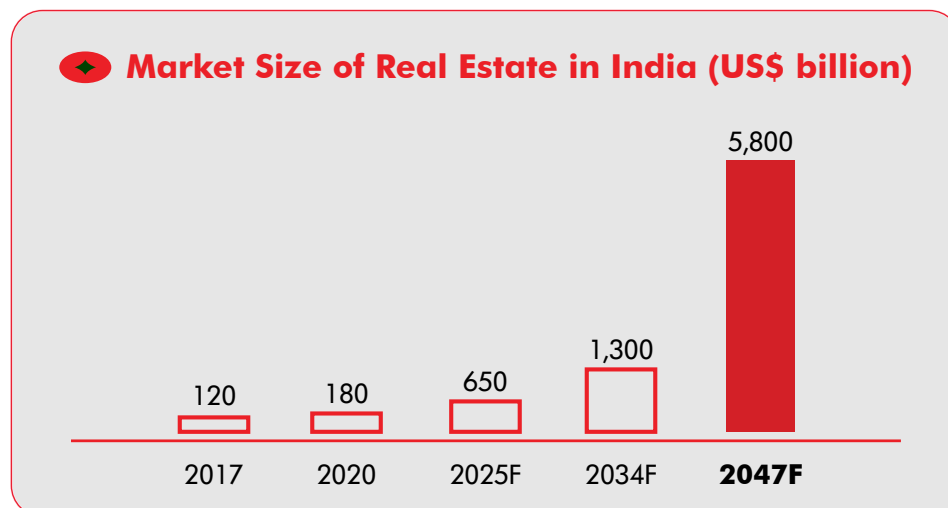
- **Prominence of sustainable and green building/funding**

The real estate industry is at the early age of adopting sustainable practices through strategies such as adoption of India Green Building Council (IGBC) norms, which aim to achieve net zero carbon building by 2050. There will be more investment by institutional investors in energy efficient buildings in India.

## 5. Opportunities and Threats.

### Opportunities

The real estate sector in India is expected to significantly contribute to the country's GDP, accounting for approximately 13% by 2025. According to CREDAI, a prominent realtor body, the sector's market size is projected to grow from around \$300 billion (₹ 24 lakh crores) today to \$1.3 trillion by 2034, with the residential segment comprising 80% of the total market. By 2047, the market is anticipated to reach \$5.8 trillion. For sustained growth, it is essential for India's real estate sector to adapt to economic transformations and technological advancements, leveraging the increasing resources effectively.



### Threats

- **Rising Borrowing Rate**

Higher borrowing costs result in increased interest rates on loans offered by Affordable Housing Finance Companies (AHFCs). While some of this burden can be transferred to borrowers, it may reduce profitability and limit the capacity to issue new loans, thereby hindering growth. Additionally, rising borrowing costs can make AHFCs less competitive compared to larger banks with lower funding costs, potentially leading to a loss of market share in the vital affordable housing segment.

- **Credit Risk and Asset Quality**

Economic downturns or adverse market conditions can heighten credit risk for Housing Finance Companies (HFCs), especially in the affordable housing segment where borrowers often have limited credit history or financial stability. A decline in asset quality due to defaults, delinquencies, or loan impairments can result in increased provisioning requirements, reduced profitability, and constraints on lending capacity.

- **Market Competition**

The growth potential and attractive return profile of the affordable housing industry have attracted many new entrants in recent years. Banks, NBFCs, and Fintech's are all competing for a share, particularly in the deeper geographies, leading to intense competition that can put pressure on margins and underwriting standards.

- **Liquidity Risk**

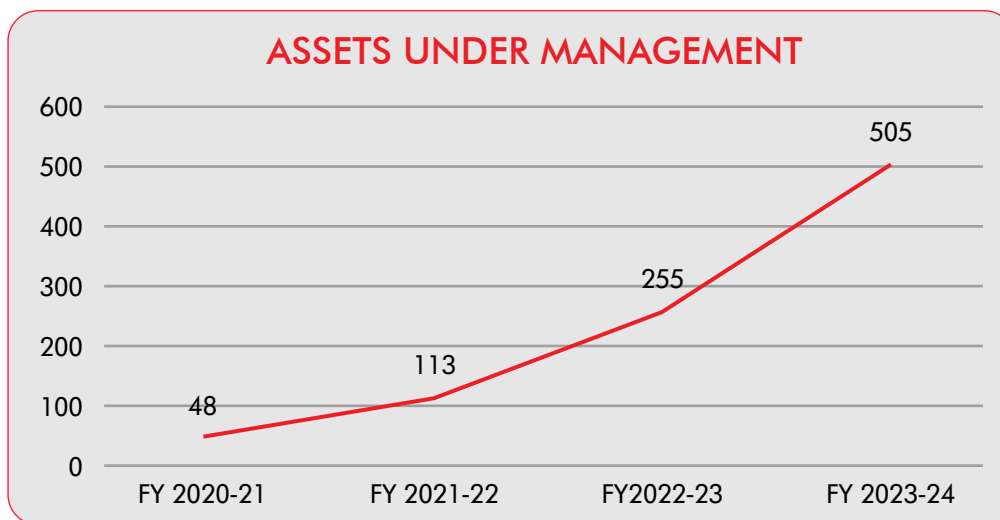
HFCs heavily depend on short-term and long-term funding sources to support their lending activities. Market disruptions, shifts in investor sentiment, or changes in funding conditions can intensify liquidity pressures for HFCs, affecting their ability to expand lending to affordable housing customers.

## 6. Segment—wise or product—wise performance.

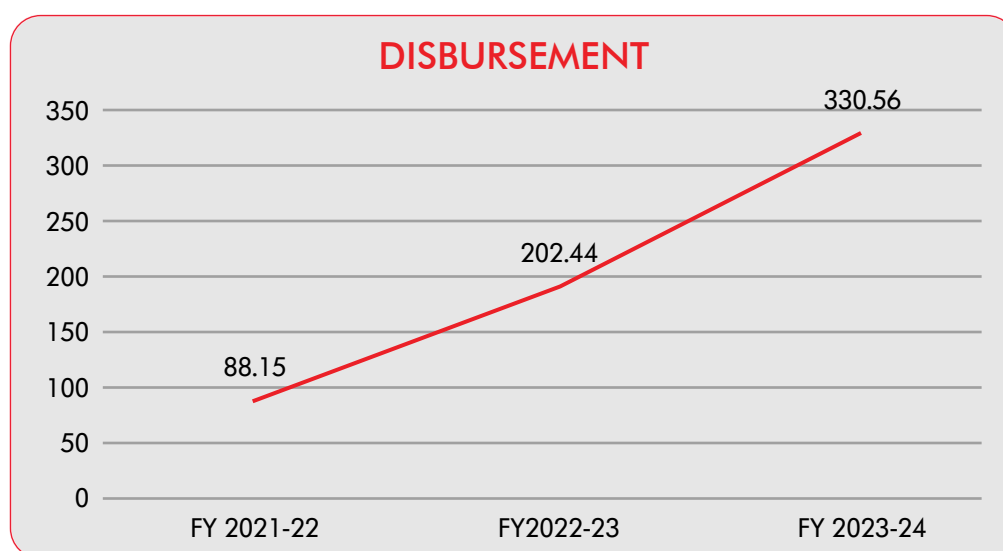
Easy Home Finance Limited (EHFL) caters to Economic Weaker Sections (EWS), Low Income Group (LIG) and Middle-Income Group (MIG) category of customers as defined by the NHB guidelines. Our highly professional Team leverages our cutting-edge Technology making EHFL a prominent player in the Affordable Home Loan Segment.

The product-wise performance of the company on the basis of its Asset under management (AUM and Disbursements, is given as under:

Total AUM of EHFL increased from 255 crores as of March 31, 2023 to 505 crores as of March 31, 2024, resulting in a y-o-y growth of 98.04%. Since its inception the company has been doubling its portfolio size on a YoY basis which shows our ability to meet customers' demands and improve our market share across our focus markets while maintaining our portfolio quality.



Our organisation's paperless process enabled us to deliver the fastest loan disbursements. Disbursements of the company during FY 2023-24 stood at ₹ 330.56 crores as against ₹ 202.44 crores during FY 2022-23 resulting in a growth of 63.29%.



## 7. Risks Management

Risk Management at Easy Home Finance includes risk identification, risk assessment, risk measurement and risk mitigation, with its main objective being to minimize the negative impact on profitability and capital.

Easy Home Finance is exposed to various risks that are an inherent part of any financing business. The major risks are Credit Risk, Market Risk, Liquidity Risk, Interest Rate and Operational Risk, including IT Risk. Alongside, some of the critical non-financial risk applicable are Reputation Risk, Compliance Risk and Cybersecurity risk, etc.

To enable efficient management of risk, the company has a well defined Risk Governance Structure, a Risk Management Committee of the Board is in place to examine risk effectiveness with different policies and programs with adherence to risk parameters and prudential limits set for different segments and ensuring the independence of risk measurement, monitoring and control functions. A comprehensive Enterprise Risk Management ("ERM") Framework has been adopted by the Company which uses defined Key Risk Indicators based on quantitative and qualitative factors. The ICAAP Policy of the Company is in line with new Regulatory guidelines/directives covering formal Risk Appetite Framework, Stress Test Scenarios and assessment of risks. Further, Major risks identified by the business functions are systematically addressed through mitigating actions on a continuing basis.

The various risks across Easy Home Finance are monitored and reviewed through the Enterprise Risk Management Committee, a Management Level Committee, which acts as a step-down committee to the Risk Management Committee ("RMC"), responsible for the implementation of risk management framework across the Company, the Management Level Committee and the Risk Management Committee (RMC), meets at regular intervals.

## 8. Internal control systems and their adequacy.

### • Internal Control Systems and Internal Audit

EHFL's internal control system is designed to ensure operational efficiency, accuracy and promptness in financial reporting and compliance with laws and regulations. The company has internal audit system in place which commensurate with the size and nature of its business. The Board of the Company has adopted the policies and procedures 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 disclosures.

Internal Audit Reports are discussed with the Management. The observations and recommendations from the Internal Audit are placed before the Audit committee and the agreed actionable are monitored till closure and the status of the actionable is presented to the Audit Committee periodically. The Audit Committee of the Board reviews the performance of the internal audit and the adequacy of the internal control systems and compliance with regulatory guidelines. The Audit Committee also provides necessary oversight, gives recommendations, and monitors implementation of such recommendations.

## 9. Discussion on financial performance with respect to operations and Material developments in Human Resources in terms of geographical presence of EHFL and Human Resource employed.

### Geographic Presence

During FY 2024, the company had opened total of Eleven branches, three in the state of Rajasthan, one in Madhya Pradesh, two in Maharashtra, two in Uttar Pradesh, two in Delhi and one branch in Gujarat. As on March 31, 2024 the company was operating through a network of Head office and 40 branch offices spread across the states of Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh, Rajasthan, Uttar Pradesh and Delhi.

The distribution is granular and branches expansion is done in a calibrated manner – ensuring market capture as well as asset quality, productivity and operating costs. We have stuck to our tried and tested strategy of contiguous expansion across regions by evaluating areas with high economic growth and substantial demand for affordable housing finance, along with industry portfolio-at-risk and socio- economic risk profile.

### AUM in states (In Crs.)

Sr. No.	States	FY 2023-24	FY 2022-23	FY 2021-22
1.	Maharashtra	266.5	146.81	74.67
2.	Gujarat	58.97	35.07	19.69
3.	Rajasthan	92.99	41.79	7.23
4.	Chhattisgarh	12.95	5.47	3.88
5.	Madhya Pradesh	63.22	26.07	7.11
6.	Delhi	5.72	-	-
7.	Uttar Pradesh	4.4	-	-
	Total	504.75	255.21	112.59

### Our Financial Performance

Particulars	As on 31 <sup>st</sup> March, 2024	As on 31 <sup>st</sup> March, 2023
Revenue from operations	6373.13	3338.03
Other Income	894.25	556.53
<b>Total Revenue</b>	<b>7267.38</b>	<b>3896.54</b>
<b>Total Expenses</b>	<b>6565.77</b>	<b>3588.45</b>
<b>Profit/(Loss) before Tax</b>	<b>701.61</b>	<b>306.11</b>
Tax Expense		
a. Current Tax	100.11	-
b. Deferred Tax	68.19	(166.09)
c. Earlier year adjustment	9.95	-
<b>Profit/(Loss) After Tax</b>	<b>523.36</b>	<b>472.20</b>
Add: Other Comprehensive Income	4.16	1.12
<b>Total</b>	<b>527.52</b>	<b>473.32</b>
Earnings Per Share		
a. Basic	1.22	1.21
b. Diluted	1.22	1.21

**Key Financial Ratios (In crs.)**

Particulars	FY 2023-24	FY 2022-23
Profit after tax on average total assets (ROA)	1.40%	2.05%
Leverage (Average total assets/average Equity or average Net-worth)	2.69	2.27
Profit after tax on average equity or average Net-worth (ROE)	3.75%	4.65%
Cost to Income Ratio (Operating Expenses / Net Total Income)	46.74%	54.91%
Operating Expenses / Average total assets	9.06%	9.29%
Debt to equity ratio	1.56	1.75

**Credit Approval & Disbursement Process**

Step 1: Initial Screening and Pre-Sanction Check	Step 2: Customer Credit Underwriting	Step 3: Property Underwriting & disbursement process	Step 4: Loan Collection and Monitoring
1. Customer leads are logged into the system 2. Each lead checked against KYC, credit bureau and third-party database checks 3. Workspace and residence verifications undertaken by RMs 4. Loan application is submitted on central platform 5. Centralized credit underwriting is then conducted	1. Centralized underwriting team is assisted by data science backed customer-scoring model 2. Integrated customer relationship management and loan management system allow our underwriters to conduct the credit appraisal process in a quick and efficient manner. 3. Third-party databases along with proprietary machine learning credit scoring models to assist us with our credit assessment process.	1. Collateral value is assessed at the time of sanctioning as well as disbursement 2. Legal and technical assessment through third party vendors is initiated to verify the authenticity of the technical documents. legal title to the collateral property and its market value. 3. Our proprietary ML backed property price predictor coupled with geo-tagging of properties further assists in reducing our turnaround times for approving loans and improving accuracy in determining loan to value ratio.	4. Robust collection management system with prescribed collection at each stage of severity of default. 5. We can track status of instalments collected on a real time basis through a collection module 6. Customers are reminded of their payment schedules through automated calls and text messages 7. Our collection process is completely managed by our branch teams and a significant portion of our employee incentives are dependent on collections.

**Collection Efficiency**

We continued our focus on early bucket collections. Also, we have provided the feature to our customers to make the payments via app as well as through remote payment links. This has made the process of making payments much easier for our customers and is reflected in our collection's strength. This has given results by bringing down our 1+ DPD from 1.83% to 1.35% of total AUM. Our 30+ DPD metrics are at 1.15% which is one of the best amongst the industry. Our GNPA stood at 0.32% as on March 31, 2024 and Provision Coverage Ratio was at 45%.

**Technological Developments (FinTech)**

Technology has helped HFCs, NBFCs to provide fast, efficient, cost-effective customised products and services to customers. It helps in increasing the productivity of the manpower, better utilisation of resources and automation of many manual procedures.



Fintech is amongst the most talked development in the world currently having emerged as the world second largest fintech hub (trailing only to USA), India two, in experiencing this fintech boom. While traditional banks have yet to embrace a customer centric model, fintech can help guide and boost the housing finance industry. It has helped in reaching out to larger geographies for business acquisitions without setting up brick and mortar setup.

The collection and recovery process has become far more effective, efficient and significant scale up business across geographies at a cost-effective manner is possible with the help of technology. Technological advancement will help housing finance companies big time, it will help have a closer eye on delinquency, as it will be customer centric and the company will understand their consumers more effectively.

In the Company, the Information Technology ("IT") always emphasizes on driving initiatives which are digitally advanced and can enhance the businesses processes. The IT team works seamlessly with Information Security function to ensure that all the required security controls towards IT are getting adhered.

As a best industry practice, the IT Policies and Procedures are reviewed and amended periodically which gives a confidence to be compliant for any new requirements (applicable for IT) from Regulatory Bodies.

### **Material developments in Human Resources in relation to number of people employed.**

One of the most important and critical assets and foundation of our operations is human capital. We strive to create a conducive environment for growth and development of our employees. Continuous training is provided to employees to uplift their skills and advance in their careers.

Our employee-friendly policies create a safe and conducive work environment. Town-hall meetings are conducted every month, which allows employees to directly raise their concerns, provide suggestions and ask queries to the senior management.

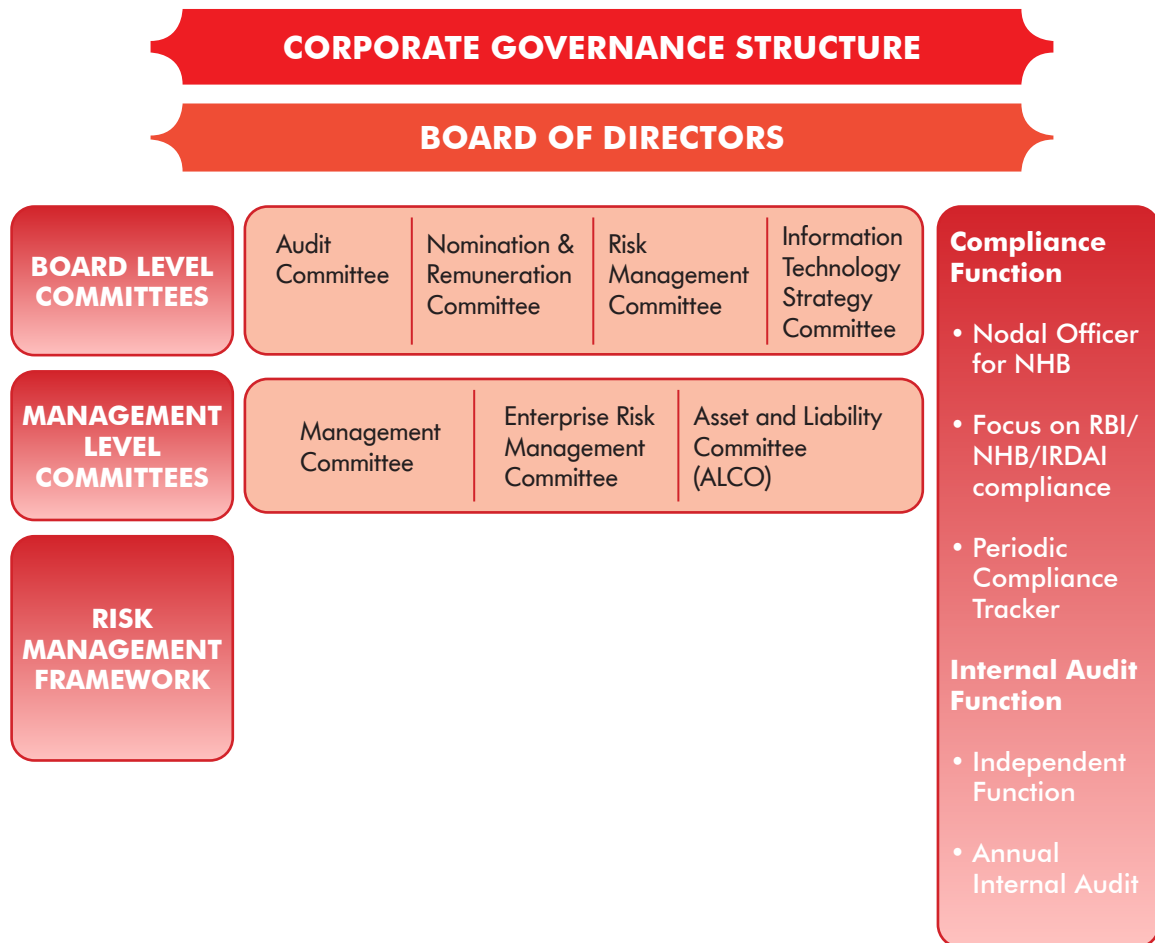
The performance appraisal process is conducted annually and we have an open-door culture to receive feedback from the employees.

As of March 2024, the employee strength stood at 561 as compared to 307 as at March, 2023.

### **Corporate Governance**

The Company believes that a sound corporate governance is critical in enhancing and retaining stakeholders' trust. It is a reflection of EHFL's principles of fairness, responsibility and sustainability. Accordingly, EHFL seek to ensure that the performance is driven by integrity.

The Board exercises its fiduciary responsibilities in the widest sense and provide strategic guidance. The Board members are individuals with diverse backgrounds and expertise, and includes independent directors to provide objective oversight.



## 10. Outlook.

We believe Easy Home Finance is at an inflection point to benefit from the multi-decadal opportunity in housing finance underpinned by multiple macro drivers as highlighted above along with our strong balance sheet and a robust risk management framework. We will continue to leverage technology to automate processes, reduce costs and improve customer service with a lean business model architecture. We are committed to build a strong brand in Housing Finance while staying true to our mission of being the *“Fastest Provider of Home Finance with our award-winning cutting-edge technology, that helps customers make their dreams come to a reality with EASE”*

### Cautionary Statement

This document contains statements about expected future events, financial and operating results of the Company, which are forward looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements based on any subsequent developments.



**EASY HOME FINANCE LIMITED**  
**DIRECTOR'S REPORT 2023-24**

**REPORT OF THE BOARD OF DIRECTORS**

To

**The Members,**

**EASY HOME FINANCE LIMITED**

302, 3<sup>rd</sup> floor, Savoy Chambers, Dattatray Road, V.P. Road (Extn.), Santacruz (West),  
 Mumbai – 400 054.

Your directors have great pleasure in presenting the Seventh Annual Report together with the Audited Financial Statements of your Company for the Financial Year ("FY") ended **March 31, 2024**.

**1. FINANCIAL RESULTS:**

The highlights of the financial results of the Company for the financial year ended **March 31, 2024** are as follows: (₹. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023
Revenue from operations	6373.13	3338.03
Other Income	894.25	556.53
<b>Total Revenue</b>	<b>7267.38</b>	<b>3894.56</b>
<b>Total Expenses</b>	<b>6565.77</b>	<b>3588.45</b>
<b>Profit/(Loss) before Tax</b>	<b>701.61</b>	<b>306.11</b>
Tax Expense		
a. Current Tax	100.11	--
b. Deferred Tax	68.19	(166.09)
c. Earlier year Adjustment	9.95	--
<b>Profit/(Loss) after Tax</b>	<b>523.36</b>	<b>472.20</b>
<b>Other Comprehensive Income</b>	<b>4.16</b>	<b>1.12</b>
<b>Total Comprehensive Income</b>	<b>527.52</b>	<b>473.32</b>

**2. REVIEW OF OPERATIONS AND BUSINESS HIGHLIGHTS:**

**2.1 Income:**

During the year under review, the Company recorded a total revenue of ₹. 7267.38 lakh as compared to ₹ 3894.56 lakh during FY 2022-23 recording an increase of 86.60%.

## 2.2 Sanction & Disbursements:

Further, during FY 2023-24, your company sanctioned loans of ₹ 56,314.48 lakh as against ₹ 33,240.27 lakh during FY 2022-23 resulting in a growth of 69.42% on a year-on-year basis. Disbursements of the company during FY 2023-24 stood at ₹ 32,945.05 lakh as against ₹ 16,148.64 lakh during FY 2022-23 resulting in a growth of 104.01%.

## 2.3 Asset & Customer Base:

Total assets of the company as on March 31, 2024 stood at ₹ 45,552.64 lakh as against ₹ 29,467.85 lakh as on March 31, 2023 registering a growth of 54.58% on a year-on-year basis. As on March 31, 2024, the Company had 5449 customers as compared to 3070 customers as on March 31, 2023 which is a growth of 77.49%.

## 2.4 Branch Network:

During FY 2023-24, the company had opened a total of Eleven branches, three in the state of Rajasthan, two in Maharashtra, two in Uttar Pradesh, two in Delhi, one in Madhya Pradesh and one branch in Gujarat. As on March 31, 2024 the company was operating through a network of Head Office and 40 branch offices spread across the states of Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh, Rajasthan, Uttar Pradesh and Delhi.

## 2.5 Asset Quality

Your company has been focussing on maintaining the asset quality and has been actively engaging with the customers who faced problems in meeting their liability servicing obligations. Approach of the company towards recovery of dues has been to educate the customers and help him in coming out of his financial problems. As at the end of the FY 2023-24, there was a moderate Gross NPA amounting to ₹ 161 lakh resulting into total 0.32 % of Company's AUM.

## 2.6 RESERVES & SURPLUS:

During the year under review, the Company posted a Profit after tax of ₹ 523.36 lakh. Accordingly, an amount of ₹ 104.67 lakh, is being transferred to the Reserve Fund, as required under Section 29C(1) of the National Housing Bank Act, 1987 and Section 45 IC of the Reserve Bank of India Act, 1949.

Networth of the company as on March 31, 2024 stood at ₹ 17479.95 lakh as against ₹ 10,412.22 lakh as on March 31, 2023.

## 2.7 Capital Adequacy Ratio:

Capital Adequacy Ratio of your company stood at 67.88% as on March 31, 2024, as against the minimum Regulatory requirement of 15.00%.

## 2.8 New Business Tie-ups:

During the FY 2023-24, the Company entered into a co-lending agreement with Bajaj Housing Finance Limited to enable it to provide a more competitive offerings to its customers which along with the existing strategic partner, DCB Bank Limited would enable the Company to comprehensively cater to the needs of the customers in the affordable housing segment. Co-lending arrangement with the Bajaj Housing Finance Ltd would also enable the company to enter into the financing of prime housing segment. The company leverages its technology platform to serve the customers in a truly paperless manner.

During the year under review, the Company also executed Deed of Assignment with other NBFCs/HFCs to mobilise resources.

## 2.9 Borrowing Profile:

As on March 31, 2024, borrowing mix of the Company comprised of loans from the National Housing Bank (NHB), commercial banks and various NBFCs/HFCs. As at the end of FY 2023-24, the outstanding borrowings of the company stood at ₹ 27,230.63 lakh as against ₹ 18,191.89 lakh as at the end of FY 2022-23. The company expects to increase its share of borrowing from banks and financial institution during FY 2024-25.

**3. DECLARATION OF DIVIDEND:**

Directors do not propose to declare any dividend as it needs to channelize all its surplus for business growth.

**4. CHANGE IN NATURE OF BUSINESS:**

During the year under review, the Company has not undergone any changes in its business operations.

**5. EXTRACT OF ANNUAL RETURN**

In terms of provisions of section 92(3) read with section 134(3) of the Companies Act, 2013 ("the Act"), it is necessary for the company to place the Annual Return as on March 31, 2024 on the Company's website. Accordingly, your company has placed the Annual Return for the period ended on March 31, 2024 on its website [www.easyhomefinance.in](http://www.easyhomefinance.in).

**6. PUBLIC DEPOSITS:**

The Company has not accepted any deposits within the meaning of Sections 73 and 76 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

**7. SHARE CAPITAL OF THE COMPANY:**

As at March 31, 2024, the Authorized Share Capital of the Company stood at ₹ 6500.00/- lakh. The Authorized Share Capital is bifurcated into 6,50,00,000 equity shares of ₹ 10 each, amounting to ₹6500.00/- lakh.

During the Financial Year under review, the following changes were made in the Share Capital of the Company:

- (i) The Company allotted 65,87,000 equity shares each of ₹ 10/- per share, by way of private placement in terms of section 62 read with section 42 and rules made thereunder, under the Companies Act, 2013, in two tranches, allotment of which was approved by Board of Directors at its meetings held on September 07, 2023 and December 07, 2023. Out of total allotment, 27,39,000 equity shares were initially approved and allotted as partly-paid up equity shares, which were converted into the fully paid shares after receipt of balance investment amount from the subscriber on November 21, 2023. The shares were also issued to foreign investors and a compliance under FEMA was duly ensured.
- (ii) As on March 31, 2024, the Authorized Capital of the Company stood at ₹ 65,00,00,000/- (Rupees Sixty Five Crore) divided into 6,50,00,000 equity shares each of ₹ 10/-. During the year, the Authorized Capital was increased by ₹ 5,00,00,000/- (Rupees Five Crore) by adding 50,00,000 equity shares each of ₹ 10/- and the existing 53,00,000 Preference Shares each of ₹ 10/- got converted into 53,00,000 equity shares each of ₹ 10/-.

As on March 31, 2024, after recording the aforementioned changes, the paid-up capital of the Company stood at ₹ 44,47,67,061/- (₹ 4,447.67/- lakh), comprising of 4,42,60,427 fully paid-up equity shares of ₹ 10/- each and 21,62,791 partly paid-up equity shares of ₹ 10 each, Re. 1 paid up.

**8. ISSUE OF COMPULSORY CONVERTIBLE PREFERENCE SHARES**

As on March 31, 2024, there was no outstanding compulsory convertible preference shares.

**9. ISSUE/REDEMPTION OF NON- CONVERTIBLE DEBENTURES:**

The Company had no outstanding Non-Convertible Debentures (NCDs) at the beginning of the year under review and further it didn't issue any fresh Non-Convertible Debentures (NCDs) during the FY 2023-24 and hence there was no outstanding Non-Convertible Debentures (NCDs) as on March 31, 2024.

**10. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BOARD REPORT AND END OF THE FINANCIAL YEAR.**

No material changes and commitments affecting the financial position of the Company occurred during the financial year to which this financial statement relates and the date of this report.

## 11. DIRECTORS AND KEY MANAGERIAL PERSONNEL.

The composition of the Board includes the following Directors and Key Managerial Personnel as on 31<sup>st</sup> March, 2024.

Sr. No.	Name of the Directors/ Key Managerial Personnel	DIN/PAN	Designation
1	Debabrata Sarkar	02502618	Non - Executive Director
2	Thallapaka Venkateswara Rao	05273533	Independent Director
3	Rajinder Singh Loona	02305074	Independent Director
4	Sanjay Jain	07436287	Independent Director
5	Sho Nakagawa	08425187	Nominee Director
6	Perumal Srinivasan	00365025	Nominee Director
7	Divya Sutar	09271834	Nominee Director
8	Rohit Chokhani	01984506	Managing Director
9	Praveen Kumar Agrawal	08064084	Whole Time Director and Chief Executive Officer
10	Bikash Kumar Mishra	AOCPM3057M	Chief Financial Officer
11	Siddharth R. Mehta	BBLPM7149H	Company Secretary

### Notes:

1. *Mr. Rajinder Singh Loona (DIN- 02305074) was appointed as an Independent Director of the Company to hold office for the second term of three consecutive years with effect from 18th August, 2023 upto 17th August 2026, not liable to retire by rotation;*

*Mr. Rohit Chokhani (DIN: 01984506) was re-appointed as the Managing Director of the Company for a term of five years with effect from 1st October, 2023 to 30th September, 2028, not liable to retire by rotation;*

The appointment and cessation of the above-mentioned Directors/Key Managerial Personnel has been duly formalized in compliance with applicable provisions of the Companies Act, 2013 and rules made thereunder.

In accordance with the provisions of the section 152 of the Companies Act, 2013 and in terms of the Memorandum and the Articles of Association of the Company, Mr. Debabrata Sarkar (DIN: 02502618), Non-Executive Director and Mr. Sho Nakagawa (DIN: 08425187), Nominee Director retire by rotation at the ensuing Annual General Meeting. The Board of Directors, at its meeting held on September 05, 2024 have recommended their re-appointment and the resolutions proposed in the notice calling 7<sup>th</sup> Annual General Meeting.

The tenure of an Independent Director, Mr. Sanjay Jain (DIN: 07436287) for the first term of 5 years will end on September 23, 2024. The Nomination and Remuneration Committee and Board of Directors at their respective meetings held on September 05, 2024 have recommended the re-appointment of Mr. Jain as an Independent Director for the second term of 5 years beginning from September 24, 2024 at the terms and conditions, if any, as specifically mentioned in the resolution proposed in the notice calling 7<sup>th</sup> Annual General Meeting.

## 12. INDEPENDENT DIRECTORS

The Company has received declarations from Mr. Thallapaka Venkateshwara Rao, Mr. Rajinder Singh Loona and Mr. Sanjay Jain, the Independent Directors as required under section 149(7) of the Companies Act, 2013 and the Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and highest standards of integrity and that all the Independent Directors meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013.

In terms of Section 150 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs ("IICA").

### 13. CORPORATE GOVERNANCE

#### A. NUMBER OF MEETINGS OF BOARD OF DIRECTORS AND COMMITTEES CONDUCTED DURING THE YEAR UNDER REVIEW:

The Board and Committee meetings were held at regular intervals as prescribed under the Act. The notice and agenda including all material information required to be made available to the Board were circulated to all Directors, well within the prescribed timeline. All the Board Meeting along with Committee meetings were held at the registered office of the Company and a facility was provided to the Directors to attend the meeting through Video Conferencing.

##### 1) Composition of the Board

The composition of Board is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulations issued by RBI from time to time. As on the date of this Report, the Board consists of Nine Directors comprising three Independent Directors, two Executive Directors, one Non-Executive Non-Independent Directors and three Nominee Directors. The Board comprises of various professionals, business experts, having wide expertise in the area of finance & banking, compliance & legal, regulatory compliances, etc.

During the FY 2023-24, Eight (8) Board Meetings on May 04, 2023, June 03, 2023, June 15, 2023, July 14, 2023, August 18, 2023, September 23, 2023, October 30, 2023 and February 16, 2024 were convened and held.

The details of attendance of the members of the Board at the meetings held during the year and also the number of other Directorships and Memberships / Chairmanships of Committees held by them as on March 31, 2024 are as follows:

Sr. 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 equity shares held in the Company
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mr. Debabrata Sarkar	2017	Non-Executive Director	02502618	8	8	10	NIL	4,00,000	NIL	72,000
2	Mr. Venkateshwara Rao Thallapaka	2017	Independent Director	05273533	8	8	8	NIL	4,00,000	NIL	72,000
3	Mr. Rajinder Singh Loona*	2018	Independent Director	02305074	8	8	4	NIL	4,00,000	NIL	NIL
4	Mr. Sanjay Jain	2019	Independent Director	07436287	8	8	4	NIL	4,00,000	NIL	2,86,000
5	Mr. Perumal Srinivasan	2021	Nominee Director	00365025	8	5	13	NIL	NIL	NIL	2,00,000
6	Ms. Divya Sutar	2021	Nominee Director	09271834	8	6	NIL	NIL	NIL	NIL	NIL
7	Mr. Rohit Chokhani**	2017	Managing Director (Executive)	01984506	8	8	4	₹ 1,03,50,000/-	NIL	NIL	78,94,541
8	Mr. Praveen Kumar Agrawal***	2021	Whole Time Director (Executive)	08064084	8	7	NIL	₹ 87,40,000/-	NIL	NIL	2,78,000
9	Mr. Sho Nakagawa	2022	Nominee Director	08425187	8	6	1	NIL	NIL	NIL	NIL



\* Mr. Rajinder Singh Loona (DIN- 02305074) was appointed as an Independent Director of the Company to hold office for the second term of three consecutive years with effect from 18th August, 2023, not liable to retire by rotation.

\*\*Mr. Rohit Chokhani (DIN: 01984506) was re-appointed as the Managing Director of the Company for a term of five years with effect from 1st October, 2023, not liable to retire by rotation, and his remuneration was fixed at ₹ 1,03,50,000 /- (Rupees One Crore Three Lakh Fifty Thousand Only);

\*\*The Board and the Shareholders at its meeting held on June 15, 2023 and July 10, 2023, respectively, approved the Remuneration of Mr. Praveen Kumar Agrawal (DIN: 08064084), Whole Time Director & CEO of the Company, to be fixed at ₹ 87,40,000/- (Rupees Eighty Seven Lakh Forty Thousand Only) by way of salary, perquisites, allowances etc.

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

Sr.No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Mr. Rajinder Singh Loona	Independent Director	Appointment for the 2 <sup>nd</sup> term of three years	18.08.2023
2.	Mr. Rohit Chokhani	Managing Director	Re-appointment for a term of five years	01.10.2023

## 2) Committees of the Board and their composition

The Board has currently constituted the following Committees pursuant to the provisions of the Companies Act, 2013 and Reserve Bank of India ("RBI") regulations:

- (i) Audit Committee;
- (ii) Nomination and Remuneration Committee;
- (iii) Risk Management Committee;
- (iv) Information Technology Strategy Committee;

### (i) Audit Committee:

The Company has constituted the Audit Committee in compliance with section 177 of the Companies Act, 2013.

#### Terms of reference:

- Review and monitor the accuracy and completeness of books of accounts, financial statement including disclosures and the auditor's report;
- Review the appropriateness, application and quality of the accounting policies and practices and the financial reporting process; and
- Review the Company's internal financial controls and the internal controls systems;
- Review and approve the remit of the internal audit function and ensure it has adequate resources, skills, qualifications and appropriate access to information to enable it to perform its function effectively;
- Ensure that appointment of external auditors is in compliance with Companies' Act, 2013 requirements and other applicable laws and oversee relationship with them with respect to their remuneration for services, terms of engagement, assessment of their independence, rotation of auditors, approval of audit plan in line with the scope of engagement;
- Review the annual financial statements and auditors' report;
- Review and scrutinize matters including the inter-corporate loans and investments, transactions with related parties, valuation of undertakings or assets of the Company; and

- Perform any other duties and responsibilities expressly delegated by the Board from time to time and provide the Board with such assurance as it may require regarding the reliability of financial information.

During the FY 2023-24, four (4) meetings of the Audit Committee were held on June 15, 2023, August 18, 2023, October 30, 2023 and February 16, 2024. The composition of the Audit Committee and the details of attendance of the members of the Committee are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Venkateshwara Rao Thallapaka (Chairman)	August 07, 2018	Independent Director	4	4	72,000
2.	Mr. Rajinder Singh Loona (Member)	August 07, 2018	Independent Director	4	4	NIL
3.	Mr. P R Srinivasan (Member)	March 25, 2022	Nominee Director	4	3	200,000

**(ii) Nomination & Remuneration Committee:**

The Company has constituted the Nomination and Remuneration Committee in compliance with section 178 of the Companies Act, 2013.

**Terms of reference:**

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management and Formulation of criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the Remuneration of Directors, Key Managerial Personnel and other employees;
- To evaluate the performance of the members of the Board;
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and senior Management;
- To provide Key Managerial Personnel and Senior Management reward linked directly to their efforts, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan; and
- To implement and monitor policies and processes regarding principles of Corporate Governance.

During the FY 2023-24, three (3) meetings of the Nomination and Remuneration Committee were held on June 14, 2023, August 18, 2023 and February 16, 2024. The composition of the Nomination and Remuneration Committee and the details of the attendance of the members of the Committee are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Rajinder Singh Loona (Chairman)	August 07, 2018	Independent Director	3	3	NIL
2.	Mr. Debabrata Sarkar (Member)	August 07, 2018	Chairman & Non-Executive Director	3	3	72,000
3.	Mr. Sanjay Jain (Member)	March 25, 2022	Independent Director	3	3	2,86,000

### (iii) Risk Management Committee:

The Company has constituted the Risk Management Committee in compliance with Reserve Bank of India (RBI) Master Direction, 2021.

#### Terms of Reference:

- Approving key risk policies, Exposure limits, strategies, and risk appetite
- Receiving regular updates on the key risks of the Company, performance of the portfolio against defined goals
- Ensuring the establishment of a robust risk management culture by delegating responsibilities for key decision making and controls to appropriate management authorities.

During the FY 2023-24, three (3) Risk Management Committee Meetings on July 27, 2023, December 08, 2023 and February 16, 2024 were convened and held. The composition of the Risk Management Committee and the details of attendance of the members of the Committee are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Debabrata Sarkar (Chairman)	Member since August 07, 2018 and Chairman since March 25, 2022	Chairman & Non-Executive Director	3	3	72,000
2.	Mr. Venkateshwara Rao Thallapaka (Member)	August 07, 2018	Independent Director	3	3	72,000
3.	Mr. Praveen Kumar Agrawal (Member)	March 25, 2022	Whole Time Director (Executive)	3	3	2,78,000
4.	Mr. Rohit Chokhani (Member)	August 07, 2018	Managing Director (Executive)	3	3	78,94,541

**(iv) IT Strategy Committee:**

The Company has constituted the IT Strategy Committee (earlier referred as Information Technology Committee) in compliance with Reserve Bank of India (RBI) Master Direction, 2021.

**Terms of Reference:**

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining Company's growth and becoming aware about exposure towards IT risks and controls.

During the FY 2023-24, Two (2) meetings of IT Strategy Committee were held on December 08, 2023 and March 28, 2024.

The Board of Directors at its meeting held on February 16, 2024 reconstituted the IT Strategy Committee in order to align it with the RBI (Information Technology Governance, Risk, Controls and Assurance Practices) Directions, 2023, the revised composition of the Committee is as under:

- |                                    |                 |
|------------------------------------|-----------------|
| 1. Mr. Thallapaka Venkateswara Rao | Chairman        |
| 2. Mr. Perumal Srinivasan          | Member          |
| 3. Mr. Debabrata Sarkar            | Member          |
| 4. Mr. Rohit Chokhani              | Member          |
| 5. Mr. Kush Shrivastava            | Special Invitee |

The detailed composition of the IT Strategy Committee and the details of attendance of the members of the Committee are as under:

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Venkateshwara Rao Thallapaka (Chairman)*	August 07, 2018	Independent Director	2	2	72,000
2.	Mr. P R Srinivasan (Member)**	March 25, 2022	Nominee Director	2	2	200,000
3.	Mr. Debabrata Sarkar (Member)	August 07, 2018	Chairman & Non-Executive Director	2	2	72,000
4.	Mr. Rohit Chokhani (Member)	August 07, 2018	Managing Director (Executive)	2	2	78,94,541
5	Mr. Kush Shrivastava*** (Special Invitee)	February 16, 2024	Special Invitee	1	1	NIL

\*Mr. Venkateshwara Rao Thallapaka, who has been a Member of IT Strategy Committee since August 07, 2018, was redesignated as the Chairman of the Committee post re-constitution;

\*\*Mr. P R Srinivasan, who had been the Chairman of IT Strategy Committee since March 25, 2022, was redesignated as a Member of the Committee post re-constitution;

\*\*\*Mr. Kush Srivastava, was appointed as a Special Invitee of the IT Strategy Committee in the Board Meeting held on February 16, 2024.

#### General Body Meetings

The details of General Meetings of the Company held during FY 2023-24 are as under:

Sr No.	Type of Meeting (Annual/Extra Ordinary General Meeting)	Date and Place	Special Resolutions Passed
1	Extra Ordinary General Meeting	03.06.2023 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>Approval Of Offer and Issue of Equity Shares By Way of Private Placement And Approval Of Offer Document to be Issued to the Identified Subscribers</li> </ul>
2	Annual General Meeting	10.07.2023 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>To consider the revision in the remuneration payable to Mr. Praveen Kumar Agrawal, Whole Time Director &amp; CEO.</li> <li>To consider re-appointment of Mr. Rohit Chokhani (DIN: 01984506) as a Managing Director of the company for a period of 5 years and fixing of his remuneration.</li> <li>Approval of enhancement in the borrowing limits as prescribed under RBI Master Direction – NBFC HFC 2021 upto 8 times of NOF or INR 800 crores, whichever is less.</li> </ul>
3	Extra Ordinary General Meeting	15.07.2023 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>Approval of offer and issue of fully paid-up equity shares and partly paid-up equity shares by way of private placement and to approve offer document to be issued to the identified subscribers.</li> </ul>
4	Extra Ordinary General Meeting	23.09.2023 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>Approval of offer and issue of fully paid-up equity shares by way of private placement and to approve offer document to be issued to the identified subscribers.</li> <li>Appointment of Mr. Rajinder Singh Loona (DIN: 02305074) as an Independent Director for 2nd consecutive term of 3 years (Regularization from Additional Independent Director to Independent Director)</li> </ul>
5	Extra Ordinary General Meeting	09.03.2024 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>Approval of the alteration of the Memorandum of Association of the company.</li> <li>(I) Reclassification of Authorized Share Capital and consequent Alteration of Memorandum of Association of the Company.</li> <li>(II) Increase in Authorized Share Capital and consequent Alteration of Memorandum of Association of the Company.</li> <li>Approval of EHFL - Employee Stock Option Plan 2024</li> </ul>

**3) Independent Directors:**

The composition of the Independent Director is as under:

1. Mr. Rajinder Singh Loona
2. Mr. Venkateshwara Rao Thallapaka
3. Mr. Sanjay Jain

In terms of Schedule IV of the Companies Act, 2013, the meeting of Independent Directors was held, as per the details given below:

Sr. No.	Date of Meeting	No. of Members Attended
1	February 16, 2024	3/3

**B. PERFORMANCE EVALUATION.**

Pursuant to Board Evaluation Policy, the performance evaluation of Board of Directors as a whole, Board Committees and the Directors individually is being carried out in compliance with the provisions of the Companies Act, 2013 and the requisite Schedule on Performance Evaluation.

In compliance with the provisions of Section 178 of the Companies Act, 2013 and in accordance with schedule IV of the companies Act, 2013, the Board of Directors and Independent Directors at their respective meeting held on February 16, 2024, have reviewed the performance evaluation of each of the Directors including Chairman, Independent Directors, Non-Independent Directors including the Executive Directors, Non-Executive Director and Nominee Directors, the Board as a whole and the Board Committees.

**14. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS**

The Company has put in place a 'fit and proper' policy on appointment of Directors, taking into consideration their qualification and wide experience in the fields of banking, finance, regulatory, administration, legal, commercial segment apart from compliance of legal requirements. The said policy is in compliance with the guidelines issued by the Reserve Bank of India vide its Master Direction dated February 17, 2021 and its subsequent amendments/updates.

The Company has laid down remuneration criteria for the Directors, key managerial personnel and the senior management in the Nomination and Remuneration Policy and the Compensation Policy.

The policy on fit & proper criteria is placed on the website of the Company at [www.easyhomefinance.in](http://www.easyhomefinance.in)

**15. ACCOUNTING POLICY**

During the year under review, Audit Committee and the Board of Directors at their respective meeting held on June 06, 2024 have reviewed the Accounting Policy with no changes. The Financial Statement for the period ended March 31, 2024 were prepared in compliance with Accounting Policy.

**16. AUDITORS AND AUDITORS' REPORT****A STATUTORY AUDITORS**

Pursuant to the provisions of the section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification (s) or re-enactment (s) thereof for the time being in force), the Company had appointed M/s S.K. Patodia & Associates, Chartered Accountants, Mumbai (ICAI Firm Registration No. 112723W) as the Statutory Auditors of the Company for a period of three years from the conclusion of 4<sup>th</sup> Annual General Meeting till the conclusion of 7<sup>th</sup> Annual General Meeting to be held for the financial year 2023-24.

The Company has received the letter of confirmation from the Statutory Auditor that they haven't incurred any disqualification during the previous FY in terms of provisions of section 141 of the Companies Act, 2013 and rules made thereunder.

The Audit Committee reviewed the independence and objectivity of the Auditors and effectiveness of the Audit process.

The Audit Committee and Board of Directors, at their respective meetings held on June 06, 2024, considered, approved and further recommended to the shareholders, the reappointment of M/s S.K. Patodia & Associates as a Statutory Auditors of the Company for the second term of 2 (two) financial years (FY 2024-25 & FY 2025-26) i.e. from the conclusion of 7th Annual General Meeting till the conclusion of 9th Annual General Meeting of the Company and the resolution to this effect is proposed in the notice calling 7th Annual General Meeting.

## **B. STATUTORY AUDITORS' REPORT**

There is no qualification, disclaimer and adverse remarks by the Statutory Auditor of the Company for the end of FY 2023-24.

Pursuant to Chapter XII Clause 69 and 70 of Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, Statutory Auditors have issued the Auditor's Additional Report which is enclosed at 'Annexure C' to the Independent Auditors Report for the financial year ended March 31, 2024.

## **C. SECRETARIAL AUDITORS' REPORT**

In terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Board of Directors of the Company at its meeting held on June 15, 2023 had appointed M/s Parikh & Associates, Practicing Company Secretaries, as the Secretarial Auditor of the Company for the Financial Year 2024.

The Secretarial Audit Report is appended as Annexure 'I' to this Report. There is no adverse remark, qualification, reservation or disclaimer in the Secretarial Audit Report for the FY 2023-24.

The Board of Directors have considered and approved the reappointment of M/s Parikh & Associates, Practicing Company Secretaries to act as a Secretarial Auditors for a period of 3 years from FY 2024-25 to FY 2026-2027.

## **D. INFORMATION SYSTEMS (IS) AUDITOR'S & VAPT REPORT**

The Information System (IS) Audit report for FY 2023-24 was submitted in compliance with Chapter IX "Corporate Governance" of the RBI Master Direction, 2021, amended from time to time and para 50.1.2 and RBI Master Direction – Information Technology Framework for the NBFC Sector, The RBI mandates to conduct IS Audit once in two financial years, applicable to all HFCs, irrespective of its asset size.

The IS Audit Report was submitted to the IT Strategy Committee, Audit Committee and the Board of Directors at its respective meetings and it was briefed that there were no adverse remarks or comments or qualification made by the Auditor.

The Vulnerability Assessment and Penetration Testing (VAPT) report was submitted to the IT Strategy Committee and the Board of Directors with 'NIL' adverse comments, at their respective meeting.

## **E COST RECORDS AND COST AUDIT**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.



**F REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Statutory Auditor has not 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.

**G. INTERNAL AUDITORS**

The Internal Auditor was appointed as the Head of Internal Audit by the Board at its meeting held on June 15, 2023, to perform the internal audit of various areas of operations and records of the Company, including branch audits. The periodic reports from the internal auditors are regularly placed before the Audit Committee, along with management's comments on actions taken to correct any observed deficiencies.

At its meeting held on June 06, 2024, the Audit Committee and the Board of Directors, in compliance with Section 138 of the Companies Act, 2013, appointed the Internal Auditor for his tenure with the company.

**H. INTERNAL FINANCIAL CONTROL:**

The Board has adopted the policies and procedures 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 disclosures.

**17. SECRETARIAL STANDARDS**

The Company is in compliances with the provisions of applicable Secretarial Standards, as issued by the Institute of Company Secretaries of India and has adequate systems to track and ensure all the requisite compliances stated therein.

**18. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report forms part of the Annual Report of the company.

**19. RISK MANAGEMENT POLICY**

The Company has in place its Risk management policy, which was last reviewed by the Board, at its meeting held on August 18, 2023. The Risk Management Committee of the Board is constituted to examine and monitor the risk effectiveness with different policies and programs with adherence to risk parameters and prudential limits set for different segments. Major risks identified by the business functions are systematically addressed through mitigating actions on a continuing basis.

As a Housing Finance Company, the company is exposed to various risks like credit risks, market risks, liquidity, and operational risks. Continuous evaluation of existing controls and requisite improvement/strengthening based on the assessment is carried out to contain these risks. The Company encourages sound risk management culture within the organization.

**20. REGULATORY GUIDELINES****A RBI/NHB and IRDAI Guidelines**

The Company has complied with the provisions of the Latest Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, Master Direction – Reserve Bank of India (Non-Banking Financial Company– Scale Based Regulation) Directions, 2023 and has been in compliance with the various Circular's, Notification's and Guidelines issued by NHB/RBI from time to time. In accordance with the above, Company is in compliance with all regulations pertaining to Accounting Standards, Prudential Norms for asset classification, income recognition, provisioning, capital adequacy and credit ratings. The Company is also in compliance with the IRDAI (Registration of Corporate Agents) Regulations, 2015.

## **B SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS/DETAILS OF NON-COMPLIANCE WITH REQUIREMENTS OF COMPANIES ACT, 2013, ACCOUNTING AND SECRETARIAL STANDARDS/ DETAILS OF PENALTIES AND STRICTURES**

During the FY 2023-24, no significant and material orders has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future. Further, no penalties have been levied by RBI/NHB/any other regulators during the financial year under review.

Further, there are no instances of non-compliance with the requirements of Companies Act, 2013, accounting and Secretarial Standards.

## **C BREACH OF COVENANT**

During FY 2023-24, the company recorded zero instances of breach of covenant of loan availed or debt securities issued.

A monthly No Default Statement is also submitted to the Credit Rating Agency confirming "NO DEFAULT" in fulfilling Company's Financial and Debt Obligations.

## **21. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BOARD REPORT AND END OF THE FINANCIAL YEAR**

No material changes and commitments affecting the financial position of the Company occurred during the financial year to which this financial statement relates and the date of this report.

## **22. VIGILANCE MECHANISM / WHISTLE BLOWER POLICY**

The Company has put in place a vigilance mechanism for its directors and employees to report their concerns or grievances. The Vigilance Mechanism and Whistle Blower Policy is available on the website of the Company at [www.easyhomefinance.in](http://www.easyhomefinance.in). The Company has also dedicated e-mail ID to report any instances, pursuant to whistle blower policy of the Company.

## **23. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, related to Corporate Social Responsibility are not applicable for the financial year ended on March 31, 2024.

## **24. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Director's Responsibility Statement, the Board of Directors of the Company confirms that-

- i. In the preparation of the annual accounts for the Financial Year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, guidelines issued by Regulators as applicable to an HFC and other accounting principles generally accepted in India have been followed and there are no material departures from the same.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the financial year ended on that date.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The Directors have prepared the annual accounts on a 'going concern' basis.
- v. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively; and

- vi. 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.

## 25. LEVERAGING DIGITAL TECHNOLOGY

Innovative ideas and technology are introduced continuously to provide user friendly experience to our customers, business associates and employees. The Company, being tech-enabled, has been investing time and effort in Information Technology solutions to demonstrate technological leadership.

## 26. FAIR PRACTICE CODE, KYC NORMS AND ANTI MONEY LAUNDERING STANDARDS:

The Company has complied with 'Fair Practice Code', KYC Norms, Anti Money Laundering (AML) Standards as per the guidelines issued by the relevant regulatory authorities from time to time. The Company has put in place a Board approved robust KYC policy for compliance as per the statutory guidance issued by the regulatory authority.

Company has already hosted the relevant policies on its website [www.easyhomefinance.in](http://www.easyhomefinance.in)

## 27. CREDIT RATING

The India Ratings & Research (Ind-Ra) has rated "IND BBB/Stable" assigned to ₹ 400 Crore Bank Loan Facilities of the Company. A request was made to the existing Credit Rating Agency (i.e. CRISIL Ratings) to withdraw the "CRISIL BBB-/Stable" assigned to ₹ 10 Crore Non-Convertible Debentures and ₹ 90 crores Bank Loan Facilities of the Company. An Intimation to the RBI and NHB w.r.t. the said review of Rating was submitted vide email dated January 24, 2024, in compliance with para 90 of the Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

## 28. PARTICULARS OF CONTRACTS ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the financial year ended 31st March, 2024 were at an arm's length basis and were in the ordinary course of business and in compliance with the provisions of Section 188 of the Companies Act, 2013.

Also, there were no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required. However, the disclosure of transactions with related party for the year, as per Accounting Standard-18 "Related Party Disclosures" is given in the relevant Note to the Financial Statements as at March 31, 2024.

Pursuant to the requirement of Reserve Bank of India Master Direction – NBFC MD HFC (Reserve Bank) Directions, 2021 dated February 17, 2021 the policy on related party transactions is available on the Company's website, [www.easyhomefinance.in](http://www.easyhomefinance.in).

## 29. CORPORATE GOVERNANCE REPORTING AND STATE OF AFFAIRS OF THE COMPANY UNDER SECTION 134(3)(i).

The Company is an unlisted Public Company. The corporate governance reporting is not mandatory. However, the company makes voluntary disclosures to fulfil its obligations to stake-holders and members as and when required.

The Company has adopted the best industry practices for Corporate Governance and aims to continue with highest principles of governance and ethics.'

## 30. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT UNDER SECTION 186

During the year under review, your Company did not make any investment or provided any guarantee to other companies, Bodies Corporates as stated under section 185, 186 and 187 of the Companies Act, 2013 read with Companies (Meeting of Board and its Power) Rules, 2014, as applicable to the company. However, it is to be noted that provisions of Sec 186 of the Act except sub section (1), is not applicable to Housing Finance Companies.

**31. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

**32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

**The particulars as required under the provisions of Section 134 (3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.**

**A Conservation of energy**

(i)	the steps taken or impact on conservation of energy	Not Applicable
(ii)	the steps taken by the company for utilising alternate sources of energy	Not Applicable
(iii)	the capital investment on energy conservation equipments	Not Applicable

**B Technology absorption**

(i)	the efforts made towards technology absorption;	NIL
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	NIL
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NIL
(a)	the details of technology imported	NIL
(b)	the year of import	NIL
(c)	whether the technology been fully absorbed	NIL
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NIL
(iv)	the expenditure incurred on Research and Development	NIL

**C Foreign Exchange earnings and Outgo**

Particulars	2023-24	2022-23	2021-22
Foreign Exchange Earnings	NIL	NIL	NIL
Foreign Exchange Outgo	₹ 1062580/- (8300 GBP and 2400 USD)	₹ 13,02,944/-(13300 GBP)	NIL

**33. EMPLOYEES STOCK OPTION SCHEME:**

The details of Employee Stock Option Schemes of the Company is as under:

- (i) 8,45,000 Equity Stock Options under EHFL ESOP Plan 2021 as approved by the Board of Directors and the shareholders at their meetings held on December 22, 2021 and February 16, 2022, respectively and all the 8,21,014, ESOPs have been granted to eligible employees.
- (ii) 11,50,000 Equity Stock Options under EHFL ESOP Plan 2024 as approved by the Board of Directors and the shareholders at their respective meetings held on February 16, 2024 and March 09, 2024.

The Company aims to bring in the enhanced sense of ownership among its employees by way of granting ESOPs and to provide an opportunity to create long-term healthy employer-employee relationship and to remain the preferred employer.

**34. HUMAN RESOURCES****A. PARTICULARS OF EMPLOYEES**

The Company had a total of 561 employees on its rolls as on March 31, 2024. None of the Employees hold (by himself or along with spouse and dependent children) more than 2% of the Equity Shares of the Company.

**B. VOTING RIGHTS OF EMPLOYEES**

During the year under review of the company has not given loan to any employee for purchase of its own shares as per section 67(3)(c) of the companies act, 2013. Therefore, the company not required to made disclosure as per rule 6(4) of Companies (Share Capital and Debentures) Rules, 2014.

**C. INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

During the year no complaint was received and filed under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Internal Complaints Committee at the Head Office level and at branch level is constituted as per the statutory guidance under the POSH Act.

**35. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR**

There is no application made or pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

**36. 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**

The Company has not availed one-time settlement for any of its loan from banks or financial institutions.

**37. DIVERGENCE IN ASSET CLASSIFICATION AND PROVISIONING.**

As at the end of FY 2023-24, the Company does not require to submit any details of divergence on (i) the additional provisioning requirements assessed by RBI (or National Housing Bank (NHB) in the case of Housing Finance Companies) exceeds 5 percent of the reported profits before tax and impairment loss on financial instruments for the reference period and (ii) the additional Gross NPAs identified by RBI/NHB exceeds 5 per cent of the reported Gross NPAs for the reference period.

**38. ACKNOWLEDGEMENT:**

The Report is approved at the Board Meeting held on September 05, 2024. The Directors of the Company would like to take this opportunity to express sincere gratitude towards the customers, lenders and other business associates for their continued cooperation and patronage provided by them. Directors gratefully acknowledge the ongoing co-operation and support provided by the Reserve Bank of India, National Housing Bank, Ministry of Corporate Affairs, Insurance Regulatory and Developmental Authority of India and all other entities dealing with the Company.

The Company also places on record its appreciation for the services rendered by the employees for enabling the company to achieve all round progress and attaining goals during the year and looking forward to their continued co-operation and support in future also. The Company thanks its valued customers for their patronage, and look forward to the mutually supportive relationship in future.

**For and on behalf of Board of Directors****Easy Home Finance Limited****Sd/—****Rohit Chokhani****Managing Director**

Date: September 05, 2024

Place: Mumbai

**Sd/—****Praveen Kumar Agrawal****Whole Time Director & CEO**

**FORM No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024**

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

**To,  
The Members,  
Easy Home Finance Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Easy Home Finance Limited (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the company, to the extent the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder of Foreign Direct Investment to the extent applicable to the Company;
- (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; (Not applicable to the Company during the audit period)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
  - (e) and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period) (Not applicable to the Company during the audit period) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period)
- (vi) Other laws specifically applicable to the Company namely
  - (a) Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (as amended from time to time);
  - (b) National Housing Bank Act, 1987;
  - (c) Other RBI/NHB Circulars, Notifications, etc. as may be issued by the respective authority;
  - (d) Insurance Regulatory and Development Authority of India (Registration of Corporate Agents), Regulations, 2015.

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

- a. Secretarial Standards issued by the ICSI with respect to Board and General Meetings which have been generally complied, should follow strict adherence to the exact guidelines mentioned therein, particularly with conduct of all meetings.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, 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.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

(i) Approval u/s 179 and 180 of the Companies act, 2013, to enhance the borrowing limit, within prescribed limit under NHB Regulations or upto the limit of INR 800 Crores. The same has been approved by the Board of Directors and shareholders, respectively, at its meeting held on May 04, 2023 and July 10, 2023.

(ii) Issuance of 48,70,000 equity shares (21,31,000 fully paid-up equity shares and 27,39,000 partly paid-up shares) to the identified subscribers, by way of private placement. The Offer document and terms and conditions were approved by the Board of Directors and shareholders, respectively at its meeting held on July 14, 2023 and July 15, 2023. Total Subscription Application of 47,70,000 equity shares were received and the allotment was approved on September 07, 2023.



(iii) Issuance of 18,20,000 fully paid-up equity shares to the identified subscribers, by way of private placement. The Offer document and terms and conditions were approved by the Board of Directors and shareholders, respectively at its meeting held on September 23, 2023. Total Subscription Application of 18,17,000 equity shares were received and the allotment was approved on December 07, 2023.

**For Parikh & Associates**

Company Secretaries

Signature:  
Anuja Shah  
Partner  
ACS No: 52937 CP No: 21367

UDIN: A052937F000631779

PR No.: 1129/2021

Place: Mumbai

Date: June 28, 2024

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

**'Annexure A'**

**To,  
The Members,  
Easy Home Finance Limited**

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

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

**For Parikh & Associates**

Company Secretaries

Signature:  
Anuja Shah  
Partner  
ACS No: 52937 CP No: 21367

UDIN: A052937F000631779

PR No.: 1129/2021

Place: Mumbai

Date: June 28, 2024

## Independent Auditor's Report

To

**The Members of Easy Home Finance Limited**

### Report on the Audit of the Financial Statements

1. We have audited the accompanying financial statements of Easy Home Finance Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date and notes to the financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Financial Statement").

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 are in conformity with the 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 and give a true and fair view of the state of affairs of the Company as at 31 March 2024, and its profit, other comprehensive income, statement of changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

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

### Information other than the Financial Statement and Auditor's Report Thereon

3. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's report, but does not include the financial statements and our auditors report thereon.

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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of management and those charged with governance for the financial statements

4. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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), Cash Flow Statement and Statement of Changes in Equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and 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 going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease the Company's operations, or has no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of Financial Statements:**

5. 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 SA's will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material, if individually or in the aggregate, they could reasonably be expected to influence economic decision of users taken on the basis of these financial statements.  
As part of an audit in accordance with SA's, we exercise professional judgment and maintain profession skepticism throughout the audit. We also,
  - Identify and assess the risks of material misstatement of the financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for resulting from error as fraud may involve collusion forgery, intentional omissions, misrepresentation or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing an opinion on whether the Company has adequate internal financials controls system in place and operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management 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 going concern. If we conclude that 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 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 the manner that achieves fair presentation.

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

We communicate with those charged with governance regarding among other matters the planned scope and timing of the 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 relevant ethical requirements independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable related safeguards.

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

## Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified of the order.
7. As required by Section 143(3) of the Act, we further report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law relating to preparation of the financial statements have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph g (vii) below on reporting under Rule 11(g);
  - c) The Balance sheet, the Statement of Profit and Loss Account (including other comprehensive income), Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the IND AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
    - The Company does not have any pending litigations which would impact its financial position and its financial statements;
    - The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
    - There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.
  - A) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - B) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - C) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard, nothing has come to our notice that has caused us to believe that the representations under sub-clause A) and B) above, contain any material mis-statement.

- h) The Company has neither declared nor paid any dividend during the year.
- i) As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 (schedule V) of the Act and the rules thereunder.
- ii) Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except Tally Prime Version 2.1, accounting software used by the Company which did not have the feature to capture edit logs till 14 June 2023. However, during the course of our audit we did not come across any instance of the audit trail feature nor any instance of accounting records being tampered with. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, as amended is applicable for the Company only w.e.f. 01 April 2023, therefore, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March, 2024.
- 8 As per paragraph 69 of the Master Directions – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 vide Ref No. RBI/2020-21/73DOR.FIN.HFC.CC.No. 120/03.10.136/2020-21 (hereinafter referred as the "Direction"), issued by the Reserve Bank of India, refer to a separate Additional Report in "Annexure C" on the matters specified under paragraph 70 & 71 of the above Direction.

Yours Sincerely

**For S K Patodia & Associates LLP**

Chartered Accountants

Firm Reg. No.: 112723W/W100962

**Ankush Goyal**

Partner

Membership No.: 146017

UDIN: 24146017BKESFX1244

Place: Mumbai

Date: 06 June 2024

**Annexure A to the Independent Auditor's Report**  
**(Referred to in paragraph 6 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)**

- i. In respect of the Company's Property, Plant and Equipment:
  - a. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and Intangible assets.
  - b. Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
  - c. According to the information and explanations given to us, there are no immovable properties held by the Company, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to 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) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
  - e. According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii. According to the information and explanations given to us and based on our examination of the records of the Company, we report that;
  - a. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph (ii) (a) of the Order are not applicable to the Company.
  - b. The Company has not been sanctioned working capital limits. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company
- iii. According to the information and explanation provided to us and based on our examination of the records of the company, we report that
  - a. The Company involved in the business of giving loans, hence the requirements under paragraph 3 (iii) (a) of the Order are not applicable to the Company.
  - b. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to investments made, guarantees provided, securities given and grant of all loans and advances in the nature of loans and guarantees are not prejudicial to the interest of the Company.
  - c. In case of the loans and advances in the nature of loan, schedule of repayment of principal and payment of interest have been stipulated and the borrowers have been regular in the payment of the principal and interest except for the instances where there are delays or defaults in repayment of principal and/ or interest and in respect of which the Company has recognised necessary provisions in accordance with the principles of Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India ("RBI") for Income Recognition and Asset Classification (which has been disclosed by the Company in Note 6 to the financial statements;
  - d. In respect of the loans/ advances in nature of loans, the total amount overdue for more than ninety days as at March 31, 2024 is ₹ 1.56 Crores. In such instances, in our opinion, based on information and explanations provided to us, reasonable steps have been taken by the Company for the recovery of the principal amounts and the interest thereon.



- e. The Company involved in the business of giving loans. Accordingly, provisions stated in paragraph 3(iii) (e) of the Order are not applicable to the Company.
- f. According to the information explanation provided to us, the Company has not granted any loans and / or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. According to the information and explanations given to us and based on our examination of the records of the Company, we report that in respect of statutory dues:
  - a. The Company has been regular in depositing undisputed statutory dues including provident fund, Employees State insurance, income tax, Goods and service tax, cess and other material statutory dues applicable to it to the appropriate authorities.
  - b. There were no undisputed amounts payable in respects of provident fund, income tax, Goods and service tax, cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there is no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. According to the information and explanations given to us and based on our examination of the records of the Company, we report that;
  - a. The Company has not defaulted in repayment of loans (which is Non-convertible Debentures) or in payment of interest thereon to any lender.
  - b. The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - c. In our opinion and according to the information explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised
  - d. No funds raised on short-term basis have been used for long-term purposes by the Company.
  - e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - f. The Company has not raised loans during the year on the pledge of securities held in its securities, joint ventures or associate companies.

- x. According to the information and explanations given to us and based on our examination of the records of the Company, we report that;
  - a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x) (a) of the Order are not applicable to the Company.
  - b. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has made private placement of shares during the year and the requirements of Section 42 and section 62 of the Act have been complied with. The amount raised has been used for the purposes for which they were raised.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, we report that;
  - a. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph (xii) (a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. The Company has internal audit system commensurate with the size and nature of the business and we have considered Internal Audit reports issued by Internal Auditors during the audit.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any Non-Cash transactions with its directors or directors of its holdings, subsidiary or associates Company or persons connected with them and hence provisions of sections 192 of the companies Act, 2013 are not applicable to the Company. Accordingly, the provisions stated in paragraph (xv) of the Order are not applicable to the Company.
- xvi. According to the information and explanations given to us, in respect of Registration RBI Act:
  - a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-Banking Financial Company, since the Company is a Housing Finance Company, it has obtained registration certificate under section 29A from the National Housing Bank.
  - b. The Company is a Housing Finance Company and it holds a valid Certificate of Registration (CoR) from the National Housing Bank issued under Section 29A(2) of the National Housing Bank Act 1987 for conducting housing finance business.
  - c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred any cash losses in the current and previous financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3 (xviii) of the Order are not applicable to the Company.

- xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realization of financial assets and payment of liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- xx. Since Company has average losses during the last three financial years and hence the provisions of section 135 of the Act are not applicable to the Company. Hence, the provisions of paragraph (xx) (a) to (b) of the Order are not applicable to the Company.
- xix. Since Company is separate entity and hence reporting under clause (xxi) of CARO 2020 with respect to Qualification or adverse remarks in CARO reports of group companies is not applicable.

Yours Sincerely

**For S K Patodia & Associates LLP**

Chartered Accountants

Firm Reg. No.: 112723W/W100962

**Ankush Goyal**

Partner

Membership No.: 146017

UDIN: 24146017BKESFX1244

Place: Mumbai

Date: 06 June 2024

**ANNEXURE B TO BE THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 7(f) under 'Report on other Legal and Regulatory Requirements' section of our report of even date)**

**Independent Auditor's Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub — section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. We have audited the Internal Financial Controls over Financial Reporting of Easy Home Finance Limited ("the Company") as of 31 March 2024 in conjunction with our audit of financial statements of the Company for the period ended on that date.

**Management's Responsibility for Internal Financial Controls over financial reporting.**

2. 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and Standards on Auditing ("the Standard"), issued by Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial control over financial reporting, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our Audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing an evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 control over financial reporting.

**Meaning of Internal Financial Control over Financial Reporting**

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
7. A Company's internal financial control over financial reporting includes those policies and procedures that:
  - a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the Company;

- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitation of Internal Financial Control over Financial Reporting**

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

### **Opinion**

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

Yours Sincerely

For **S K Patodia & Associates LLP**  
Chartered Accountants  
Firm Reg. No.: 112723W/W100962

**Ankush Goyal**  
Partner  
Membership No.: 146017  
UDIN: 24146017BKESFX1244

Place: Mumbai  
Date: 06 June 2024

**ANNEXURE C TO BE THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 8 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

**Additional Report to Board of Directors on the matters specified in Para 70 of the Directions**

1. The Company has conducted housing finance business activity with a valid certificate of registration (COR) granted under section 29A of the National Housing Bank Act, 1987.
2. The Company has met the Net Owned Fund (NOF) requirement as prescribed under section 29A of the National Housing Bank Act, 1987.
3. The Company has complied with Section 29C of the National Housing Bank Act, 1987.
4. Total borrowings of the Company are within the limit prescribed under paragraph 27.2 of directions issued by Reserve Bank of India.
5. The Company has complied with the prudential norms on Income recognition, accounting standards, asset classification, loan to value ratio, provision requirements, disclosure in balance sheet and concentration of investment as specified in the directions issued by Reserve Bank of India.
6. Capital adequacy ratio as disclosed in the half-yearly statutory return for the half year ended 31 March 2024, submitted to the NHB, as per direction issued by the NHB in this regard, has been correctly determined and is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR).
7. The Company has furnished half-yearly statutory return within the stipulated period to the NHB.
8. The Company has furnished to the NHB within the stipulated period the quarterly statutory return on Statutory Liquid Assets, as specified in the directions issued by NHB;
9. The Company has complied with the requirements contained in the directions regarding opening of new branches (office). During the year, Company has closed its Vapi Branch on 06 August 2023, where it has given intimation to NHB on 14 July 2023 and made public notice on 15 July 2023.
10. According to the information and explanations given to us and based of our examination of the records of the Company, we report that Company the Paragraph 3.1.3, Paragraph 3.1.4 & Paragraph 18 of the directions is not applicable to the Company
11. The Company's Board of Directors has passed a resolution for non-acceptance of public deposit on 16 February 2024.
12. The Company has not accepted any public deposit during the financial year.

Yours Sincerely

For **S K Patodia & Associates LLP**

Chartered Accountants

Firm Reg. No.: 112723W/W100962

**Ankush Goyal**

Partner

Membership No.: 146017

UDIN: 24146017BKESFX1244

Place: Mumbai

Date: 06 June 2024

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>1 Financial assets</b>			
Cash and cash equivalents	3	1,228.79	2,083.91
Bank balances other than cash and cash equivalents	4	4,264.34	1,774.10
Trade receivables	5	67.68	395.34
Loans	6	35,319.70	21,763.52
Investments	7	-	699.96
Other financial assets	8	2,265.78	685.76
		43,146.29	27,402.59
<b>2 Non-financial assets</b>			
Current tax assets (net)	9	-	14.45
Deferred tax assets (net)	26	98.93	167.12
Property, plant and equipment	10	74.11	60.49
Intangible assets under development	10	577.56	944.06
Right of use assets	10	409.32	420.03
Intangible assets	10	1,151.20	375.00
Other non-financial assets	11	95.23	84.11
		2,406.35	2,065.26
Total assets		45,552.64	29,467.85
<b>LIABILITIES AND EQUITY</b>			
<b>1 Financial liabilities</b>			
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	12	7.50	6.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	12	43.68	126.72
Borrowings (other than debt securities)	13	27,230.63	18,191.89
Lease liabilities		463.53	455.61
Other financial liabilities	14	153.30	95.01
		27,898.64	18,875.98
<b>2 Non-financial liabilities</b>			
Current tax liabilities (net)	15	10.79	
Provisions	16	79.88	62.97
Other non-financial liabilities	17	83.38	116.68
		174.05	179.65
<b>3 Equity</b>			
Equity share capital	18	4,447.67	3,788.97
Other equity	19	13,032.28	6,623.25
		17,479.95	10,412.22
Total liabilities and equity		45,552.64	29,467.85
Summary of Material Accounting Policies	2		

The accompanying notes form an integral part of these Ind AS Financial Statements As per our report of even date



**For S K Patodia & Associates LLP**

Chartered Accountants

Firm Registration Number: 112723W/W100962

For and on behalf of the Board of Directors of

**Easy Home Finance Limited****Ankush Goyal**

Partner

Membership Number: 146017

**Rohit Chokhani**

Managing Director

DIN: 01984506

**Praveen Kumar Agrawal**

Whole Time Director &amp; CEO

DIN: 08064084

Date: June 06, 2024

Place : Mumbai

**Bikash Kumar Mishra**

Chief Financial Officer

Place : Mumbai

**Siddharth Mehta**

Company Secretary

Date: June 06, 2024

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Income</b>			
<b>Revenue from operations</b>			
Interest income	<b>20 (i)</b>	4,595.48	2,570.98
Other operating income	<b>20 (ii)</b>	1,777.65	767.05
<b>Total revenue from operations</b>		<b>6,373.13</b>	<b>3,338.03</b>
Other income	<b>21</b>	894.25	556.53
<b>(I) Total income</b>		<b>7,267.38</b>	<b>3,894.56</b>
Expenses			
Finance costs	<b>22</b>	2,825.06	1,235.16
Impairment on financial instruments	<b>23</b>	93.54	46.70
Employee benefits expense	<b>24</b>	2,910.48	1,714.72
Depreciation and amortisation expenses	<b>12</b>	250.25	168.24
Other expenses	<b>25</b>	486.44	423.63
<b>(II) Total expenses</b>		<b>6,565.77</b>	<b>3,588.45</b>
<b>(III) Profit before exceptional items and tax (I – II)</b>		<b>701.61</b>	<b>306.11</b>
(IV) Exceptional items		-	-
<b>(V) Profit before tax (III +/- IV)</b>		<b>701.61</b>	<b>306.11</b>
(VI) Tax expense			
Current tax	<b>15</b>	100.11	-
Deferred tax (credit)/charge	<b>26</b>	68.19	(166.09)
Earlier Year adjustments		9.95	
<b>Total tax expense</b>		<b>178.25</b>	<b>(166.09)</b>
<b>(VII) Profit for the year (V – VI)</b>		<b>523.36</b>	<b>472.20</b>
<b>(VIII) Other comprehensive income (OCI)</b>			
(i) Items that will not be reclassified to profit or loss		5.56	0.09
Actuarial Gain / (Loss)			
(ii) Income tax relating to items that will not be reclassified to		(1.40)	1.03
profit or loss			
<b>Total other comprehensive income for the year (net of tax)</b>		<b>4.16</b>	<b>1.12</b>
<b>(IX) Total Comprehensive Income for the year (VII+VIII)</b>		<b>527.52</b>	<b>473.32</b>
<b>(X) Earnings per equity share: (Nominal value per share 10)</b>	<b>27</b>		
Basic		1.22	1.21
Diluted		1.22	1.21
Summary of Material Accounting Policies	<b>2</b>		

The accompanying notes form an integral part of these Ind AS Financial Statements

**For S K Patodia & Associates LLP**

Chartered Accountants

Firm Registration Number: 112723W/W100962

**Ankush Goyal**

Partner

Membership Number: 146017

For and on behalf of the Board of Directors of

**Easy Home Finance Limited**

**Rohit Chokhani**

Managing Director

DIN: 01984506

**Praveen Kumar Agrawal**

Whole Time Director & CEO

DIN: 08064084

**Bikash Kumar Mishra**

Chief Financial Officer

Place : Mumbai

**Siddharth Mehta**

Company Secretary

Date: June 06, 2024

Date: June 06, 2024

Place : Mumbai

**Easy Home Finance Limited****Statement of Cash Flows for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
<b>Net Profit before tax as per Statement of Profit and Loss</b>	701.61	306.11
<b>Adjustments for:</b>		
Depreciation and amortisation expense	250.25	168.24
Impairment on financial instruments - Expected credit loss (ECL)	93.54	46.70
On Other Assets - Expected Credit Loss	-	-
Interest on borrowings and other borrowing cost	2,770.86	1,179.57
Interest on lease liability	54.20	55.59
Loans and advances written off	-	-
Share based payments	-	-
Net gain on fair value changes	-	-
Interest Income on bank deposits	(98.40)	(58.67)
Profit on sale of investment	(418.67)	(209.67)
Loss on sale of property, plant and equipment		
<b>Cash generated from operations before working capital changes</b>	3,353.40	1,487.87
<b>Working Capital Changes</b>		
(Increase) / decrease in Other financial assets	(1,252.37)	(789.95)
(Increase) / decrease in non-financial assets	(11.12)	(6.43)
Increase / (decrease) in financial liabilities	(48.46)	(2,125.80)
Increase / (decrease) in provisions	22.47	27.26
Increase / (decrease) in non-financial liabilities	(33.30)	38.15
Loans repaid/ (disbursed) (net)	(13,649.72)	(10,641.95)
Direct taxes (paid)/adjusted	(86.22)	(1.67)
<b>Net cash used in operating activities (I)</b>	<b>(11,705.32)</b>	<b>(12,012.52)</b>
<b>II. Cash flow from investing activities:</b>		
Purchase of property, plant and equipment and Intangible assets	(505.14)	(475.23)
Proceeds from disposal of property, plant and equipment	-	-
Sale/ (purchase) of investments measured at FVTPL (net)	1,118.64	(490.30)
Decrease/ (Increase) in deposits with banks	(2,490.24)	981.14
Interest received on bank deposits	98.40	58.67
<b>Net cash used in investing activities (II)</b>	<b>(1,778.34)</b>	<b>74.28</b>
<b>III. Cash flow from financing activities:</b>		
Proceeds from issuance of share capital	6,536.37	21.63
Movement in ESOP reserve	11.89	14.60
Change in Retained earnings	(8.04)	
Redemption of debt securities issued (net)	-	(500.00)
Proceeds / (repayment) of borrowings other than debt securities (net)	9,038.74	14,484.81
Interest on lease liability	(54.20)	(55.59)
Interest paid on borrowings	(2,746.42)	(1,103.84)
Payment of lease liability	(149.80)	(102.00)
<b>Net cash generated from financing activities (III)</b>	<b>12,628.54</b>	<b>12,759.61</b>
Net increase/(decrease) in cash and cash equivalents (I+II+III)	(855.12)	821.37
Cash and cash equivalents at the beginning of the year	2,083.91	1,262.54
<b>Cash and cash equivalents at the end of the year</b>	<b>1228.79</b>	<b>2083.91</b>

The accompanying notes form an integral part of these Ind AS Financial Statements

**For S K Patodia & Associates LLP**

Chartered Accountants

Firm Registration Number: 112723W/W100962

**Ankush Goyal**

Partner

Membership Number: 146017

For and on behalf of the Board of Directors of

**Easy Home Finance Limited****Rohit Chokhani**

Managing Director

DIN: 01984506

**Bikash Kumar Mishra**

Chief Financial Officer

Place : Mumbai

**Praveen Kumar Agrawal**

Whole Time Director &amp; CEO

DIN: 08064084

**Siddharth Mehta**

Company Secretary

Date: June 06, 2024

Date: June 06, 2024

Place : Mumbai

**Easy Home Finance Limited****Statement of Changes in Equity for the year ended on March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**A. Equity Share Capital (Refer Note 18)**

Particulars	Amount
Balance as at March 31, 2022	3,767.34
Changes in equity share capital during the year	21.63
Balance as at March 31, 2023	3,788.97
Changes in equity share capital during the year	658.70
<b>Balance as at March 31, 2024</b>	<b>4,447.67</b>

**B. Other Equity (Refer Note 19)**

Particulars	Reserve and Surplus				Other Comprehensive Income – Actuary gain/loss)	Total
	Security premium	Shared Based Payments Reserve	Statutory Reserve	Retained Earnings		
<b>Balance at the March 31, 2022</b>	<b>7,215.29</b>	<b>–</b>	<b>–</b>	<b>(1,079.96)</b>		<b>6,135.33</b>
Profit after tax for the year	-	-	-	472.20		472.20
Other comprehensive income for the year (net of tax)	-	-	-		1.12	1.12
Transfer to statutory reserve u/s 29C of the NHB Act, 1987			94.44	(94.44)		-
Addition during the year		-	-	-		-
Share Based Payments		14.60				14.60
<b>Balance at the March 31, 2023</b>	<b>7,215.29</b>	<b>14.60</b>	<b>94.44</b>	<b>(702.20)</b>	<b>1.12</b>	<b>6,623.25</b>
Prior period adjustment				(8.04)		(8.04)
Profit after tax for the year	-	-	-	523.36		523.36
Addition during the year	5,877.66					5,877.66
Other comprehensive income for the year (net of tax)	-	-	-		4.16	4.16
Transfer to statutory reserve u/s 29C of the NHB Act, 1987	-	-	104.67	(104.67)		-
Shared based payments	-	11.89	-	-		11.89
<b>Balance at the March 31, 2024</b>	<b>13,092.95</b>	<b>26.49</b>	<b>199.11</b>	<b>(291.55)</b>	<b>5.28</b>	<b>13,032.28</b>

The accompanying notes form an integral part of these Ind AS Financial Statements

**For S K Patodia & Associates LLP**

Chartered Accountants

**Easy Home Finance Limited**

Firm Registration Number: 112723W/W100962

For and on behalf of the Board of Directors of

**Ankush Goyal**

Partner

Membership Number: 146017

**Rohit Chokhani**

Managing Director

DIN: 01984506

**Praveen Kumar Agrawal**

Whole Time Director &amp; CEO

DIN: 08064084

Date: June 06, 2024

Place : Mumbai

**Bikash Kumar Mishra**

Chief Financial Officer

Place : Mumbai

**Siddharth Mehta**

Company Secretary

Date: June 06, 2024

## 1. Corporate Information

Easy Home Finance Limited ('EHFL' or 'the Company') is a public limited company domiciled in India and incorporated on July 25, 2017 in Mumbai, Maharashtra. The Company is a Non-Deposit accepting Housing Finance Company registered with National Housing Bank (NHB) under the section 29 of National Housing Bank Act 1987 ('NHB Act'). The Company is engaged in providing housing loans.

The company is having registered office at 302, Savoy Chambers, Dattatray Road & Linking road (Extn), Santacruz West, Mumbai, Maharashtra.

## 2. Material Accounting Policies

### a) 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 under historical cost convention on an accrual basis 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, as amended from time to time. Details of the Company's accounting policies are disclosed below.

### b) Basis of preparation

The Financial Statements have been prepared in accordance with the recognition and measurement principle of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 (the "Act"), read with relevant rules issued thereunder and other accounting principles generally accepted in India, requirements prescribed under the Schedule III - Division III of the Act, the circulars and guidelines issued by the Reserve Bank of India (the "RBI") and National Housing Bank (the "NHB") from time to time to the extent applicable. The financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained in the accounting policies below. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company shall consider an operating cycle of 12 months.

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

Accounting policies shall be consistently applied except where a newly issued Indian accounting standard is initially adopted or a revision to an existing Indian accounting standard requires a change in the accounting policy hitherto in use. Material prior period items are rectified retrospectively unless impracticable. These financial statements have been prepared on a going concern basis.

### c) Functional and presentation currency

The financial statements are presented in Indian Rupees which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

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

Income and expenses in foreign currencies are initially recorded by the Company at the exchange rates prevailing on the date of the transaction.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

#### **d) Use of estimates, judgments and assumptions**

The preparation of financial statements in conformity with Ind AS requires the management of the Company to make judgements, assumptions and estimates that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in the financial statements have been disclosed as applicable in the respective notes to accounts. Accounting estimates could change from period to period. Future results could differ from these estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates needs to be reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. Revision to Accounting estimates are recognised prospectively in the statement of Profit & Loss in the period in which estimates are revised and any future periods effected. The Company continuously evaluates these estimates and assumptions based on the most recently available information. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

#### **e) Interest and Similar Income**

Under Ind AS 109 Interest income is recognised using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Calculation of the EIR includes all fees received that are incremental and directly attributable to the acquisition of a financial asset.

Interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. at the amortised cost of the financial asset after adjusting for any expected credit loss allowance (ECLs)).

The Company assesses the collectability of the interest on credit impaired assets at each reporting date. Based on the outcome of such assessment, the interest income accrued on credit impaired financial assets are either accounted for as income or written off as per the write off policy of the Company.

The 'amortised cost' of a financial asset is the amount at which the financial asset is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

All other charges such as cheque return charges, overdue charges etc. are recognised on realization basis. These charges are treated to accrue on realization, due to the uncertainty of their realization.

#### **f) Fee income amortisation under Ind AS 109**

Under Ind AS, direct loan origination fees, net of direct loan origination costs shall be amortized over the life of the loan using the "effective interest rate" method.

As per Ind AS 109, interest income and expenses are required to be amortised applying the 'Effective interest rate' method.

For amortization company shall consider Processing fees, Admin fees, Legal and technical fees, CERSAI charges and Document verification charges as direct loan origination fees Income. And Legal expenses, technical expenses, CERSAI, document charges, document verification charges, CIBIL expenses, printing & Stationery, incentive to HO/Branches, etc. shall be considered as direct loan origination costs.

Effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability. When calculating the effective interest rate, an entity should estimate the expected cash flow by considering all the contractual terms of the financial instrument (for example prepayment, extension, call and similar options).

#### **g) Dividend income**

Income from dividend on investment in equity shares of corporate bodies and units of mutual funds is accounted when the Company's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

In terms of Housing Finance Companies (RBI) Direction 2021, dividend income on Units of Mutual Funds held by the Company is recognised on cash basis.

#### **h) Other charges and other interest**

Overdue interest in respect of loans is recognized upon realization and; Other ancillary charges are recognized upon realisation.

#### **i) Property, Plant and equipment (PPE)**

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of property, plant and equipment are required to be replaced in regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Property and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other operating income in the Statement of profit and loss in the year in which the asset is derecognised.

The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.



**j) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss. Intangible assets are amortized on a straight line basis over the estimated useful economic life. The company considers that the useful life of an intangible asset will not exceed 5 years from the date when the asset is available for use.

**k) Depreciation and amortisation Tangible assets**

Depreciation on PPE shall be provided on Straight-line method at the rates prescribed in Schedule II to the Companies Act, 2013, except in respect of the assets, in whose case the life of the asset has been assessed differently, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Estimated useful lives considered by the Company are:

Asset	Estimated
Office Equipment	5 Years
Furniture and fixture	10 Years
Computer Hardware	3 Years

**Intangible assets**

Intangible assets are amortised over their estimated useful life on straight line method. Computer software is amortised over a period of 3 years on 'Straight Line Method' basis for the number of days assets have been put to use for their intended purpose. The Company has developed a loan accounting software and it will amortise the same over a period of 10 years.

**l) Impairment of assets**

Upon an observed trigger or at the end of each accounting reporting period, the Company reviews the carrying amounts of its PPE, investment property and intangible asset to determine whether there is any indication that the assets have suffered an impairment loss. If such indication exists, the PPE, investment property 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.

**m) Non-Current Assets held for sale**

Non-current assets are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

The Company has a policy to make impairment provision at one third of the value of the Asset for each year upon completion of three years up to the end of five years based on the past observed pattern of recoveries. Losses on initial classification as Held for sale and subsequent gains & losses on remeasurement are recognised in Statement of Profit and loss. Once classified as Held for sale, the assets are no longer amortised or depreciated.

## **n) Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term and costs relating to the termination of the lease. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts.

### **Company as a Lessee (Asset taken on lease):**

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

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases (leases with a term of twelve months or less), leases of low-value assets and, for contract where the lessee and lessor has right to terminate a lease without permission from the other party with no more than an insignificant penalty. For these short-term and low value assets leases and cancellable leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

### **i) Right-of-use assets**

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

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

### **ii) Lease Liabilities**

At the commencement date of the lease, the Company shall recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

"Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

The Company has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised. As the interest rate implicit in the lease is not readily determinable, the discounted rate is generally based on 10 year Government bond as Risk free Interest rate.

### **Company as a Lessor (Asset given on lease):**

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset will be classified as operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. Rental income will be accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease should be added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents shall be recognized as revenue in the period in which they are earned.

### **o) Retirement and other employee benefits (incl. ESOPs) Provident Fund (Defined Contribution Plans)**

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits.

### **Gratuity (Defined Benefit Plan)**

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognised in full in other comprehensive income for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of

(a) when the plan amendment or curtailment occurs;

(b) when the entity recognises related restructuring costs or related termination benefits.

The retirement benefits / obligations recognised in the balance sheet represents the present value of the defined benefit / obligations reduced by the fair value of scheme assets. Any assets resulting from this calculation is limited to present value of available refunds and reductions in future contributions to the scheme.

### **Short-term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized in the Statement of Profit and Loss during the year.

### **Compensated absence**

Compensated absences which are expected to occur within 12 months after end of the period in which the employee renders the related services are recognised as an actuarially determined liabilities at the present value of the obligation at the balance sheet date.

### Share based payment transaction

The stock options of the Company, granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date as per Black and Scholes model.

The fair value of the options is treated as discount and accounted as employee compensation cost, with a corresponding increase in other equity, over the vesting period on a straight line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest.

If a grant lapses after the vesting period, the cumulative discount recognised as expense, with a corresponding increase in other equity, in respect of such grant is transferred to the General reserve within other equity.

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

### p) Taxes

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss, other comprehensive income or directly in equity when they relate to items that are recognized in the respective line items.

#### Current Taxes

Current income tax expense includes income tax payable by the company on its taxable profits for the period. Advance tax and provision for income tax are provided after off setting advance tax paid and provision for tax arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liabilities on net basis.

#### Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized. Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### q) Earnings per share

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

Diluted EPS is calculated by dividing the net profit attributable to equity holders of company by the weighted average number of equity shares outstanding during the year plus dilutive potential shares except where results are anti-dilutive.

### r) Provisions, contingent liabilities and contingent assets Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

## Contingent assets/liabilities

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for. Contingent assets are disclosed where an inflow of economic benefits is probable. Contingent assets are not recognised in the financial statements.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision

## s) Cash and cash equivalent

Cash and cash equivalents in the balance sheet comprise cash on hand and balances with banks in current accounts.

## t) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past / future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

## u) Statutory Reserve/ Special Reserve

The Company creates special reserve every year out of its profit in terms of section 36 (i) (viii) of the Income Tax Act, 1961 read with section 29C of the National Housing Bank Act, 1987.

## v) Borrowing costs

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial liability.

Calculation of the EIR includes all fees paid that are incremental and directly attributable to the issue of a financial liability.

While computing the capitalisation rate for funds borrowed generally, an entity should exclude borrowing costs applicable to borrowings made specifically for obtaining a qualifying asset, only until the asset is ready for its intended use or sale. Borrowing costs (related to specific borrowings) that remain outstanding after the related qualifying asset is ready for intended use or for sale would subsequently be considered as part of the general borrowing costs of the entity.

## w) Determination of Fair Value

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants at the measurement date.

The fair values of financial instruments measured at amortised cost and disclosed in the said financial statements.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described as follows:

**Level 1 financial instruments** – Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

**Level 2 financial instruments** – Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

**Level 3 financial instruments** – Those that includes one or more unobservable input where there is little market activity for the asset/liability at the measurement date that is significant to the measurement as a whole.

## x) Financial instruments

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

Financial assets and financial liabilities are recognised in the Company's balance sheet on trade date, i.e. when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues of financial assets or financial liabilities carried at fair value through the profit or loss account are recognised immediately in the Statement of Profit or Loss. Trade Receivables are measured at transaction price.

## Financial Assets Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

amortised cost; fair value through other comprehensive income (FVTOCI); or fair value through profit and loss (FVTPL). The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets. A financial asset is measured at amortized cost using Effective Interest Rate (EIR) method if it meets both of the following conditions and is not recognised as at FVTPL: The asset is held within a business model whose objective is to hold assets 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVTOCI – equity investment). This election is made an investment – by – investment basis. All financials assets not classified and measured at amortized cost or FVTOCI as described above are measured at FVTPL. On initial recognition, the company may irrevocably designate the financials assets that otherwise meets the requirements to be measured at amortized cost or at FVTOCI or at FVTPL, if doing so eliminates or significantly reduces the accounting mismatch that would otherwise arise.

## Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes: the stated policies and objectives for the portfolio and the operation of those policies in practice. how the performance of the portfolio is evaluated and reported to the Company's management;

the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectation about future sales activity.

How managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

At initial recognition of a financial asset, the Company determines whether newly recognized financial assets are part of an existing business model or whether they reflect a new business model. The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period.

### **Subsequent measurement and gains and losses**

**Financial assets at FVTPL:** These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit or loss. The transaction costs and fees are also recorded related to these instruments in the statement of profit and loss.

**Financial assets at amortised cost:** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit or loss. Any gain or loss on de-recognition is recognised in the statement of profit or loss.

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

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

### **Reclassifications within classes of financial assets**

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

The classification and measurement requirements of the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets.

### **Impairment of Financial Asset Impairment approach**

Overview of the Expected Credit Losses (ECL) principles

The Company records allowance for expected credit losses for all loans (including those classified as measured at FVTOCI), together with loan commitments, in this section all referred to as 'financial instruments' other than those measured at FVTPL. Equity instruments are not subject to impairment under Ind AS 109.

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

The 12m ECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12m ECLs are calculated on an individual/portfolio basis having similar risk characteristic, depending on the nature of the underlying portfolio of financial instruments.



The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

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

**Stage 1:** When loans are first recognised, the Company recognises an allowance based on 12mECLs. This also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

**Stage 2:** When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

**Stage 3:** Loans considered credit-impaired. A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Further if the customer has requested forbearance in repayment terms, such restructured, rescheduled or renegotiated accounts are also classified as Stage 3. Non-payment on another obligation of the same customer is also considered as a stage 3. Defaulted accounts include customers reported as fraud in the FRMC. Once an account defaults as a result of the DPD condition, it will be considered to be cured only when entire arrears of interest and principal are paid by the borrower. The Company records an allowance for the LTECLs.

### Undrawn loan commitments

Undrawn loan commitments are commitments under which, over the duration of the commitment, the Company is required to provide a loan with pre-specified terms to the customer. Undrawn loan commitments are in the scope of the ECL requirements.

### The Measurement of ECLs

The Company calculates ECLs based on a probability-weighted scenario to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

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. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

**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.

**Loss Given Default (LGD):** 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. It is usually expressed as a percentage of the EAD.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down, based on a probability-weightage. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

The above calculated PDs, EAD and LGDs are reviewed and changes in the forward looking estimates are analysed during the year.

The mechanics of the ECL method are summarised below:

Stage 1- The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD.

Stage 2- When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by contractual or portfolio EIR as the case may be.

Stage 3- For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

In ECL model the Company relies on broad range of forward looking information for economic inputs.

The Company recognises loss allowance for expected credit losses (ECLs) on all financial assets at amortised cost that are debt instruments, debt financial assets at fair value through other comprehensive income, loan commitments and financial guarantee contracts. No impairment loss is recognised on equity investments.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

### **Impairment of Trade receivable**

Impairment allowance on trade receivables is made on the basis of life time credit loss method, in addition to specific provision considering the uncertainty of recoverability of certain receivables.

### **Write-off**

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or the entire loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the statement of profit and loss.

### **Presentation of allowance for ECL in the statement of financial position**

Loss allowances for ECL are presented in the statement of financial position as follows:

- a) Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- b) Loan commitments and financial guarantee contracts: generally, as a provision;

### **Modification and De-recognition of financial assets**

**Modification of financial assets**  
A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

## De-recognition of financial assets

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 de recognition.

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

- It has transferred its contractual rights to receive cash flows from the financial asset or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement or Direct Assignment.

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

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

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

A transfer only qualifies for derecognition if either:

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay. If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

## (ii) Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

## Classification

The Company classifies its financial liability as "Financial liability measured at amortised cost" except for those classified as financial liabilities measured at fair value through profit and loss (FVTPL).

## De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

## Offsetting of Financial Assets and Financial Liabilities

The financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when:

- the Company currently has a legally enforceable right to offset the amounts; and
- it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

## (iii) Derivative financial instruments

The Company holds derivative to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for these contracts is generally a bank.

## Financial assets or financial liabilities, at fair value through profit or loss:

This category has derivative financial assets or liabilities which are not designated as hedges. Any derivative that is not designated a hedge is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition,

these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in Statement of Profit and Loss

## y) Critical accounting judgements and key sources of estimation uncertainties:

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

## Expected Credit Loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>3</b>	<b>Cash and cash equivalents</b>		
	Cash on hand	6.79	4.06
	Balances with banks		
	- in current accounts	1,222.00	2,079.85
	<b>Total</b>	<b>1,228.79</b>	<b>2,083.91</b>

**Note:** Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the company and earn interest at the respective short-term deposit rates.

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>4</b>	<b>Bank Balances other than cash and cash equivalents</b>		
	Deposit with banks	4,264.34	1,774.10
	<b>Total</b>	<b>4,264.34</b>	<b>1,774.10</b>

**Note:** Fixed Deposits on which lien is marked as on March 31, 2024 is ₹ 764.31 lakhs and as on March 31, 2023 was ₹ 774 Lakhs.

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>5</b>	<b>Trade receivables</b>		
	Considered good - unsecured		
	Trade receivables	67.68	395.34
	<b>Total</b>	<b>67.68</b>	<b>395.34</b>

**Trade receivables aging as at March 31, 2024**

Particulars	Less than 6 months	6 months – 1 year	2–3 years	More than 3 years	Total
Undisputed trade receivables					
–considered good	67.18	0.51	-	-	<b>67.68</b>

**Trade receivables aging as at March 31, 2023**

Particulars	Less than 6 months	6 months – 1 year	2–3 years	More than 3 years	Total
Undisputed trade receivables					
–considered good	395.34	-	-	-	<b>395.34</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>6</b>	<b>Loans (Amortised Cost)</b>		
	<b>(A) Term loans</b>		
	Home Loans	27,743.36	18,430.63
	Others Loans	7,750.56	3,407.01
	<b>Total (A) – Gross</b>	<b>35,493.92</b>	<b>21,837.64</b>
	Less : Impairment loss allowance	174.22	74.12
	<b>Total (A)</b>	<b>35,319.70</b>	<b>21,763.52</b>
	<b>(B) Out of above</b>		
	<b>i) Secured by tangible assets</b>		
	Mortgage/Property loan	35,493.92	21,837.64
	Less : Impairment loss allowance	174.22	74.12
	<b>Total (i)</b>	<b>35,319.70</b>	<b>21,763.52</b>
	<b>ii) Unsecured</b>	-	-
	Less : Impairment loss allowance	-	-
	<b>Total (ii)</b>		
	Total (B) = (i+ii)	<b>35,319.70</b>	<b>21,763.52</b>

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	<b>(C) Out of above</b>		
	<b>(I) Loans in India</b>		
	(i) Public sector	-	-
	Less: Impairment loss allowance		
	<b>Sub-total (i)</b>	-	-
	(ii) Others	35,493.92	21,837.64
	Less: Impairment loss allowance	174.22	74.12
	Sub-total (ii)	<b>35,319.70</b>	<b>21,763.52</b>
	<b>Total (I) = (i+ii)</b>	<b>35,319.70</b>	<b>21,763.52</b>
	<b>(II) Loans outside India</b>	-	
	<b>Total (C) = (I+II)</b>	<b>35,319.70</b>	<b>21,763.52</b>
	<b>Total</b>	<b>35,319.70</b>	<b>21,763.52</b>

- 6.1 n Housing loans include Loan against Property, Insurance & Fee and loans given to financial institution for forward lending.
- 6.2 Loan balances also includes the insurance payment made by the Company towards life insurance premium and general insurance premium on behalf of the borrower.
- 6.3 The Company has not exceeded the prudential exposure with reference to Single Borrower Group Borrower limits during the year.

- 6.4 A certified by management, loans given by the Company are secured by equitable mortgage /registered mortgage the property and assets financed and /or personal guarantees and /or undertaking to create a security and /or hypothecation of asset and are considered appropriate and good.
- 6.5 The Company has complied with norms prescribed under Housing Finance Companies (RBI) Directions, 2021 for recognizing Non- Performing Assets in preparation of accounts.
- 6.6 The Company has not granted loans against gold jewellery as collateral.
- 6.7 In line with master direction issued by RBI vide its circular no RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021; the Company has made provision on outstanding Standard Assets.

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>7</b>	<b>Investment</b>		
	Mutual Fund	-	699.96
	<b>Total</b>	<b>-</b>	<b>699.96</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>8</b>	<b>Other financial assets</b>		
	Security deposits	79.71	72.91
	Accrued Income	180.69	99.14
	EIS Receivable on DA (refer note 8.1)	1,868.91	513.71
	EIS Receivable on Co lending (refer note 8.1)	136.47	-
	<b>Total</b>	<b>2,265.78</b>	<b>685.76</b>

**Note:**

- i) Under Ind AS, with respect to Assignment deals and Co-lending, Company has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Profit and loss for the year, which has been computed by discounting EIS to present value on each balance sheet date.
- ii) Accrued Income includes interest on fixed deposit, Fees income, insurance income etc.

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>9</b>	<b>Current tax assets (net)</b>		
	Advance Tax (Net off Provision)	-	14.45

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>11</b>	<b>Other non-financial asset</b>		
	Prepaid expenses	55.51	39.08
	Advance to Staff	8.89	21.98
	Others	30.83	23.06
	<b>Total</b>	<b>95.23</b>	<b>84.12</b>

## 6.9 Loans to Individuals

**An analysis of changes in the gross carrying amount of Housing Loans to Individuals and the corresponding ECL allowances, as follows:**

Particulars	Year ended Mar 31, 2024				Year ended Mar 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	18,189.87	179.94	60.82	18,430.63	9,948.96	85.05	-	10,034.01
New assets originated	25,617.31	31.30	-	25,648.61	11,061.51	-	-	11,061.51
Assets Derecognized under Direct Assignments	(8,590.43)	-	-	(8,590.43)	(3,339.08)	-	-	(3,339.08)
Assets repaid in part or full (excluding write offs, if any)	(7,686.58)	(40.24)	(18.63)	(7,745.45)	667.56	6.63	-	674.19
Assets written off	-	-	-	-	-	-	-	-
Transfers to Stage 1	(129.30)	129.30	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	(88.26)	88.26	-	0.00
Transfers to Stage 3	(80.98)	(22.87)	103.85	-	(60.82)	-	60.82	-
<b>Gross carrying amount closing balance</b>	<b>27,319.89</b>	<b>277.43</b>	<b>146.04</b>	<b>27,743.36</b>	<b>18,189.87</b>	<b>179.94</b>	<b>60.82</b>	<b>18,430.63</b>

\*EIR on loans is adjusted in new assets originated.

**Reconciliation of ECL allowance for Housing Loans to Individuals is given below:**

Particulars	Year ended Mar 31, 2024				Year ended Mar 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL opening balance	49.46	3.87	9.12	<b>62.44</b>	27.25	1.82	-	29.07
New assets originated	46.35	0.69	-	47.04	18.67	-	-	18.67
Assets Derecognized under Direct Assignments	-	-	-	-	-	-	-	-
ECL Remeasurements due to changes in EAD / assumptions (Net)	15.01	5.03	17.83	37.87	14.69	0.01	-	14.70
Assets written off	-	-	-	-	-	-	-	-
Transfers to Stage 1	0.19	(0.19)	-	-	-	-	-	-
Transfers to Stage 2	(4.35)	4.35	-	0.00	(2.03)	2.03	-	-
Transfers to Stage 3	(32.51)	(7.66)	40.17	-	(9.12)	-	9.12	-
<b>ECL closing balance</b>	<b>74.15</b>	<b>6.09</b>	<b>67.12</b>	<b>147.37</b>	<b>49.46</b>	<b>3.87</b>	<b>9.12</b>	<b>62.44</b>

### Other Loans

**An analysis of changes in the gross carrying amount of Other Loans and the corresponding ECL allowances in relation to loans is, as follows:**

Particulars	Year ended Mar 31, 2024				Year ended Mar 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	3,378.26	21.95	6.81	<b>3,407.01</b>	1,159.50	7.48	-	1,166.98
New assets originated	7,754.87	3.43	-	7,758.30	2,892.88	-	-	2,892.88
Assets Derecognized under Direct Assignments	(1,288.69)	-	-	(1,288.69)	-	-	-	-
Assets repaid in part or full (excluding write offs)	(2,113.48)	(4.10)	(8.48)	(2,126.06)	(645.36)	(7.48)	-	(652.84)
Assets written off	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	(15.35)	10.62	4.74	-	(21.95)	21.95	-	(0.00)
Transfers to Stage 3	(4.95)	(1.67)	6.62	-	(6.81)	-	6.81	-
<b>Gross carrying amount closing balance</b>	<b>7,710.64</b>	<b>30.23</b>	<b>9.69</b>	<b>7,750.56</b>	<b>3,378.26</b>	<b>21.95</b>	<b>6.81</b>	<b>3,407.01</b>



**Reconciliation of ECL allowance for Other Loans is given below:**

Particulars	Year ended Mar 31, 2024				Year ended Mar 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL opening balance	10.13	0.52	1.02	11.66	3.48	0.18	-	3.66
ECL on New assets originated	19.39	0.08	-	19.47	8.68	-	-	8.68
ECL Remeasurements due to changes in EAD / assumptions (Net)	(4.28)	0.08	(0.11)	(4.32)	(0.67)	-	(0.00)	(0.67)
Assets written off	-	-	-	-	-	-	-	-

Transfers to Stage 1	-	-	-	-	-			-
Transfers to Stage 2	(0.53)	0.53	-	-	(0.34)	0.34		(0.00)
Transfers to Stage 3	(1.58)	(0.50)	2.08	-	(1.02)	-	1.02	-
<b>ECL closing balance</b>	<b>23.13</b>	<b>0.72</b>	<b>3.00</b>	<b>26.85</b>	<b>10.13</b>	<b>0.52</b>	<b>1.02</b>	<b>11.66</b>

**Summary of gross carrying amount of loans**

Particulars	March 31, 2024	March 31, 2023
(i) Undisputed Loans - considered good	35,030.53	21,568.13
(ii) Undisputed Loans - which have significant increase in credit risk	307.66	201.89
(iii) Undisputed Loans - Credit Impaired	155.73	67.62
(iv) Disputed Loans - considered good	-	-
(v) Disputed Loans - which have significant increase in credit risk	-	-
(vi) Disputed Loans - Credit Impaired	-	-

**Summary of Impairment loss allowance (Expected Credit Loss)**

Particulars	Stage 1	Stage 2	Stage 3	Total
March 31, 2024	97.29	6.81	70.12	174.22
March 31, 2023	59.59	4.39	10.14	74.12

**6.10 An analysis of changes in the gross carrying amount in relation to undisbursed Committed Loans and the corresponding ECL allowances in relation to loans is, as follows:**

Particulars	Year ended Mar 31, 2024				Year ended Mar 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	3,716.49	8.40	-	3,724.89	2,187.05	-	-	2,187.05
New assets originated	4,106.58	13.24	5.19	4,125.01	1,529.44	-	-	1,529.44
Assets Derecognized under Direct Assignments	-	-	-	-	-	-	-	-
Assets repaid in part or full (excluding write offs)	(3,716.49)	(8.40)	-	(3,724.89)	8.40	-	-	8.40
Assets written off	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	-	-	-	-
Transfers to Stage 2	-	-	-	-	(8.40)	8.40	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
<b>Gross carrying amount closing balance</b>	<b>4,106.58</b>	<b>13.24</b>	<b>5.19</b>	<b>4,125.01</b>	<b>3,716.49</b>	<b>8.40</b>	<b>-</b>	<b>3,724.89</b>

**Reconciliation of ECL allowance in relation to Commitments of Loan is given below:**

Particulars	Year ended Mar 31, 2024				Year ended Mar 31, 2023			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL opening balance	10.38	0.20	-	10.58	5.27	-	-	5.27
New assets originated	5.63	0.02	0.01	5.66	5.11	-	-	5.11
Assets Derecognized under Direct Assignments	-	-	-	-	-	-	-	-
ECL Remeasurements due to changes in EAD / assumptions (Net)	(10.38)	(0.20)	-	(10.58)	0.20	-	-	0.20
Assets written off	-	-	-	-	-	-	-	-
Transfers to Stage 1	-	-	-	-	(0.20)	0.20	-	(0.00)
Transfers to Stage 2	-	-	-	-	-	-	-	-
Transfers to Stage 3	-	-	-	-	-	-	-	-
<b>ECL closing balance</b>	<b>5.63</b>	<b>0.02</b>	<b>0.01</b>	<b>5.66</b>	<b>10.38</b>	<b>0.20</b>	<b>-</b>	<b>10.58</b>

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**10 Property, plant and equipment, Other Intangible Assets and Right-of-use Ass**

	Property, plant and equipment				Other Intangible assets		Right to use Assets
	Computer equipment's	Furniture and fixtures	Office equipment's	Total	Computer software	Intangible assets under development	Right to use Assets
<b><u>At deemed Cost*</u></b>							
<b>Balance as at March 31, 2022</b>	<b>25.30</b>	<b>1.88</b>	<b>12.77</b>	<b>39.96</b>	<b>165.28</b>	<b>760.72</b>	<b>103.44</b>
Additions	18.20	8.45	15.24	41.89	250.00	433.45	473.36
Disposals	-	-	-	-	-	(250.11)	-
<b>Balance as at March 31, 2023</b>	<b>43.50</b>	<b>10.33</b>	<b>28.01</b>	<b>81.85</b>	<b>415.28</b>	<b>944.06</b>	<b>576.80</b>
Additions	<b>25.83</b>	-	<b>15.33</b>	<b>41.16</b>	<b>838.52</b>	<b>472.02</b>	<b>168.75</b>
Disposals	<b>(0.19)</b>	-	-	<b>(0.19)</b>	-	<b>(838.52)</b>	<b>(11.04)</b>
<b>Balance as at March 31, 2024</b>	<b>69.14</b>	<b>10.33</b>	<b>43.34</b>	<b>122.82</b>	<b>1,253.80</b>	<b>577.56</b>	<b>734.51</b>
<b><u>Accumulated depreciation and amortisation</u></b>							
<b>Balance as at March 31, 2022</b>	<b>3.71</b>	<b>0.25</b>	<b>1.62</b>	<b>5.58</b>	<b>20.14</b>	-	<b>24.43</b>
Charge for the year	10.67	0.78	4.33	15.78	20.14	-	132.34
Adjustments on disposal of assets	-	-	-	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>14.38</b>	<b>1.03</b>	<b>5.95</b>	<b>21.36</b>	<b>40.28</b>	-	<b>156.77</b>
Prior Year adjustments	<b>8.05</b>	-	<b>(0.00)</b>	<b>8.05</b>	-	-	-
Charge for the year	<b>11.09</b>	<b>1.10</b>	<b>7.30</b>	<b>19.49</b>	<b>62.32</b>	-	<b>168.42</b>
Adjustments on disposal of assets	<b>(0.19)</b>	-	-	<b>(0.19)</b>	-	-	-
<b>Balance as at March 31, 2024</b>	<b>33.33</b>	<b>2.13</b>	<b>13.25</b>	<b>48.71</b>	<b>102.60</b>	-	<b>325.19</b>
<b>Net block</b>							
<b>Balance as at March 31, 2023</b>	<b>29.12</b>	<b>9.30</b>	<b>22.06</b>	<b>60.49</b>	<b>375.00</b>	<b>944.06</b>	<b>420.03</b>
<b>Balance as at March 31, 2024</b>	<b>35.81</b>	<b>8.21</b>	<b>30.09</b>	<b>74.11</b>	<b>1,151.20</b>	<b>577.56</b>	<b>409.32</b>

**Note:**

1. There has been no revaluation of property, plant & equipment during the current financial year or the previous financial year.
2. There is no proceeding initiated against the company for the properties under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

**10.1 Intangibles under development ageing schedule As at March 31, 2024**

Intangibles under development	Amount in Intangibles under development for the period of				
	Less than 1 year	1–2 years	2–3 years	More than 3 years	Total
Projects in progress	268.84	211.08	97.64	-	<b>577.56</b>
Projects temporarily suspended	-	-	-	-	-

**As at March 31, 2023**

Intangibles under development	Amount in Intangibles under development for the period of				
	Less than 1 year	1–2 years	2–3 years	More than 3 years	Total
Projects in progress	433.45	338.38	117.47	54.76	<b>944.06</b>
Projects temporarily suspended	-	-	-	-	-

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>12</b>	<b>Trade Payables</b>		
	Trade payables		
	Total outstanding dues of micro enterprises and small enterprises (MSME)	7.50	6.75
	Total outstanding dues of creditors other than micro enterprises and small enterprises	43.68	126.72
	<b>Total</b>	<b>51.18</b>	<b>133.47</b>
	The management has identified enterprises which qualify under the definition of micro enterprises and small enterprises, as defined under Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Accordingly, the disclosure in respect of amount payable to such enterprises as mentioned below is based on information received and available with the Company.		
	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
	Principal amount due to suppliers under MSMED Act, as at the year end (since paid)	7.50	6.75
	Interest accrued and due to suppliers under MSMED Act, on the above amount as at the year end	-	-
	Payment made to suppliers (other than interest) beyond the appointed day, during the year	-	-
	Interest paid to suppliers under MSMED Act (other than Section 16)	-	-
	Interest paid to suppliers under MSMED Act (Section 16)	-	-
	Interest due and payable to suppliers under MSMED Act, for payments already made	-	-
	Interest accrued and remaining unpaid at the year end to suppliers under MSMED Act (since paid)	-	-

**Trade payables aging as at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3	Total
(i) MSME	7.50	-	-	-	7.50
(ii) Others	43.23	0.45	-	-	43.68
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**Trade payables aging as at March 31, 2023**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 – 2 years	2 – 3 years	More than 3	Total
(i) MSME	6.75	-	-	-	6.75
(ii) Others	126.72	-	-	-	126.72
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>13</b>	<b>Borrowings (other than debt securities)</b>		
<b>(A)</b>	<b>In India</b>		
	At amortised cost:		
	Term loans from banks	10,583.08	4,159.26
	Term loans from other parties	16,647.55	14,182.76
		<b>27,230.63</b>	<b>18,342.02</b>
	<b>Outside India</b>	-	-
		<b>27,230.63</b>	<b>18,342.02</b>
<b>(B)</b>	<b>Out of above</b>		
	Secured (Against hypothecation of loans, book debts and other receivables)	27,230.63	18,191.89
	Unsecured		
	<b>Total</b>	<b>27,230.63</b>	<b>18,191.89</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>14</b>	<b>Other financial liabilities</b>		
	Accrued Interest on Term Loan Account	114.79	90.34
	Employee related payables	38.51	4.67
	<b>Total</b>	<b>153.30</b>	<b>95.01</b>

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>15</b>	<b>Current tax liabilities (net)</b>		
	Tax Expense for the year	100.11	-
	Add: Tax on OCI	1.40	-
	Less: Advance tax paid	(25.00)	-
	Less: TDS receivables	(65.72)	-
	<b>Total</b>	<b>10.79</b>	<b>-</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>16</b>	<b>Provisions</b>		
	Provision for employee benefits- Gratuity	74.22	50.75
	Provision on other assets	-	1.64
	ECL on undisbursed loan commitment	5.66	10.58
	<b>Total</b>	<b>79.88</b>	<b>62.97</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>17</b>	<b>Other non-financial liabilities</b>		
	Advance received from customers	16.20	4.80
	Statutory dues	67.18	111.88
	<b>Total</b>	<b>83.38</b>	<b>116.68</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>18</b>	<b>Share Capital</b>		
	442.60 Lakhs (P.Y. 376.73 Lakhs) Equity shares of ₹ 10 each fully paid up	4,426.04	3,767.34
	21.63 Lakhs Partly Paid Equity shares of ₹ 1 each	21.63	21.63
	<b>Total</b>	<b>4,447.67</b>	<b>3,788.97</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>19</b>	<b>Other Equity</b>		
	Retained Earnings	(286.27)	(701.08)
	Security Premium	13,092.95	7,215.29
	ESOP Reserve	26.49	14.60
	Statutory Reserve	199.11	94.44
	<b>Total</b>	<b>13,032.28</b>	<b>6,623.25</b>

	Particulars	As at		As at	
		March 31, 2024		March 31, 2023	
		Number (Lakhs)	(₹ in Lakhs)	Number (Lakhs)	(₹ in Lakhs)
<b>18.1</b>	<b>Equity share capital</b>				
	<b>Authorised</b>				
	650 Lakhs (P.Y. 547 Lakhs) Equity Shares of ₹ 10 each	650.00	6,500.00	547.00	5,470.00
	53 Lakhs (P.Y. 53 Lakhs) Preference shares of ₹ 10 each	-	-	53.00	530.00
		<b>650.00</b>	<b>6,500.00</b>	<b>600.00</b>	<b>6,000.00</b>
	<b>Issued, subscribed and fully paid up</b>				
	442.60 Lakhs (P.Y. 376.73 Lakhs) Equity shares of ₹ 10 each fully paid up	442.60	4,426.04	376.73	3,767.34
	21.63 Lakhs Partly Paid Equity shares of ₹ 1 each	21.63	21.63	21.63	21.63
		<b>464.23</b>	<b>4,447.67</b>	<b>398.36</b>	<b>3,788.97</b>
	<b>Total</b>	<b>464.23</b>	<b>4,447.67</b>	<b>398.36</b>	<b>3,788.97</b>
	<b>Reconciliation of share capital</b>				
	<b><u>Equity shares</u></b>				
	Balance at the beginning of the year	398.36	3,788.97	376.73	3,767.34
	Add : Issued during the period	65.87	658.70	21.63	21.63
	Add : Conversion of Preference Shares	-	-	-	-
	Balance at the end of the year	<b>464.23</b>	<b>4,447.67</b>	<b>398.36</b>	<b>3,788.97</b>
	<b><u>Compulsory Convertible Preference Shares</u></b>				
	Balance at the beginning of the year	-	-	-	-
	Less : Conversion into Equity Shares	-	-	-	-
	Balance at the end of the year	-	-	-	-

Particulars	As at		As at	
	March 31, 2024		March 31, 2023	
	No. of Shares (Lakhs)	% of share-holding	No. of Shares (Lakhs)	% of share-holding
<b>Shareholders holding more than 5% of the shares</b>				
<b><u>Equity shares</u></b>				
M/s. Xponentia Opportunities Fund	139.53	30.06%	139.53	35.03%
Mr. Rohit Chokhani	78.95	17.01%	78.20	19.63%
Mr. Suresh Prasad Chokhani	66.25	14.27%	66.25	16.63%
M/s. Cove Group Pte. Ltd. (Harbourfront Group)	36.17	7.79%	36.17	9.08%
Harbourfront India Fund	23.26	5.01%	23.26	5.84%
Finsight 1 LP	26.94	5.80%	-	0.00%
FS-10, a series of FinSight Late Stage Fund IV LLC (a scheme of Finsight Ventures LLC)	27.39	5.90%	-	0.00%
	<b>398.49</b>	<b>85.84%</b>	<b>343.41</b>	<b>86.21%</b>

Shareholding of Promoters	No. of Shares (Lakhs)	% of shareholding	% change during the year
<b><u>As at March 31, 2024</u></b>			
<b><u>Equity shares</u></b>			
Mr. Rohit Chokhani	78.95	17.01%	-2.62%
	<b>78.95</b>	<b>17.01%</b>	<b>-2.62%</b>
<b><u>As at March 31, 2023</u></b>			
<b><u>Equity shares</u></b>			
Mr. Rohit Chokhani	78.20	19.63%	2.03%
	<b>78.20</b>	<b>19.63%</b>	<b>2.03%</b>
<b><u>As at March 31, 2022</u></b>			
<b><u>Equity shares</u></b>			
Mr. Rohit Chokhani	66.29	17.60%	14.47%
	<b>66.29</b>	<b>17.60%</b>	<b>14.47%</b>

### Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Any fresh issue of equity shares shall rank pari-passu with the existing shares. The shareholders are entitled to dividend, if declared and paid by the Company. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, if any, in proportion to the number of equity shares held by the shareholders. The company has issued 21,62,791 partly paid equity share at ₹ 1 per share in the financial year 2022-23. Hence, as at April 01, 2023 and March 31, 2024, 21,62,791 equity shares each of ₹ 10/- per share are being partly paid at Re.1/- per share.

### Rights, preferences and restrictions attached to preference shares

The preference shareholders are eligible for a minimum preferential dividend of 0.01% per annum. However, since the Company is into losses and since preference dividend is an appropriation item, no effect of the same is taken in the financial statements. In an event of liquidation, the proceeds from the Liquidity Event (less any amounts required by Applicable Law to be paid or set aside for the payment of creditors of the Company, if applicable) shall be paid to the holder of Preference shares in preference to the other holders of all classes of Equity Shares.

Each of the Subscription Shares shall entitle the holder to such number of votes equal to the number of whole or fractional Equity Shares into which such Subscription Shares could then be converted.



Each Subscription Share may be converted into Equity Shares at any time at the option of the holder of the Subscription Shares.

During the Financial Year 2021-22, the entire CCPS has been converted into fully paid equity shares on 1:1 basis.

The Company has no outstanding Preference Shares as at April 01, 2023, forming part of Paid-up Share Capital. However, 53,00,000 Preference Shares each of ₹ 10/- amounting to ₹ 5,30,00,000/- forming part of Authorized Share Capital, which got converted into Equity Share Capital by altering the Memorandum of Association - Capital Clause by passing the Special Resolution in the meeting of the Shareholders held on March 09, 2024. As on March 31, 2024, there are no outstanding Preference Shares forming part of Authorized Share Capital and Paid-up Capital.

### Issue of bonus shares or buyback of shares

The Company has not issued / allotted any shares pursuant to contracts without payment being received in cash, nor issued any bonus shares nor there has been any buyback of shares during five years immediately preceding 31 March 2024.

### ESOP

For details of shares reserved for issue under the employee stock option plan (ESOP) of the Company, refer note 35.

### Dividend

No dividends have been issued in FY 23-24 and previous year FY 22-23

### Easy Home Finance Limited

#### Notes forming part of the Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>20</b>	<b>Interest income</b>		
(i)	Interest Income on Loans	4,497.08	2,512.31
	Interest income on fixed deposits	98.40	58.67
	<b>Total</b>	<b>4,595.48</b>	<b>2,570.98</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>20</b>	<b>Other operating income</b>		
(ii)	Fee Income and other charges	285.98	253.34
	Net gain on derecognition of financial instruments under amortised cost	1,491.67	513.71
	<b>Total</b>	<b>1,777.65</b>	<b>767.05</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>21</b>	<b>Other income</b>		
	Profit on sale of investments	418.67	209.67
	Interest income on security deposit	7.48	4.91
	Insurance Income	337.67	39.76
	Other income	130.43	302.19
	<b>Total</b>	<b>894.25</b>	<b>556.53</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>22</b>	<b>Finance cost</b>		
	On financial liabilities measured at amortised cost:		
	Interest on Borrowing	2,745.53	1,230.41
	Interest on Lease liability	54.20	55.59
	Other borrowing costs	25.33	(50.84)
	<b>Total</b>	<b>2,825.06</b>	<b>1,235.16</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>23</b>	<b>Impairment on financial instruments</b>		
	On financial instrument measured at amortised cost		
	Loans	93.54	46.70
	<b>Total</b>	<b>93.54</b>	<b>46.70</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>24</b>	<b>Employee benefits expense</b>		
	Salary, bonus and allowances	2,715.63	1,583.29
	Contribution to provident fund and other funds	132.67	92.59
	Staff welfare expenses	62.18	38.84
	<b>Total</b>	<b>2,910.48</b>	<b>1,714.72</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>25</b>	<b>Other expenses</b>		
	Rent, rates and taxes	14.27	(7.90)
	Repairs and maintenance	41.51	35.25
	Communication, postage and courier	20.24	17.39
	Printing and stationery	13.35	13.97
	Electricity	20.18	16.10
	Office maintenance	33.49	23.39
	Legal and professional	101.12	84.07
	Travelling and conveyance expenses	104.13	85.45
	Advertisement and business promotion	47.28	27.93
	Brokerage, Commission and fees	7.15	3.01
	Membership and Subscription Fee	4.42	6.23

### Easy Home Finance Limited

### Notes forming part of the Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Stamp Duty Expenses	11.97	14.34
	Auditor's remuneration	11.04	10.20
	Goods and service tax	25.71	48.00
	Directors sitting fees	28.40	26.20
	Miscellaneous	2.18	20.00
	<b>Total</b>	<b>486.44</b>	<b>423.63</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>25.1</b>	<b>Remuneration to Auditors :</b>		
	<b>As auditor</b>		
	- for statutory audit	6.75	6.75
	- for tax audit	0.75	0.75
	- for certifications	3.54	2.70
	<b>Total</b>	<b>11.04</b>	<b>10.20</b>

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>26</b>	<b>Deferred tax Assets/Liabilities (DTA/DTL)</b>		
	<b>(A) Deferred Tax Assets</b>		
	ECL on loans	43.84	19.03
	Security deposit INDAS	4.47	21.51
	Depreciation and amortisation expenses	12.44	
	outstanding expenses	10.59	3.53
	Lease liabilities	116.66	114.67
	Provisions(Gratuity)	20.10	15.43
	Unamortised fees income	155.90	95.06
	ESOP reserve	6.67	3.67
	C/F losses as per Income Tax	89.20	158.08
	<b>Total (A)</b>	<b>459.87</b>	<b>430.98</b>
	<b>(B) Deferred Tax Liabilities</b>		
	Deferred exp of fees income (EIR)	(120.48)	(62.52)
	Deduction of special reserve as per section 36(1)(viii) of the Income Tax Act, 1961	(19.49)	(13.46)
	Financial instruments (Borrowings) measured at EIR	(117.96)	(43.54)
	Depreciation and amortisation expenses		(38.63)
	ROU	(103.01)	(105.71)
	<b>Total (B)</b>	<b>(360.94)</b>	<b>(263.86)</b>
	<b>Total (A-B)</b>	<b>98.93</b>	<b>167.12</b>
	MAT Credit entitlement (C)	-	-
	<b>Deferred tax assets/(liabilities) (A-B)</b>	<b>98.93</b>	<b>167.12</b>
	<b>Deferred tax recorded in other comprehensive income</b>		
	Remeasurements of employee benefits through OCI	(1.40)	1.03

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>27</b>	<b>Earnings per share</b>		
	Net Profit attributable to equity shareholders for basic and diluted EPS	523.36	472.20
	Weighted Average number of equity shares used in computing basic earnings per equity share (Number)	430.14	391.01
	Weighted Average number of equity shares used in computing diluted earnings per equity share (Number)	430.14	391.01
	Nominal value of shares	10.00	10.00
	Earnings per share (Basic)	1.22	1.21
	Earnings per share (Diluted)	1.22	1.21

## 28 Segment Reporting

The Company has only one reportable business segment, i.e. lending to borrowers, which have similar nature of products and services, risk and return profile, type/class of customers and the nature of the regulatory environment (which is banking), risks and returns for the purpose of Ind AS 108 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. Accordingly, the amounts appearing in the financial statements relate to the Company's single business segment. The Company operates in a single geographical segment i.e. domestic.

## 29 Transfer of financial assets that are derecognised in their entirety where the Company has continuing involvement

The Company has not transferred any assets that are derecognised in their entirety where the Company continues to have continuing involvement.

## 30 Changes in liabilities arising from financing activities

The Company does not have any financing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents.

## 31 Employee benefit plans

### Gratuity

The Company has a gratuity plan for its employee's which is governed by the Payment of Gratuity Act, 1972. The gratuity benefit payable to the employees of the Company is greater of the provisions of the Payment of Gratuity Act, 1972 and the Company's gratuity scheme. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The level of benefits provided depends on the employee's length of service, managerial grade and salary at retirement age. The gratuity plan is non - funded plan.

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

### Statement of Profit and Loss

Net employee benefit expense recognised in the employee cost

Particulars	March 31, 2024	March 31, 2023
Current service cost	25.93	19.95
Past Service Cost	-	-
Loss/Gain from Settlement	-	-
Interest cost on net defined benefit obligation	3.71	1.89
<b>Net (benefit) / expense</b>	<b>29.64</b>	<b>21.84</b>
	-	-
Movement in Other Comprehensive Income	-	-
<b>Re-measurements on DBO</b>	-	-
a. Actuarial (loss) / gain from changes in demographic assumptions	(2.24)	-
b. Actuarial (loss) / gain from changes in financial assumptions	0.44	(2.25)
c. Actuarial (loss) / gain from experience over the past year	(3.77)	2.15
<b>Balance at end of year (Loss)/Gain</b>	<b>(5.57)</b>	<b>(0.10)</b>

Changes in the present value of the defined benefit obligation are as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Opening defined benefit obligation</b>	50.65	28.91
Current service cost	25.93	19.95
Interest cost	3.71	1.89
Benefits paid	(0.51)	-
<b>Remeasurements</b>		
Actuarial loss / (gain) from changes in demographic assumptions	(2.24)	-
Actuarial loss / (gain) from changes in financial assumptions	0.44	(2.25)
Actuarial loss / (gain) from experience over the past year	(3.77)	2.15
<b>Closing defined benefit obligation</b>	<b>74.21</b>	<b>50.65</b>

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	March 31, 2024	March 31, 2023
Salary Esc lation	5%	5%
Discount rate	7%	7%
Attrition rate	20%	15%

The discount rate is generally based upon the market yield available on the Government bonds at the reporting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

#### Sensitivity analysis

Particulars	As at March 31, 2024	As at March 31, 2023
Increase/(decrease) on present value of defined benefits obligation at the end of the year		
(i) One percentage point increase in discount rate	70.84	47.92
(ii) One percentage point decrease in discount rate	77.89	53.67
(i) One percentage point increase in rate of salary growth rate	77.33	53.21
(ii) One percentage point decrease in rate of salary growth rate	71.29	48.24

**Maturity profile**

Particulars	As at March 31, 2024	As at March 31, 2023
Within the next 12 months (next annual reporting period)	10.84	6.39
Between 2 and 5 years	47.88	29.21
Between 5 and 10 years	32.44	23.62
More than 10 years	19.20	23.98
<b>Total expected payments</b>	<b>110.36</b>	<b>83.20</b>

**Easy/ Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Particulars	As at March 31, 2024	As at March 31, 2023
<b>32</b>	<b>Contingent liabilities and commitments</b>		
(a)	Contingent liabilities	-	-
(b)	<b>Commitments</b>		
	Loan Commitments towards Partly Disbursed Loans & Sanction Undisbursed Loans	4,125.00	5,214.85
	<b>Total</b>	<b>4,125.00</b>	<b>5,214.85</b>

**33 Disclosures as required by Ind AS 116 – Leases are stated below:**

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

Particulars	As at March 31, 2024	As at March 31, 2023
<b><u>Lease liability movement</u></b>		
<b>Particulars</b>		
Opening Balance	455.61	84.25
Addition during the year	168.75	473.36
Interest on Lease Liability	54.20	55.59
Deletion during the year	(11.04)	-
Lease rental payment	(203.99)	(157.59)
Balance at the year end	<b>463.53</b>	<b>455.61</b>
	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
<b><u>Amounts recognised in the Statement of Profit &amp; Loss</u></b>		
<b>Particulars</b>		
Asset wise depreciation charge of right-of-use assets	168.42	132.34
Interest expense (included in finance cost)	54.20	473.36
Expense relating to short-term leases (included in rent expenses)	-	(7.90)
<b>Total</b>	<b>222.62</b>	<b>597.80</b>
	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b><u>Future Lease Cash Outflow for all leased assets:</u></b>		
<b>Particulars</b>		
Not later than one year	252.63	166.67
Later than one year but not later than five years	182.70	207.12
Later than five years	-	-

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**34 Disclosure of transactions with related parties as required by Ind AS 24****A.**

Nature of relationship	Name of related party
Person having significant influence	M/s. Xponentia Opportunities Fund
Enterprise where major shareholders have control/ significant influence	Lakshachandi Housing and Infrastrucutre Private Limited Lakshachandi Developers Private Limited Om-Kailash Finance and Investments Private Limited Mr. Rohit Chokhani, Managing Director
Key Managerial Person	Mr. Praveen Agrawal, Whole Time Director & Chief Executive Officer Mr. Bikash Kumar Mishra, Chief Financial Officer Mr. Siddharth Mehta, Company Secretary

**B. Details of related party transactions during the year**

Name	Nature of transaction	For the Year March 31, 2024	For the Year ended March 31, 2023
Lakshachandi Housing and Infrastructure Private Limited	Rent Paid	119.69	78.06
Lakshachandi Developers Private Limited	Rent Paid	-	3.32
Om-Kailash Finance and Investments Private Limited	Rent Paid	4.80	4.96
Lakshachandi Housing and Infrastructure Private Limited	Security Deposit	-	23.00
Key Managerial Persons	Remuneration paid*	289.88	216.24

\* Remuneration is inclusive of arrear ₹ paid during the year.

**C.**

Key Management personnel	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Short-term employee benefits	289.88	216.24
Post employment benefits	-	-
Other long term employment benefits	-	-
Share Based Payments	-	-
Total	289.88	216.24

**D. Closing Balances**

Name	Nature of transaction	For the Year ended March 31, 2024	For the Year ended March 31, 2023
Lakshachandi Housing and Infrastructure Private Limited	Security Deposit receivable	48.00	48.00

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**35 Employee Stock Option Schemes (ESOS)**

Easy Home Finance Limited had in the previous years announced and adopted EHFL ESOP Plan 2021 for its employees wherein each option represents one equity share of the Company. Nomination and Remuneration Committee constituted by the Board of Directors administers EHFL ESOP Plan 2021.

**35.1 EHFL ESOP Plan 2021 – Feb'2022**

The shareholders of the Company at their meeting dated February 16, 2022 approved the 'EHFL ESOP Plan 2021' scheme consisting of 8,45,000 stock options representing 8,45,000 fully paid up equity shares of ₹ 10 each of the Company to be issued in one or more tranches to eligible employees of the Company. The Nomination and Remuneration Committee constituted by the Board of Directors of the Company has, at its meeting held on dated March 25, 2022, December 19, 2022 and March 29, 2023, granted total 8,38,236 ESOPs, following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments ("the Guidelines"). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest 20% each year with effect from the end of one year from the date of Grant and first vesting date i.e. March 24, 2023, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme.



	Particulars	EHFL ESOP Plan 2021
(i)	Exercise price	The exercise price shall be Rupees 43/- per stock options, as determined in the ESOP Plan.
(ii)	Vesting conditions	On expiry of one year- 20% of options granted On expiry of two year- 20% of options granted On expiry of three year- 20% of options granted On expiry of four year- 20% of options granted On expiry of five year- 20% of options granted
(iii)	Maximum term of options granted	5 years from the date of vesting
(iv)	Vesting requirements	Continued employment at the vesting date
(v)	Exercise period	The exercise period shall be determined by the Board of Directors/Nomination and Remuneration Committee in consortium with the liquidity event.
(vi)	Pricing Formula	Calculation is based on fair value method

(vii)	<b>Option movement during the year</b>	<b>EHFL ESOP Plan 2021</b>	
	<b>Particulars</b>	<b>For the year ended Mar 31, 2024</b>	<b>For the year ended Mar 31, 2023</b>
	No. of options outstanding at the beginning of the year	6,810	10,271
	No. of options granted during the year	(48,085)	(1,70,732)
	No. of options added back in the year	65,261	1,67,271
	No. of options forfeited/lapsed during the year	-	-
	No. of options exercised during the year	-	-
	<b>No. of options outstanding at the end of the year</b>	<b>23,986</b>	<b>6,810</b>
	No. of stock exercisable at the end of the year	-	-

### Easy Home Finance Limited

### Notes forming part of the Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

	Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b>36</b>	<b>Statutory reserve (As per the Section 29C of the National Housing Bank Act, 1987) read with section 36 (1) (viii) of Income-tax Act, 1961</b>		
	Opening balance as at the beginning of the year	94.44	-
	Add : Transferred from the statement of profit and loss	104.67	94.44
	Less : Utilised during the year	-	-
	<b>Closing balance as at the end of the year</b>	<b>199.11</b>	<b>94.44</b>

Section 29C of The National Housing Bank (NHB) Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. For this purpose any special reserve created by the Company under Section 36(1) (viii) of Income tax Act 1961, is considered to be an eligible

**Reserve fund under section 29C of National Housing Bank Act, 1987**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
<b><u>Balance at the beginning of the year</u></b>		
a) Statutory reserve under section 29C of the National Housing Bank Act, 1987	40.98	-
b) Amount of special reserve under section 36(1)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	53.46	-
c) Total	<b>94.44</b>	<b>—</b>
<b><u>Addition/ appropriation/ withdrawal during the year</u></b>		
<b>Add:</b>		
a) Amount transferred under section 29C of the NHB Act, 1987	23.96	40.98
b) Amount of special reserve under section 36(1)(viii) of Income-tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	80.71	53.46
<b>Less:</b>		
a) Amount appropriated from the statutory reserve under section 29C of the NHB Act,	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income-tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s	-	-
<b><u>Balance at the end of the year</u></b>		
a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	64.94	40.98
b) Amount of special reserve u/s 36(1)(viii) of Income -tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	134.17	53.46
c) Total	<b>199.11</b>	<b>94.44</b>

The Company has not withdrawn any amount from Statutory Reserve created u/s 29C of the National Housing Bank Act, 1987

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**37 Maturity analysis of assets and liabilities**

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

Particulars	As at 31 Mar 2024			As at 31 Mar 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>Assets</b>						
<b>Financial assets</b>						
Cash and cash equivalents	1,228.79	-	1,228.79	2,083.91	-	2,083.91
Bank balance other than above	3,979.34	285.00	4,264.34	1,774.10	-	1,774.10
Trade Receivables	67.68	-	67.68	395.34	-	395.34
Loans	586.70	34,733.00	35,319.70	354.28	21,409.24	21,763.52
Investments	-	-	-	699.96	-	699.96
Other Financial assets	2,265.78	-	2,265.78	685.76	-	685.76
<b>Non-financial Assets</b>						
Current tax assets	-	-	-	14.45	-	14.45
Deferred tax assets	-	98.93	98.93	-	167.12	167.12
Property, plant and equipment	-	74.11	74.11	-	60.49	60.49
Intangible assets under development	-	577.56	577.56	-	944.06	944.06
Right to Use	-	409.32	409.32	-	420.03	420.03
Other Intangible assets	-	1,151.20	1,151.20	-	375.00	375.00
Other non financial assets	-	95.23	95.23	-	84.11	84.11
<b>Total assets</b>	<b>8,128.29</b>	<b>37,424.35</b>	<b>45,552.64</b>	<b>6,007.80</b>	<b>23,460.05</b>	<b>29,467.85</b>
<b>Liabilities</b>						
<b>Financial Liabilities</b>						
Payables						
(i) total outstanding dues MSME	7.50	-	7.50	6.75	-	6.75
(ii) total outstanding dues of creditors other than MSME	43.68	-	43.68	126.72	-	126.72
Borrowings (other than debt security)	7,439.99	19,790.64	27,230.63	4,817.47	13,374.41	18,191.89
Lease liabilities	252.63	210.90	463.53	157.59	298.02	455.61
Other Financial liabilities	153.30	-	153.30	95.01	-	95.01
<b>Non-financial Liabilities</b>						
Current tax liabilities (net)	10.79	-	10.79	-	-	-
Provisions	79.88	-	79.88	62.97	-	62.97
Other non-financial liabilities	83.38	-	83.38	116.68	-	116.68
<b>Total Liabilities</b>	<b>8,071.15</b>	<b>20,001.54</b>	<b>28,072.69</b>	<b>5,383.20</b>	<b>13,672.43</b>	<b>19,055.63</b>
<b>Net</b>	<b>57.14</b>	<b>17,422.84</b>	<b>17,479.96</b>	<b>624.61</b>	<b>9,787.62</b>	<b>10,412.23</b>

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**38 Change in liabilities arising from financing activities****(a) Changes in capital and asset structure arising from financing activities and investing activities (Ind AS 7 'Statement of Cash Flows')**

The Company does not have any financing activities and investing activities which affect the capital and asset structure of the Company without the use of cash and cash equivalents

**(b) Changes in liabilities arising from financing activities**

Particulars	As at March 31, 2023	Net Cash Flows	Other*	As at March 31, 2024
Borrowings (debt securities)	-	-	-	-
Borrowings other than debt securities	18,191.89	9,184.31	(145.57)	27,230.63
<b>Total</b>	<b>18,191.89</b>	<b>9,184.31</b>	<b>(145.57)</b>	<b>27,230.63</b>

Particulars	As at March 31, 2022	Net Cash Flows	Other*	As at March 31, 2023
Borrowings (debt securities)	500.00	(500.00)	-	-
Borrowings other than debt securities	3,707.08	14,807.93	(323.12)	18,191.89
<b>Total</b>	<b>4,207.08</b>	<b>14,307.93</b>	<b>(323.12)</b>	<b>18,191.89</b>

\*EIR adjustment as per IND AS 109

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**39 Capital****Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, Securities premium and all other equity reserves attributable to the equity holders of the Company net of intangible assets. The primary objective of the Company's capital management is safety and security of share capital and maximize the shareholder value.

The Company manages its capital structure in light of changes in economic conditions and the requirements of the financial covenants. The company monitors capital using a gearing ratio, which is total debt divided by net worth. The Company's policy is to keep the gearing ratio at reasonable level of 6.8 times in imminent year while Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 currently permits HFCs to borrow up to 12 times of their net owned funds ("NOF"). The Company includes with in debt, its all interest bearing loans and borrowings.

Capital Adequacy Ratio	As at March 31, 2024	As at March 31, 2024
<b>CRAR(%)</b>	<b>67.88%</b>	<b>60.99%*</b>
CRAR-Tier I Capital (%)	67.37%	60.41%
CRAR-Tier II Capital (%)	0.51%	0.58%
Amount of subordinated debt raised as Tier II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-
* In FY 23 EIS receivables was not considered		

Gearing Ratio

Particulars	As at March 31, 2024	As at March 31, 2024
Net Debt	27,230.63	18,342.02
Total Equity	17,479.95	10,412.22
<b>Net Debt to Equity Ratio</b>	<b>1.56:1</b>	<b>1.76:1</b>

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

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.

## Easy Home Finance Limited

### Notes forming part of the Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

#### 40 Fair value measurement

Set out below, is a comparison by category of the Company's financial instruments

##### 40.1 Financial instruments (Financial Assets and Financial Liabilities) by cate

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
<b>Financial Assets</b>						
Cash and cash equivalents	-	-	1,228.79	-	-	2,083.91
Bank Balance other than above	-	-	4,264.34	-	-	1,774.10
Trade receivables	-	-	67.68	-	-	395.34
Loans	-	-	35,319.70	-	-	21,763.52
Investments	-	-	-	699.96	-	-
Other Financial assets	-	-	2,265.78	-	-	685.76
<b>Total</b>	<b>-</b>	<b>-</b>	<b>43,146.29</b>	<b>699.96</b>	<b>-</b>	<b>26,702.63</b>
<b>Financial Liabilities</b>						
Trade Payables	-	-	51.18	-	-	133.47
Borrowings (Other than Debt Securities)	-	-	27,230.63	-	-	18,191.89
Lease liabilities	-	-	463.53	-	-	455.61
Other financial liabilities	-	-	153.30	-	-	95.01
<b>Total</b>	<b>-</b>	<b>-</b>	<b>27,898.64</b>	<b>-</b>	<b>-</b>	<b>18,875.98</b>

##### 40.2 Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

##### 40.3 Fair value hierarchy

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques. Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

**Level 1:** Valuation based on quoted market price: financial instruments with quoted prices for identical instruments in active markets that the company can access at the measurement date.

**Level 2:** Valuation using observable inputs: financial instruments with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

**Level 3:** Valuation technique with significant unobservable inputs: financial instruments valued using valuation techniques where one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

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

#### 40.4 Financial assets and liabilities measured at fair value – recurring fair value measurements

Particulars	As at March 31, 2024			As at March 31, 2023		
	Level-1	Level-2	Level-3	Level-1	Level-2	Level-3
Investments in Mutual funds	-	-	-	699.96	-	-

#### 40.5 Fair value of financial instruments not measured at fair value as at:

Particulars	As at March 31, 2024			As at March 31, 2023		
	Level-1	Level-2	Level-3	Level-1	Level-2	Level-3
<b>Financial Assets</b>						
Cash and cash equivalents	-	-	1,228.79	-	-	2,083.91
Other bank balances	-	-	4,264.34	-	-	1,774.10
Trade receivables	-	-	67.68	-	-	395.34
Loans	-	-	35,319.70	-	-	21,763.52
Investments	-	-	-	699.96	-	-
Other Financial assets	-	-	2,265.78	-	-	685.76
<b>Total</b>	<b>-</b>	<b>-</b>	<b>43,146.29</b>	<b>699.96</b>	<b>-</b>	<b>26,702.63</b>
<b>Financial Liabilities</b>						
Trade Payables	-	-	51.18	-	-	133.47
Borrowings (Other than Debt Securities)	-	-	27,230.63	-	-	18,191.89
Lease liabilities	-	-	463.53	-	-	455.61
Other financial liabilities	-	-	153.30	-	-	95.01
<b>Total</b>	<b>-</b>	<b>-</b>	<b>27,898.64</b>	<b>-</b>	<b>-</b>	<b>18,875.98</b>

#### Easy Home Finance Limited

#### Notes forming part of the Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

#### 41 Transfer of Financial assets

##### A Assignment Deal:

As per term of deals, since substantial risk and rewards related to these assets are transferred to the buyer, the assets have been derecognised from the balance sheet. The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the company business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition.

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of derecognised financial assets	13,455.99	3,339.08
Carrying Gain from derecognition	1,355.20	513.71

**B Co-lending Deal:**

Co lending (CLM 2) is akin to a Direct Assignment transaction. Accordingly, the company ensures compliance with all the requirements in terms of RBI Guidelines on Transactions Involving Transfer of Assets through Direct Assignment of Cash Flows and the Underlying Securities, vide RBI Circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated Sep 24, 2021 and as amended time to time.

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amount of derecognised financial assets	2,716.18	-
Carrying Gain from derecognition	136.47	-

## 42 Risk Management Objectives and Policies

### Risk Management Framework

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. As a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The Principal Objective in Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. Company's risk management framework is driven by Board and its subcommittees. 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, interest rate risk.

**42.1 Liquidity and funding risk**

The Company monitors asset liability mismatches to ensure there are no imbalances or excessive concentrations on either side of the balance sheet. The Company continuously monitors liquidity in the market; and as a part of its strategy, it maintains a liquidity buffer managed by an active investment desk to reduce this risk. The Company maintains a judicious mix of equity and borrowings. The Company continues to diversify its sources of borrowings with an emphasis on longer tenor borrowings. This strategy of balancing varied sources of funds and long tenor borrowings has helped the Company maintain a healthy asset liability position.

## 42.2 The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities.

**Maturity profile of Financial liabilities**

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Borrowings	7,439.99	19,790.64	27,230.63	4,817.48	13,374.41	18,191.89
Payables	51.18	-	51.18	133.47	-	133.47
Lease Liabilities	252.63	210.90	463.53	157.59	298.02	455.61
Other Financial Liabilities	153.30	-	153.30	95.01	-	95.01
<b>Total</b>	<b>7,897.10</b>	<b>20,001.54</b>	<b>27,898.64</b>	<b>5,203.55</b>	<b>13,672.43</b>	<b>18,875.98</b>

**42.3 Credit risk**

Credit Risk arises from the risk of loss that may occur from the default of Company's customers under loan agreements. Customer defaults and inadequate collateral may lead to higher credit impaired assets. Company address credit risks by using a set of credit norms and policies, which are approved by Board and backed by analytics and technology. Company has implemented a structured and standardized credit approval process, including customer selection criteria, comprehensive credit risk assessment and cash flow analysis, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of a potential customer. Actual credit exposures, credit limits and asset quality are regularly monitored and analysed at various levels. Company has created a robust credit assessment and underwriting practice that enables to fairly price credit risks.

The company has implemented a four prong system of credit assessment comprising underwriting, legal assessments, technical assessments and a fraud/risk containment unit.

The Company's credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income & obligations, the loan-to-value ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels. The various process controls such as PAN Number Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. In addition External agencies such as field investigation agencies facilitate a comprehensive due diligence process including visits to offices and homes.

The Company analyses the portfolio performance of each product segment regularly, and use these as inputs in revising our product programs, target market definitions and credit assessment criteria to meet our twin objectives of combining volume growth and maintenance of asset quality.

#### 42.4 Classification of financial assets under various stages

**Stage 1:** Loans with DPD between 0-30 days are classified as Stage 1. These are unimpaired and without significant increase in credit risk and 12 month ECL is recognised on these loans.

**Stage 2:** Loans with DPD between 31-90 days are classified as Stage 2. There is a significant increase in credit risk and lifetime ECL is recognised on these loans.

**Stage 3:** Loans with DPD > 90 days are classified as Stage 3. There is a objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired and lifetime ECL is recognised on these loans.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 30 days past due ('DPD') and are accordingly transferred from stage 1 to stage 2. For stage 1 an ECL allowance is calculated based on a 12-month probability of default ('PD'). For stage 2 and 3 assets a time ECL is calculated based on a lifetime PD.

#### 42.5 Impairment Loss Allowance – Expected Credit Loss (ECL)

Expected Credit Loss (ECL) is a calculation of the present value of the amount expected not to be recovered on a financial asset, for financial reporting purposes. Credit risk is the potential that the obligor and counterparty will fail to meet its financial obligations to the lender. This requires an effective assessment and management of the credit risk at both individual and portfolio level.

The key components of Credit Risk assessment are as below along with with an adjustment considering the forward macro economic scenario:

- Probability of Default (PD): represents the likelihood of default over a defined time horizon.
- Exposure at Default (EAD): represents the gross exposure at the time of default.
- Loss Given Default (LGD): represents the proportion of EAD that is likely loss post-default.

The definition of default is taken as more than 90 days past due for all individual and other loans.

EAD is the total amount outstanding including interest due as on the reporting date. The ECL is computed as a product of PD, LGD and EAD.

Financial instruments other than loans were subjected to simplified ECL approach under Ind AS 109 - 'Financial instruments' and accordingly were not subject to sensitivity of future economic conditions.

#### 42.6 The table below summarises the gross carrying values and the associated allowance for expected credit loss (ECL) stage wise for total loan portfolio:

Particulars	March 31, 2024		
	Stage 1	Stage 2	Stage 3
Gross carrying value	35,030.53	307.66	155.73
Allowance for ECL	97.29	6.81	70.12
ECL coverage ratio	0.28%	2.21%	45.03%
Particulars	March 31, 2023		
	Stage 1	Stage 2	Stage 3
Gross carrying value	21,568.13	201.89	67.62
Allowance for ECL	59.59	4.38	10.14
ECL coverage ratio	0.28%	2.17%	15.00%



## 42.7 Market Risk

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

## 42.8 Interest Rate Risk

The company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity years 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 maturity gap analysis at quarterly intervals to quantify the risk.

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

Particulars	As at March 31, 24	As at March 31, 23
Finance Cost	2,825.06	1,235.16
0.50% increase	(129.47)	(51.21)
0.50% decrease	129.47	51.21

## 42.9 Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities. The Company recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management. 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.

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Disclosures required by the RBI vide Master Direction – Reserve Bank of India ( Non Banking Financial company - Scale based regulation) Directions, 2023 dated Oct 19, 2023 and as amended time to time

**43 Disclosure of complaints****(i) Summary information on complaints received by the Company from customers and from the Offices of Ombudsman**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Complaints received by the Company from its customers</b>		
1. No. of complaints pending at the beginning of the year	-	-
2. No. of complaints received during the year	12	16
3. Number of complaints disposed during the year	12	16
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. No. of complaints pending at the end of the year	-	-
<b>Maintainable complaints received by the NBFC from Office of Ombudsman*</b>		
1. No. of complaints resolved in favour of the NBFC by office of Ombudsman	NA	NA
2. No. of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NA	NA
3. No. of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NA	NA
4. No. 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 and covered within the ambit of the Scheme.

\* The Reserve Bank - Integrated Ombudsman Scheme, 2021 is not applicable to the Company.

## (ii) 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 beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
During the Financial Year 2023–24					
Ground- 1	-	-	0.0%	-	-
Ground- 2	-	-	0.0%	-	-
Ground- 3	-	-	0.0%	-	-
Ground- 4	-	-	0.0%	-	-
Ground- 5	-	-	0.0%	-	-
Ground- 6	-	-	0.0%	-	-
Ground- 7	-	-	0.0%	-	-
Ground- 8	-	-	0.0%	-	-
Ground- 9	-	-	0.0%	-	-
Ground- 10	-	12	-25.0%	-	-
Total	–	12		–	–
During the Financial Year 2022–23					
Ground- 1	-	-	0.0%	-	-
Ground- 2	-	-	0.0%	-	-
Ground- 3	-	-	0.0%	-	-
Ground- 4	-	-	0.0%	-	-
Ground- 5	-	-	0.0%	-	-
Ground- 6	-	-	0.0%	-	-
Ground- 7	-	-	0.0%	-	-
Ground- 8	-	-	0.0%	-	-
Ground- 9	-	-	0.0%	-	-
Ground- 10	-	16	128.6%	-	-
Total	–	16		–	–
Note: The list of grounds of complaints given below are indicative only.					
1. Credit Cards	2. Difficulty in operation of accounts	3. Mis-selling	4. Recovery Agents/ Direct Sales Agents		
5. Loans and advances	6. Levy of charges without prior notice/ excessive charges/ foreclosure charges	7. Non-observance of fair practices code	8. Staff behaviour		
9. Facilities for customers visiting the office/ adherence to prescribed working hours, etc.		10. Others: Others - Request for loan cancellation, refund,waiver of fees, FC Letter,LOD, Cheque Handover etc.			

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**44 Corporate governance****1) Composition of the Board**

Sl. No.	Name of Director	Director since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board		No. of other Directorships	Remuneration			No. of shares held in and convertible instruments held in the Company
					Held	At-tended		Salary and other compensation	Sitting Fee	Commission	
1	Mr. Debabrata Sarkar	2017	Non-Executive Director	2502618	8	8	10	NIL	4,00,000	-	72,000
2	Mr. Venkateshwar Rao Thallapaka	2017	Independent Director	5273533	8	8	8	NIL	4,00,000	-	72,000
3	Mr. Rajinder Singh Loona	2018	Independent Director	2305074	8	8	4	NIL	4,00,000	-	NIL
4	Mr. Sanjay Jain	2019	Independent Director	7436287	8	8	4	NIL	4,00,000	-	2,86,000
6	Mr. Perumal Srinivasan	2021	Nominee Director	365025	8	5	13	NIL	NIL	-	2,00,000
7	Ms. Divya Sutar	2021	Nominee Director	9271834	8	6	NIL	NIL	NIL	-	NIL
8	Mr. Rohit Chokhani	2017	Managing Director (Executive)	1984506	8	8	4	₹ 1,03,50,000/-	NIL	-	78,94,541
9	Mr. Praveen Agrawal	2021	Whole Time Director (Executive)	8064084	8	7	NIL	₹ 87,40,000/-	NIL	-	2,78,000
10	Mr. Sho Nakagawa	2022	Nominee Director	8425187	8	6	1	NIL	NIL	-	NIL

\* Mr. Rajinder Singh Loona (DIN- 02305074) was appointed as an Independent Director of the Company to hold office for the second term of three consecutive years with effect from 18th August, 2023, not liable to retire by rotation.

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

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter)	Nature of change (resignation, appointment)	Effective date
1	Mr. Rajinder Singh Loona	Independent Director	Appointment for 2nd term of three consecutive years	18.08.2023
2	Mr. Rohit Chokhani	Managing Director	Re-appointment for a term of five years	01.10.2023

**3) Where an independent director resigns before expiry of her/ his term, the reasons for resignation as given by her/him**

Sl. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter)	Reason of Change	Effective date
1	Nil	Nil	Nil	Nil

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**4) Details of any relationship amongst the directors inter-se shall be disclosed: Nil****5) Committees of the Board and their composition**

Sl. No.	Names of the committees of the Board
a	Audit Committee
b	Nomination and Remuneration committee
c	Risk Management Committee
d	IT Strategy Committee
e	Independent Director Committee

**5 (a) Below are the details for Audit Committee**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Venkateshwara Rao Thallapaka (Chairman)	August 07, 2018	Independent Director	4	4	72,000
2.	Mr. Rajinder Singh	August 07, 2018	Independent Director	4	4	-
3.	Mr. P R Srinivasan	March 25, 2022	Nominee Director	4	4	2,00,000

**5 (b) Below are the details for Nomination and Remuneration Committee**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Rajinder Singh Loona (Chairman)	August 07, 2018	Independent Director	3	3	-
2.	Mr. Debabrata	August 07, 2018	Chairman & Non-Executive Director	3	3	72,000
3.	Mr. Sanjay Jain	March 25, 2022	Independent Director	3	3	2,86,000

**5 (c) Below are the details for Risk Management Committee**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Debabrata Sarkar	Member since August 07, 2018 and Chairman since March 25, 2022	Chairman & Non-Executive Director	3	3	72,000
2.	Mr. Venkateshwara Rao Thallapaka (Member)	August 07, 2018	Independent Director	3	3	72,000
3.	Mr. Praveen Kumar Agrawal (Member)	March 25, 2022	Whole Time Director (Executive)	3	3	2,78,000
4.	Mr. Rohit Chokhani (Member)	August 07, 2018	Managing Director (Executive)	3	3	78,94,541

**5 (d) Below are the details for IT Strategy Committee**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. Venkateshwara Rao Thallapaka (Chairman)*	August 07, 2018	Independent Director	2	2	72,000
2.	Mr. P R Srinivasan (Member)**	August 07, 2018	Nominee Director	2	2	2,00,000
3.	Mr. Debabrata Sarkar (Member)	August 07, 2018	Chairman & Non-Executive Director	2	2	72,000
4.	Mr. Rohit Chokhani (Member)	August 07, 2018	Managing Director (Executive)	2	2	78,94,541
5.	Mr. Kush Shrivastava***	February 16, 2024	Special Invitee	1	1	Nil

\*Mr. Venkateshwara Rao Thallapaka, who has been a Member of IT Strategy Committee since August 07, 2018, was redesignated as Chairman of the Committee post re-constitution;

\*\*Mr. Mr. P R Srinivasan, who has been a Chairman of IT Strategy Committee since March 25, 2022, was redesignated as a Member of the Committee

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**5 (e) Below are the details for Independent Director Committee**

Sl. No.	Name of Director	Member of Committee since	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/	Number of Meetings of the Committee		No. of shares held in the Company
				Held	Attended	
1.	Mr. R. S. Loona	August 08, 2018	Independent Director	1	1	-
2.	Mr. Venkateshwara Rao Thallapaka	August 07, 2018	Independent Director	1	1	72,000
3.	Mr. Sanjay Jain	September 07, 2018	Independent Director	1	1	2,86,000

**6) General Board Meetings, details of the date, place and special resolutions passed at the General Body Meetings as per below:**

Sl. No.	Type of Meeting (Annual/ Extra Ordinary)	Date and Place	Special resolutions passed
1	Extra Ordinary General Meeting	03.06.2022 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>• Approval Of Offer And Issue Of Equity Shares By Way of Private Placement And Approval Of Offer Document To Be Issued To The Identified Subscribers</li> </ul>
2	Annual General Meeting	10.07.2023 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>• To consider the revision in the remuneration payable to Mr. Praveen Kumar Agrawal, Whole Time Director &amp; CEO.</li> <li>• To consider re-appointment of Mr. Rohit Chokhani (DIN: 01984506) as a Managing Director of the company for a period of 5 years and fixing of his remuneration.</li> <li>• Approval of enhanced borrowing limits as prescribed under RBI Master Direction – NBFC HFC 2021 upto 8 times of NOF or INR 800 crores, whichever is less.</li> </ul>
3	Extra Ordinary General Meeting	15.07.2023 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>• Approval of offer and issue of fully paid-up equity share and partly paid-up equity shares by way of private placement and to approve offer document to be issued to the identified subscribers.</li> </ul>
4	Extra Ordinary General Meeting	23.09.2023 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>• Approval of offer and issue of fully paid-up equity share by way of private placement and to approve offer document to be issued to the identified subscribers.</li> <li>• Appointment of Mr. Rajinder Singh Loona (DIN: 02305074) as an Independent Director for 2nd consecutive term of 3 years</li> </ul>
5	Extra Ordinary General Meeting	09.03.2024 through Video Conferencing conducted from the Registered Office of the Company	<ul style="list-style-type: none"> <li>• Approval of the alteration of the Memorandum of Association of the company.</li> <li>(I) Reclassification of Authorized Share Capital and consequent Alteration of Memorandum of Association of the Company.</li> </ul>

**7) Details of non-compliance with requirements of Companies Act, 2013. Details and reasons of any default in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards:**

The Company has complied all the compliances with requirements of Companies Act, 2013 including with respect to compliance with accounting and secretarial standards.

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**45 Related Party Disclosure**

Related Party Items	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Man-agement Personnel*		Relatives of Key Manage-ment Personnel		Directors		Relatives of Directors		Others		Total	
	Cur- rent year	Pre- vious year	Current year	Pre- vious year	Cur- rent year	Pre- vious year	Cur- rent year	Pre- vious year	Cur- rent year	Pre- vious Year	Current year	Previ- ous Year	Cur- rent year	Pre- vious Year	Cur- rent year	Pre- vious Year	Current year	Previous year
<b>Borrow- ings</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Deposits</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Placement of deposits</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Advances</b>	-	-	-	-	-	-	-	-	-	-					-	-		
<i>Inter-cor- porate deposits placed</i>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<i>O/s balance at the year end- In- ter-corpo- rate</i>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Invest- ments</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Purchase of fixed/ other assets</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Sale of fixed/other assets</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Interest paid</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Interest received</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<i>Interest O/s</i>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Shares Buyback</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<b>Others</b>	-	-	-	-	-	-	-	-	-	-					-	-	-	-
<i>Security de- posit Paid</i>	-	-	-	-	-	-	-	-	-	-					-	23.00	-	<b>23.00</b>
<i>Remuner- ation &amp; Sitting Fee Paid</i>	-	-	-	-	-	-	77.48	22.39	-	-	212.40	193.85			-	-	<b>289.88</b>	<b>216.24</b>
<i>Expenses Paid</i>	-	-	-	-	-	-	-	-	-	-					124.49	86.35	<b>124.49</b>	<b>86.35</b>

\* Other than executive directors



**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**46 Exposures****46(i) Sectoral exposure**

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	% of GNPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off- balance sheet exposure)	Gross NPAs	% of GNPAs to total exposure in that sector
<b>1. Agriculture and Allied Activities</b>	-	-	-	-	-	-
<b>2. Industry</b>	-	-	-	-	-	-
i....	-	-	-	-	-	-
ii....	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total of Industry (i+ii+...+Others)</b>	-	-	-	-	-	-
<b>3. Services</b>	-	-	-	-	-	-
i....	-	-	-	-	-	-
ii....	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total of Services (i+ii+...+Others)</b>	-	-	-	-	-	-
<b>4. Commercial Real Estate</b>						
4.1 Of which, Builders / Developers for developing residential property	-	-	-	-	-	-
4.2. Any other CRE	-	-	-	-	-	-
<b>Total of Commercial Real Estate</b>	-	-	-	-	-	-
<b>5. Personal Loans **</b>						
i) Housing Finance Loans	31,288.60	146.04	0.47%	21,961.69	60.81	0.28%
ii) Non-Housing Finance Loans	8,330.33	9.69	0.12%	3,600.84	6.81	0.19%
<b>6. Others, if any</b>	-	-	-	-	-	-
<b>Total</b>	<b>39,618.93</b>	<b>155.73</b>	<b>0.39%</b>	<b>25,562.53</b>	<b>67.62</b>	<b>0.26%</b>

\*\* Total exposure includes committed loans and excludes Portfolio sold under Direct Assignment.

## 46(ii) Exposure to Real Estate Sector

Category	As at 31 Mar 2024	As at 31 Mar 2023
<b>A. Direct exposure</b>		
<b>i) Residential mortgages–</b>		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure	35,493.92	21,837.64
<b>ii) Commercial real estate–</b>		
Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises,		
multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition,		
development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-
- Non Fund Based Exposure to CRE	-	-
<b>iii) Investments in Mortgage Backed Securities (MBS) &amp; other securitised exposures</b>		
a. Residential	-	-
b. Commercial Real Estate	-	-
<b>B. Indirect exposure</b>		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
<b>Total Exposure to Real Estate Sector</b>	<b>35,493.92</b>	<b>21,837.64</b>

## 46(iii) Exposure to Capital Market

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

**47** Disclosures required by the RBI vide Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated 17 February 2021 and as amended time to time:

#### 47.1 Summary of Significant Accounting Policies

The accounting policies regarding key areas of operations are disclosed as Note 2 of accounting policy to the Financial Statement for the year ended Mar 31, 2024.

#### 47.2 Investments

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Value of investments		
(i) Gross value of investments		
(a) In India	-	699.96
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	-	699.96
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

#### 47.3 Derivatives

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

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
i) The notional principal of swap agreements	-	-
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
(iii) Collateral required by the housing finance companies upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	-	-

Note: There are no derivative transactions during the year/ previous year

##### Exchange Traded Interest Rate (IR) Derivative

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on end of year (instrument-wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	-	-
Note: There are no derivative transactions during the year/ previous year		

##### Disclosures on risk exposure in derivatives – Qualitative Disclosure

The Company has no transactions/exposure in derivatives in the current and previous year.

**Disclosures on risk exposure in derivatives – quantitative disclosure**

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	-	-
(ii) Marked to market positions [1]	-	-
(a) Assets (+)	-	-
(b) Liability (-)	-	-
(iii) Credit exposure [2]	-	-
(iv) Unhedged exposures	-	-

**Note:** There are no derivative transactions during the current year/ previous year.

**47.4 Unhedged foreign currency exposure**

The Company has no unhedged foreign currency exposures in current and previous year.

**47.5 Securitisation**

Particulars	Numbers	Amount
1. Number of Special Purpose Entities (SPV's) sponsored by the Housing Finance Company ('HFC') for securitisation transactions	-	-
2. Total amount of securitised assets as per books of the SPVs sponsored	-	-
3. Total amount of exposures retained by the HFC towards the Minimum Retention Requirement (MRR) as on the date of balance sheet	-	-
(I) Off-balance sheet exposures towards credit concentration	-	-
(II) On-balance sheet exposures towards credit concentration	-	-
4. Amount of exposures to securitisation transactions other than MRR	-	-
I) Off-balance sheet exposures towards credit concentration	-	-
a) Exposure to own securitizations	-	-
b) Exposure to third party securitisations	-	-
(II) On-balance sheet exposures towards credit concentration	-	-
a) Exposure to own securitizations	-	-
b) Exposure to third party securitisations	-	-

**Details of financial assets sold to Securitisation/ Reconstruction company for Asset Reconstruction**

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
(i) No. of accounts	-	-
(ii) Aggregate value (net of provisions) of accounts sold to Securitisation Company / Reconstruction Company	-	-
(iii) Aggregate consideration	-	-
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

**Note:** There are no securitization transactions during the current year/ previous year

**Details of assignment transactions undertaken by HFCs**

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
(i) Number of accounts	1,520.00	487.00
(ii) Aggregate value (net of provisions) of accounts assigned	13,455.99	3,339.08
(iii) Aggregate consideration	13,455.99	3,339.08
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	1,355.20	513.71

**Note:** Direct Assignment sale transaction has been undertaken in the current financial year

**47.6 Details of non-performing financial assets purchased / sold****A. Details of non-performing financial assets purchased:**

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
1. (a) Number of accounts purchased during the year	-	-
(b) Aggregate outstanding	-	-
2. (a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

**B. Details of non-performing financial assets sold:**

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
1. Number of accounts sold	-	-
2. Aggregate outstanding	-	-
3. Aggregate consideration received	-	-

**47.7 Details of Financing of parent company products**

There is no financing of parent company products.

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

The Company has not exceeded the Single Borrower Limit and Group Borrower Limit as prescribed by NHB.

**Details of Unsecured Advances**

The company has not given any unsecured loans.

**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	-	-
ii) Exposure to all entities in a group engaged in real estate business	-	-

**47.8 Other disclosures****Registration obtained from other financial sector regulators**

The Company has not obtained registration from any other Finance sector regulator

**Disclosure of Penalties imposed by NHB/RBI and other statutory authorities**

NHB/RBI/IRDA or any other regulator has not imposed any Penalty or strictures on the Company in current year and previous year.

**Related Party Transactions**

Details of all material transactions with related parties are disclosed in Note 34 to Financial Statements.

**Group Structure**

The Company is Standalone Company having no Holding or Subsidiaries or Associate Companies. Hence Diagrammatic representation of group structure is not disclosed.

**Intra-group exposures**

There are no intra group exposures in current year and previous year

**Remuneration to Directors**

Remuneration to Directors of the company covered under the Companies Act, 2013 and relevant provision of Standard of Auditing. Such details are disclosed related party in note 34

**Management**

Refer to the Management Discussion and Analysis report for the relevant disclosures.

**Rating assigned by Credit Rating Agencies and migration of rating during the year.**

During the year, Company has voluntarily surrendered the CRISIL rating of 'BBB-' Stable Outlook (Long Term Facilities- ₹ 90 crores) and obtained the rating of "BBB' Stable outlook (Long term facilities - ₹ 400 crores) from India Rating on January 11, 2024.

**Net Profit or Loss for the period, prior period items and changes in accounting policies**

There is a prior period adjustment related to depreciation on fixed assets which is disclosed under SOCIE, refer note no.19.

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**47.9 Assets Liability Management****Maturity pattern of certain items of Assets and Liabilities as on March 31, 2024**

Particulars	1 to 7 days	8 to 14 days	15 days to 30/31 days (one month)	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank/FI	261.12	39.93	236.61	551.27	553.03	1,915.37	3,882.66	13,410.99	5,123.91	1,255.74	27,230.63
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	31.76	2.69	-	50.57	43.76	142.03	315.90	1,477.10	1,910.96	31,344.93	35,319.70
Investments in Mutual funds	-	-	-	-	-	-	-	-	-	-	-
Investments in Fixed deposit	-	3,500.00	-	253.00	-	166.35	59.99	285.00	-	-	4,264.34
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

**Notes:**

- (i) Foreign currency liabilities and foreign currency assets are Nil
- (ii) The residual maturity profile of Assets and Liabilities is carried out based on the estimates and assumptions regarding behavioural pattern of pre-payments/maturities/ renewals and Commitments.
- (iii) IND AS adjustments are adjusted in bucket "Over 5 Years"

**Maturity pattern of certain items of Assets and Liabilities as on March 31, 2023**

Particulars	1 to 7 days	8 to 14 days	15 days to 30/31 days (one month)	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank/FI	112.59	18.20	250.69	385.34	346.51	1,206.30	2,497.83	9,168.24	4,120.36	85.83	18,191.89
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	24.80	2.77	-	27.91	28.26	86.88	183.66	855.88	1,061.53	19,491.83	21,763.52
Investments in Mutual funds	699.96	-	-	-	-	-	-	-	-	-	699.96
Investments in Fixed deposit	30.50	30.50	-	253.00	-	-	1,000.10	-	175.00	285.00	1,774.10
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

**Notes:**

- (i) Foreign currency liabilities and foreign currency assets are Nil
- (ii) The residual maturity profile of Assets and Liabilities is carried out based on the estimates and assumptions regarding behavioural pattern of pre-payments/maturities/ renewals and Commitments.
- (iii) IND AS adjustments are adjusted in bucket "Over 5 Years"

**Revenue Recognition**

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

**Divergence identified by NHB**

There has been no divergence in asset classification and provisioning requirements as assessed by NHB during the year ended 31 March 2024 and 31 March 2023.

**Draw Down from Reserves**

There has been no draw down from special reserve u/s 36(1)(viii) of Income -tax Act, 1961 or statutory reserve under Section 29C of the NHB Act, 1987 during the current year

**Consolidated Financial Statements (CFS)**

The company has no subsidiaries and holding company.

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

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
1. Provisions for depreciation on investment	-	-
2. Provision made towards income-tax	100.11	-
3. Provision towards standard assets	33.56	34.24
4. Provision towards sub standard, doubtful and loss assets	59.98	10.14
5. Other provision and contingencies (with details):	<b>77.37</b>	<b>81.97</b>
5 (i) Expected Credit Loss (Expenses) on Loan Commitment- Ind AS	5.66	10.58
5 (ii). Gratuity, compensated absences	29.64	21.85
5 (iii). Provision for expenses	42.07	20.64

**Break up of loan and advances and provisions thereon**

Particulars	Housing loans		Non-Housing loans	
	As at 31 Mar 2024	As at 31 Mar 2023	As at 31 Mar 2024	As at 31 Mar 2023
<b>Standard assets</b>				
a) Total outstanding amount	27,597.32	18,369.81	7,740.86	3,400.20
b) Provisions made	80.25	53.33	23.85	10.65
<b>Sub-standard assets</b>				
a) Total outstanding amount	103.85	60.82	6.62	6.81
b) Provisions made	40.17	9.12	2.08	1.02
<b>Doubtful assets — Category—I</b>				
a) Total outstanding amount	42.19	-	3.07	-
b) Provisions made	26.95	-	0.92	-
<b>Doubtful assets — Category—II</b>				
a) Total outstanding amount	-	-	-	-
b) Provisions made	-	-	-	-
<b>Doubtful assets — Category—III</b>				
a) Total outstanding amount	-	-	-	-
b) Provisions made	-	-	-	-
<b>Loss assets</b>				
a) Total outstanding amount	-	-	-	-
b) Provisions made	-	-	-	-
<b>Total</b>				
a) Total outstanding amount	27,743.36	18,430.63	7,750.55	3,407.01
b) Provisions made	147.37	62.45	26.85	11.67

**49 Concentration of public deposits, advances, exposures and NPAs**

The Company is non public deposit taking housing finance company and has not accepted any public deposits during the current year or previous years.

**50 Concentration of loans and advances**

Particulars	As at March 31, 2024	As at March 31, 2023
Total loans and advances to twenty largest borrowers	723.15	527.51
Percentage of loans and advances to twenty largest borrowers to total advances of the HFC	2.04%	2.42%

**51 Concentration of all Exposure (including off-balance sheet exposure)**

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to twenty largest borrowers/ customers	723.15	527.51
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/ customers	2.04%	2.42%

**52 Concentration of NPAs**

Particulars	As at March 31, 2024	As at March 31, 2023
Total exposure to top ten NPA accounts	150.50	67.62

**53 Sector-wise NPAs – Percentage of NPAs to total advances in that sector**

Particulars	As at March 31, 2024	As at March 31, 2023
<b>A. Housing loans:</b>		
1. Individuals	0.41%	0.28%
2. Builders/Project loans	0.00%	0.00%
3. Corporates	0.00%	0.00%
4. Others (specify)	0.00%	0.00%
<b>B. Non-Housing loans:</b>		
1. Individuals	0.03%	0.03%
2. Builders/Project loans	0.00%	0.00%
3. Corporates	0.00%	0.00%
4. Others (specify)	0.00%	0.00%

Above details are as per on balance sheet portfolio

**54 Movement of NPAs**

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
<b>(I) Net NPAs to net advances (%)</b>	0.24%	0.26%
<b>II) Movement of NPAs (Gross)</b>		
a) Opening balance	67.62	-
b) Additions during the year	110.96	67.62
c) Reductions during the year	22.86	-
d) Closing balance	155.73	67.62
<b>(III) Movement of net NPAs</b>		
a) Opening balance	57.48	-
b) Additions during the year	47.56	57.48
c) Reductions during the year	19.43	-
d) Closing balance	85.61	57.48
<b>IV) Movement of provisions for NPAs (excluding provisions on standard assets)</b>		
a) Opening balance	10.14	-
b) Provisions made during the year	63.41	10.14
c) Write-off/write-back of excess provisions	3.43	-
d) Closing balance	70.12	10.14



**55 Overseas assets**

The company does not have any overseas assets

**56 Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)**

The Company does not have any SPVs sponsored which is required to be consolidated as per accounting norms.

**57 Liquidity Risk Management Framework**

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

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Number of significant counter parties	22	24
Amount	27,230.63	18,191.89
Percentage of funding concentration to total deposits	-	-
Percentage of funding concentration to total liabilities*	97.00%	95.47%

\* Total liabilities excludes net worth

#Significant counterparty is defined in RBI Circular R B I / 2 0 1 9 - 2 0 / 8 8 D O R . N B F C ( P D ) C C . N o . 1 0 2 / 0 3 . 1 0 . 0 0 1 / 2 0 1 9 - 2 0 dated 04 November, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies. Accordingly, Company has considered lender with more than 1% of total outstanding borrowing as significant counterparties.

**(ii) Top 20 large deposits**

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Total amount of top 20 deposits	-	-
Percentage of amount of top 20 deposits to total deposits	-	-

**(iii) Top 10 borrowings**

Particulars	As at 31 Mar 2024	As at 31 Mar 2023
Total amount of top 10 borrowings	21,053.56	15,102.61
Percentage of amount of top 10 borrowings to total borrowings	77.32%	83.02%

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

Particulars	As at 31 Mar 2024		As at 31 Mar 2023	
	Amount	% of Total Liabilities*	Amount	% of Total Liabilities*
Borrowings from Bank and FI #	22,991.00	81.90%	17,513.24	91.91%
Borrowings from National Housing Bank (NHB)	4,708.40	16.77%	1,001.77	5.26%
Debt Securities	-	-	-	-
Subordinated liabilities	-	-	-	-
Securitisation	-	-	-	-
Borrowings from Insurance Companies	-	-	-	-

\* Total liabilities excludes net worth

# EIR on borrowings not considered

**(v) Stock Ratio**

Particulars	As at Mar 31, 2024	As at Mar 31, 2023
Commercial paper as a percentage of total public funds	-	-
Commercial paper as a percentage of total liabilities	-	-
Commercial paper as a percentage of total assets	-	-
Non convertible debentures (original maturity of less than one year) as a percentage of total public funds	-	-
Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities	-	-
Non convertible debentures (original maturity of less than one year) as a percentage of total assets	-	-
Other short term liabilities as a percentage of total public funds **	28.42%	28.38%
Other short term liabilities as a percentage of total liabilities*	27.57%	27.09%
Other short term liabilities as a percentage of total assets	16.99%	17.52%

\* Total liabilities excludes net worth

\*\* Public funds include borrowings

**(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, Capital Market Instruments, 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, Development Financial Institution, Mutual Funds, Insurance Companies 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.

**58 Loans against security of single product – gold jewellery**

Company does not have any loans/advances against gold

**59 Loans against security of shares**

Company does not have any loans/advances against shares

**60 Breach of covenant**

The Company has not any instances of breach of covenant of loan availed from banks during the current and previous years.

**61 Corporate Social Responsibility:**

The Ministry of Corporate Affairs has notified Section 135 of the Companies Act, 2013 on Corporate Social Responsibility with effect from April 1, 2014. The Provisions of the said section are not applicable to the Company for the year ended March 31, 2024 & March 31, 2023 as it does not meet the conditions mentioned under section 135(1) of the Companies Act, 2013.

**62 Details of commission received from insurance companies as required under the Guidelines issued by IRDAI**

Name of Insurance Company	As at March 31, 2024	As at March 31, 2023
Care Health Insurance Limited	48.15	15.19
Hdfc Life Insurance Company Limited	241.17	14.54
Go Digit General Insurance Limited	18.36	10.03
ICICI Life Insurance Ltd	29.99	-
<b>Total</b>	<b>337.67</b>	<b>39.76</b>

**63 Principal Business Criteria**

Particulars	As at March 31, 2024	As at March 31, 2023
Total assets (netted off by intangible assets)	43,823.87	28,148.78
Total Housing loans	27,743.36	18,430.63
Total Housing loans as a % of total assets (netted off by intangible assets)	63.31%	65.48%
Total Individual Housing loans	27,743.36	18,430.63
Total Individual Housing loans as a % of total assets (netted off by intangible assets)	63.31%	65.48%

**64 Disclosure of Complaints**

Customers Complaints	As at Mar 31, 2024	As at Mar 31, 2023
No. of complaints pending at the beginning of the year	-	-
No. of complaints received during the year	12	16
No. of complaints redressed during the year	12	16
No. of complaints pending at the end of the year	-	-

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**65 Schedule to the Balance Sheet of an HFC as per RBI/2020-21/73 DOR.FIN.HFC. CC.No.120/03.10.136/2020-21 dated February 17, 2021**

Liabilities side	Amount Outstanding As at March 31, 2024	Amount Overdue As at March 31, 2024
<b>(1)</b> Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:	-	-
(A) Debentures : Secured	-	-
: Unsecured	-	-
(B) Deferred Credits	-	-
(C) Term Loans	27,345	-
(D) Inter-corporate loans and borrowing	-	-
(E) Commercial Paper	-	-
(F) Public Deposits*	-	-
(G) Other Loans (specify nature)	-	-
- Cash Credit Facility	-	-
- FD/OD Facility	-	-
<b>(2)</b> 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 As at March 31, 2024	
<b>(3)</b> Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
(a) Secured		35,319.70
(b) Unsecured		-
<b>(4)</b> 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		-
<b>(5) Break-up of Investments</b>		
<b>Current Investments</b>		
(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 (please specify)	-

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

Long Term investments As at March 31, 2024	Amount Outstanding
(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 (please specify)	-

**(6) Borrower group-wise classification of assets financed as in (3) and (4) above:**

	Amount net of provisions *		
	Secured	Unsecured	Total
<b>Categories</b>			
(1) Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
(2) Other than related parties	35,319.70	-	35,319.70
<b>Total</b>	<b>35,319.70</b>	<b>-</b>	<b>35,319.70</b>

\* specific as well as general provision netted off

**(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	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	-	-
<b>(8) Other information</b>		
		Amount Outstanding As at March 31, 2024
<b>(i) Gross Non-Performing Assets</b>		
(a) Related parties		155.73
(b) Other than related parties		
<b>(ii) Net Non-Performing Assets</b>		85.61
(a) Related parties		-
(b) Other than related parties		
<b>(iii) Assets acquired in satisfaction of debt</b>		
<b>Notes:</b>		
<b>1</b> As defined in Paragraph 4.1.30 of these Directions.		
<b>2</b> Provisioning norms shall be applicable as prescribed in these Directions.		
<b>3</b> All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.		

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**66 Terms of repayment of borrowings outstanding as at Mar 31, 2024**

Particulars	Repayment frequency and Original tenure	Rate of Interest	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	Due 3 to 5 years	Due > 5 years	Unamortised borrowing cost	Total
From NHB	Quarterly Tenure (7 to 10 yrs)	2.94% to 8.50%	516.24	686.23	658.64	1,253.57	1,593.72		4,708.40
From Banks and FI	Monthly & Quarterly and tenure (2 to 7 yrs)	10.25%-13.65%	6,943.78	6,667.63	5,398.49	3,870.44	110.58	(468.69)	22,522.23
<b>Total</b>			<b>7,460.02</b>	<b>7,353.86</b>	<b>6,057.13</b>	<b>5,124.01</b>	<b>1,704.30</b>	<b>(468.69)</b>	<b>27,230.63</b>

**Terms of repayment of borrowings outstanding as at Mar 31, 2023**

Particulars	Repay- ment frequen- cy and Original tenure	Rate of Inter- est	Due within 1 year	Due 1 to 2 years	Due 2 to 3 years	Due 3 to 5 years	Due > 5 years	Unam- ortised borrow- ing cost	Total
From NHB	Quarterly Tenure > 5 years	2.94% to 8.00%	147.81	197.08	197.08	313.12	146.68	-	1,001.77
From Banks and FI	Monthly & Quarterly and tenure > 4 years	10.00%- 14.00%	4,669.66	4,727.45	4,219.61	3,807.24	89.29	(323.12)	17,190.13
<b>Total</b>			<b>4,817.47</b>	<b>4,924.53</b>	<b>4,416.69</b>	<b>4,120.36</b>	<b>235.97</b>	<b>(323.12)</b>	<b>18,191.90</b>

**67 The disclosures as required by the NBFC Master Directions issued by RBI – A comparison between provision required under income recognition, asset classification and provisioning (IRACP) and impairment allowances as per Ind AS 109 'Financial instruments' as of 31 March 2024.**

**As at March 31, 2024**

Asset Classification as per RBI Norms	Asset classifica tion as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss AI- lowances (Provisions) as required under Ind AS 109	Net Carry- ing Amount	Provisions required asper IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	35,030.53	97.28	34,933.25	99.50	(2.22)
	Stage 2	307.66	6.82	300.84	0.83	5.99
Subtotal*		<b>35,338.19</b>	<b>104.10</b>	<b>35,234.10</b>	<b>100.33</b>	<b>3.77</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	110.47	42.25	68.22	17.82	24.43
		-	-	-	-	-
<b>Doubtful – up to 1 year</b>						
1 to 3 years	Stage 3	45.26	27.87	17.39	14.80	13.07
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		45.26	27.87	17.39	14.80	13.07
<b>Loss</b>	Stage 3	-	-	-	-	-
Subtotal for NPA		<b>155.73</b>	<b>70.12</b>	<b>85.61</b>	<b>32.62</b>	<b>37.50</b>
		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	4,106.58	5.63	4,100.95	-	5.63
	Stage 2	13.24	0.02	13.22	-	0.02
	Stage 3	5.19	0.01	5.18	-	0.01
Subtotal						
<b>Total</b>	<b>Stage 1</b>	<b>39,137.11</b>	<b>102.91</b>	<b>39,034.20</b>	<b>99.50</b>	<b>3.41</b>
	<b>Stage 2</b>	<b>320.90</b>	<b>6.84</b>	<b>314.06</b>	<b>0.83</b>	<b>6.01</b>
	<b>Stage 3</b>	<b>160.92</b>	<b>70.13</b>	<b>90.79</b>	<b>32.62</b>	<b>37.51</b>
	<b>Total</b>	<b>39,618.93</b>	<b>179.87</b>	<b>39,439.06</b>	<b>132.96</b>	<b>46.91</b>

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	21,568.13	59.59	21,508.54	59.31	0.29
	Stage 2	201.89	4.38	197.51	0.54	3.84
Subtotal*		<b>21,770.02</b>	<b>63.97</b>	<b>21,706.04</b>	<b>59.85</b>	<b>4.13</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	67.62	10.14	57.48	10.14	-
<b>Doubtful – up to 1 year</b>	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful						-
<b>Loss</b>	Stage 3	-	-	-	-	-
Subtotal for NPA		<b>67.62</b>	<b>10.14</b>	<b>57.48</b>	<b>10.14</b>	<b>-</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms.	Stage 1	3,716.49	10.38	3,706.11	-	10.38
	Stage 2	8.40	0.20	8.20	-	0.20
	Stage 3	-	-	-	-	-
Subtotal						
<b>Total</b>	<b>Stage 1</b>	<b>25,284.62</b>	<b>69.97</b>	<b>25,214.65</b>	<b>59.31</b>	<b>10.66</b>
	<b>Stage 2</b>	<b>210.29</b>	<b>4.58</b>	<b>205.71</b>	<b>0.54</b>	<b>3.84</b>
	<b>Stage 3</b>	<b>67.62</b>	<b>10.14</b>	<b>57.48</b>	<b>10.14</b>	<b>-</b>
	<b>Total</b>	<b>25,562.52</b>	<b>84.69</b>	<b>25,477.83</b>	<b>69.99</b>	<b>14.70</b>

\*Includes interest accrued and EIR on loans adjusted



**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

**68 Additional Disclosures**

<b>i</b>	<b>Ratios</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
	<b>Current Ratio</b>	<b>NA</b>	<b>NA</b>
	<b>Debt–Equity Ratio</b>	<b>1.56</b>	<b>1.75</b>
	<b>Debt Service Coverage Ratio</b>	<b>1.27</b>	<b>1.52</b>
	<b>Return on Equity (ROE)</b>	<b>3.75%</b>	<b>4.65%</b>
	<b>Trade receivables turnover ratio</b>	<b>NA</b>	<b>NA</b>
	<b>Trade payables turnover ratio</b>	<b>NA</b>	<b>NA</b>
	<b>Net capital turnover ratio</b>	<b>NA</b>	<b>NA</b>
	<b>Net profit ratio</b>	<b>7%</b>	<b>12%</b>
	<b>Return on capital employed (ROCE)</b>	<b>7.89%</b>	<b>5.39%</b>

- ii** The company does not own any of the immovable property as on 31st March 2024.
- iii** There are no proceedings been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the Rules made thereunder.
- iv** The company is not declared as a wilful defaulter by any bank or financial institution or other lender.
- v** The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- vi** There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- vii** There are no layers of companies as under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- viii** The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- ix** NIL Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person.
- x** The Company has not entered into any scheme of arrangements during current year and previous year.
- xi a.** The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b.** The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall 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.

**Easy Home Finance Limited****Notes forming part of the Financial Statements for the year ended March 31, 2024**

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

- xii** No transaction, if any, remained unrecorded in the books of accounts of the Company during the Financial Year 2022-23, that was surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) and also previously unrecorded income and related assets have been properly recorded in the books of account during the year.
- xiii** The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- xiv** No Divergence identified by NHB in the current financial year.

**69** Previous year figures have been regrouped / reclassified wherever necessary to confirm to current period presentation.

As per our report of even date

**For S K Patodia & Associates LLP**

For and on behalf of the Board of Directors of

Chartered Accountants

**Easy Home Finance Limited**

Firm Registration Number: 112723W/W100962

**Ankush Goyal**

Partner

Membership Number: 146017

**Rohit Chokhani**

Managing Director

DIN: 01984506

**Praveen Kumar Agrawal**

Whole Time Director & CEO

DIN: 08064084

Date: June 06, 2024

Place : Mumbai

**Bikash Kumar Mishra**

Chief Financial Officer

Place : Mumbai

**Siddharth Mehta**

Company Secretary

Date: June 06, 2024

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