

HOME CREDIT

FY 2024-25

Annual Report

HOME CREDIT INDIA FINANCE PRIVATE LIMITED

BOARD OF DIRECTORS
Mr. K Gopala Desikan
Mr. Balasubramanyam Sriram
Dr. Deepali Pant Joshi
Mr. Kunnawalkam Elayavalli Ranganathan

AUDIT COMMITTEE
Mr. Balasubramanyam Sriram
Mr. K Gopala Desikan
Mr. Kunnawalkam Elayavalli Ranganathan

NOMINATION AND REMUNERATION COMMITTEE
Dr. Deepali Pant Joshi
Mr. Balasubramanyam Sriram
Mr. K Gopala Desikan

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mr. K Gopala Desikan
Mr. Kunnawalkam Elayavalli Ranganathan
Dr. Deepali Pant Joshi

IT STRATEGY COMMITTEE
Dr. Deepali Pant Joshi
Mr. K Gopala Desikan
Mr. Kunnawalkam Elayavalli Ranganathan

INTEGRATED RISK MANAGEMENT COMMITTEE
Mr. K Gopala Desikan
Dr. Deepali Pant Joshi
Mr. Kanawauke Elayavalli Ranganathan

ASSET LIABILITY MANAGEMENT COMMITTEE
Dr. Deepali Pant Joshi
Mr. Balasubramanyam Sriram
Mr. K Gopala Desikan

CUSTOMER SERVICE COMMITTEE
Mr. Vivek Singh
Mr. Ashish Tiwari
Mr. Anirban Majumder
Ms. Esha Pruthi
Mr. Sameer Katdare
Ms. Harshita Uppal

COMMITTEE OF EXECUTIVE FOR THE MONITORING AND FOLLOW-UP OF CASES OF FRAUDS
Mr. Vivek Singh
Mr. Sameer Katdare
Mr. Anirban Majumder
Mr. Vikas Aggarwal
Ms. Niti Bansal
Mr. Sangram Sanjay Salunke
Mr. Rajan Kumar Singh

CHIEF EXECUTIVE OFFICER
Mr. Vivek Singh

CHIEF FINANCIAL OFFICER
Mr. Anirban Majumder

COMPANY SECREATRY
Ms. Neha Gupta

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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 28th Annual General Meeting of the members of Home Credit India Finance Private Limited will be held through Video Conferencing / Other Audio Visual Means (OAVM) on July 26, 2025, at 1:00 P.M. (IST) to transact the following businesses:

ORDINARY BUSINESS

Item No. 1

To receive, consider and adopt the audited Balance Sheet of the Company as of March 31, 2025, and statement of Profit and Loss and Cash Flow Statement for the year ended March 31, 2025, together with the reports of the Board of Directors and the Auditors thereon.

"RESOLVED THAT the audited Balance Sheet, Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2025, of the Company together with the Directors' Report and the Auditors' Report thereon as circulated to the members and presented to the meeting be and the same are hereby approved and adopted."

Item No. 2

To appoint a director in place of Mr. K Gopala Desikan (DIN: 00067107), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment

"RESOLVED THAT pursuant to Section 152(6) of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 read with other applicable Rules (including any statutory modification or re-enactment thereof for the time being in force), Mr. K Gopala Desikan (DIN: 00067107), Director, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

Registered Office:
S-7 Second Floor, Manish Chambers 4
Plot No. 7, LSC Sector-12, Dwarka,
New Delhi-110075

By order of the Board of
Home Credit India Finance Private Limited

Neha Gupta
Company Secretary
CS Membership No. A28625

Date:

NOTICE TO SHAREHOLDERS

Notes:

1. The members may join the meeting at the weblink which will be shared to the registered email IDs of the members. The procedure for joining and the details of the person to be contacted in case of any issues with regard to joining the meeting shall be separately communicated to the members to their registered e-mail IDs.

2. Pursuant to the MCA Circular No. 09/2024 dated 29th September 2024 read with Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022, General Circular No. 10/2022 dated 28.12.2022 and General Circular No. 09/2023 dated 25.09.2023 issued by Ministry of Corporate Affairs, the Company is convening the AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of Members at a common venue.

3. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act, 2013.

4. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the meeting.

5. AGM has been convened through VC / OAVM in compliance with applicable provisions of the Act, 2013, read with Circulars issued by MCA from time to time.

6. In line with MCA Circular No. 17/2020 dated 13th April 2020, the Notice calling the AGM has been uploaded on the website of the Company at https://www.homecredit.co.in/en

7. The documents referred to in the proposed resolutions and explanatory statements are open for inspection at the registered office of the Company during working hours between 10:30 a.m. and 5 p.m., except on holidays.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The Directors have the pleasure of presenting the 28th Annual Report and the audited accounts of the Company for the year ended March 31, 2025.

1. BUSINESS AND FINANCIAL PERFORMANCE

The highlights of the financial performance of the Company are given below:

Particulars	Year Ended 31-Mar-25 (₹ in Crores)	Year Ended 31-Mar-24 (₹ in Crores)
Revenue From Operations	2096.5	1927
Other Income	4.7	5.5
Total Income (A)	**2101.2**	**1932.5**
Finance Costs	435.8	401.2
Employee Benefits Expenses and Other Expenses	731	661.7
Impairment on Financial Instruments	751.1	594.4
Depreciation and Amortization	88.2	86.6
Total Expenses (B)	**2006.1**	**1743.9**
Profit/ (Loss) Before Tax & Exceptional Item (A-B)	**95.1**	**188.6**
Less: Exceptional Item	62.6	-
Profit/ (Loss) Before Tax	**32.5**	**188.6**
Less: Tax Expense		
- Current Tax	51.5	-
- Deferred Tax Expense	511	46.8
Profit/ (Loss) After Tax	**(530)**	**141.8**
Other Comprehensive Income	5.4	(2.8)
Income Tax on Other Comprehensive Income	(1.4)	0.7
Total Comprehensive Income/ (Loss)	**(526)**	**139.7**
Balance Brought Forward from Previous Year	(2084.5)	(2195.8)
Transfer to Statutory Reserve	-	(28.4)
Surplus/(Deficit) Carried to Balance Sheet	**(2610.5)**	**(2084.5)**

Company Performance Overview

For the year ended on March 31, 2025, the Company recorded an 8% growth in disbursements, increasing from ₹ 6,327 Crores as on March 31, 2024, to ₹ 6,830 Crores as on March 31, 2025. The gross loan portfolio registered a marginal increase of 1%, closing at ₹ 5,566 Crores as on March 31, 2025, as compared to ₹ 5,535 Crores as on March 31, 2024. The gross loans portfolio comprised of two key segments as of March 31, 2025: Cash Loans, making up 72% of the total and Consumer Durable Loans, accounting for the remaining 28%.

Consumer Durable Loans: The Company's Consumer Durable Loans portfolio witnessed significant growth, rising by 33% to ₹ 1,567 Crores as on March 31, 2025, from ₹ 1,176 Crores as on March 31, 2024.

Cash Loans: The Company experienced an 8% decline in its Personal Loans segment, with gross loans decreasing from ₹ 4,359 Crores as on March 31, 2024, to ₹ 3,999 Crores as on March 31, 2025. The decline in personal loans is mainly due to enhanced credit assessment standards, reflecting a cautious lending approach. This change is prompted by a tightened credit environment and macroeconomic uncertainties surrounding unsecured lending.

The Company's total income for the year ended March 31, 2025, grew by 9%, reaching ₹ 2,101 Crores, against ₹ 1,932 Crores for the year ended March 31, 2024. The profit before tax (including Other Comprehensive Income) stood at ₹ 38 Crores for the year ended March 31, 2025, compared to ₹ 186 Crores for the year ended March 31, 2024.

2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

India's economy to expand 6.5% in fiscal 2025, outpacing global peers

A resurgence in rural demand, fueled by improved agricultural prospects, is expected to have driven private consumption and boosted India's economic growth in fiscal 2025. Services activity is likely to have remained stable.

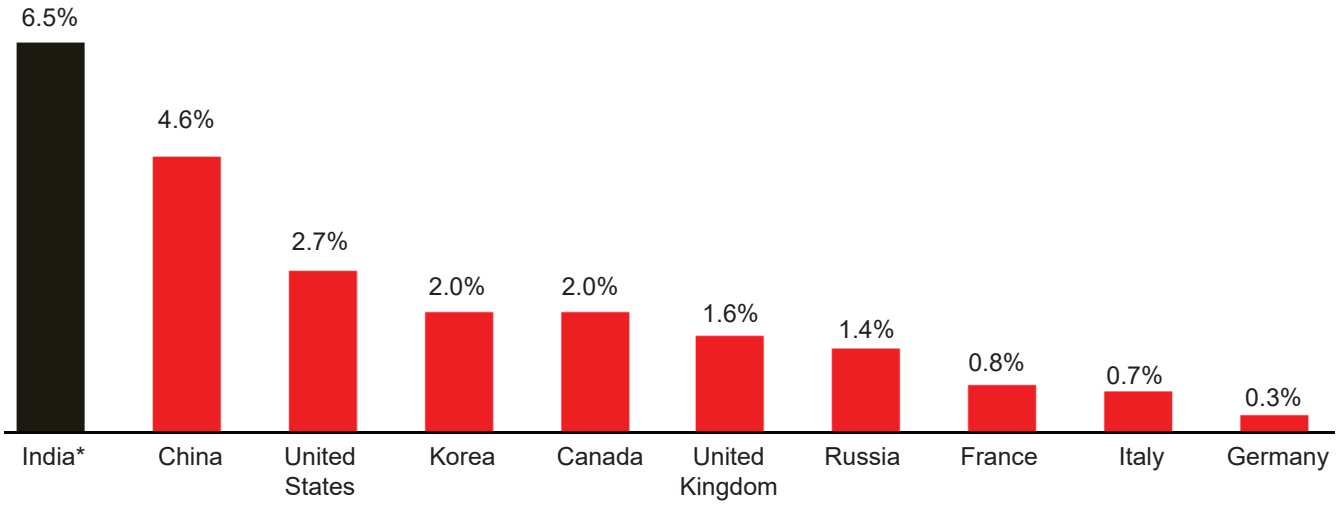
The National Statistical Office (NSO) and the International Monetary Fund (IMF) have projected a 6.5% growth in India's gross domestic product (GDP) in fiscal 2025, with the latter forecasting India to remain one of the fastest-growing economies.

According to NSO, India's real gross value added (GVA) grew 6.4% in fiscal 2025, compared with 8.6% in fiscal 2024. The financial, real estate and professional services sector maintained a dominant share in terms of sectoral composition of nominal GVA, growing 7.2% in fiscal 2025.

One of the key drivers of growth in fiscal 2025 was softer headline consumer price inflation, which is estimated to have declined to 4.7% from 5.4% in fiscal 2024, owing to lower food inflation. However, edible oils became a concern in the latter part of the fiscal, impacted by high global prices, import duties and a weaker currency.

In fiscal 2026, India's GDP is forecast to hold steady at 6.5%, assuming normal monsoon and stable commodity prices. Private consumption is expected to continue its recovery, while investment growth will depend on private sector capital expenditure (capex). However, the growth pickup is expected to be moderate due to a lower fiscal stimulus.

Real GDP growth for major economies, CY25



Note: *Data is presented on a fiscal year basis (April 2024 – March 2025).
Source: IMF World Economic Outlook January 2025, Crisil Intelligence

GDP growth to normalize 6.5% in fiscal 2026

Private consumption is expected to improve further on expectation of healthy agricultural production and cooling food inflation. Softer food inflation should allow discretionary spending.

Additionally, some easing in the Reserve Bank of India's (RBI) monetary policy is expected to support discretionary consumption. In February 2025, the RBI cut its policy rates by 25 basis points (bps) - its first since May 2020-prompted by easing inflation and slowing economic growth. This was followed by a further 25 bps cut in April 2025, bringing the repo rate down to 6.00%. The Monetary Policy Committee (MPC) shifted its stance from neutral to accommodative, citing benign inflation prospects and moderate demand growth. However, it remains cautious about the challenging global economic landscape, emphasizing the need for continuous monitoring and assessment, as well as proactive use of liquidity management tools to mitigate the impact of global market volatility.

Tariff hikes have also increased the uncertainty of the US Federal Reserve's monetary policy path, which could keep financial conditions volatile. Tariffs have added upside risks to inflation and downside risks to growth in the US. On domestic front, in lines with the accommodative stance by the MPC two more rate cuts of 25 bps each are expected in fiscal 2026.

The central bank's recent measures to improve liquidity and relax regulations for non-banking financial companies or NBFCs (reversal of the 25% increase in risk weight on banks' exposure to NBFCs) are expected to facilitate the transmission of the benefits of easier monetary policy to the broader economy.

India's growth rate is normalising towards its medium-term trend. Growth in fiscal 2026 will be supported by the following factors:

- The government's capex is budgeted at 3.1% of GDP at ₹ 11.2 lakh Crore, up 10% from ₹ 10.2 lakh Crore in fiscal 2025.

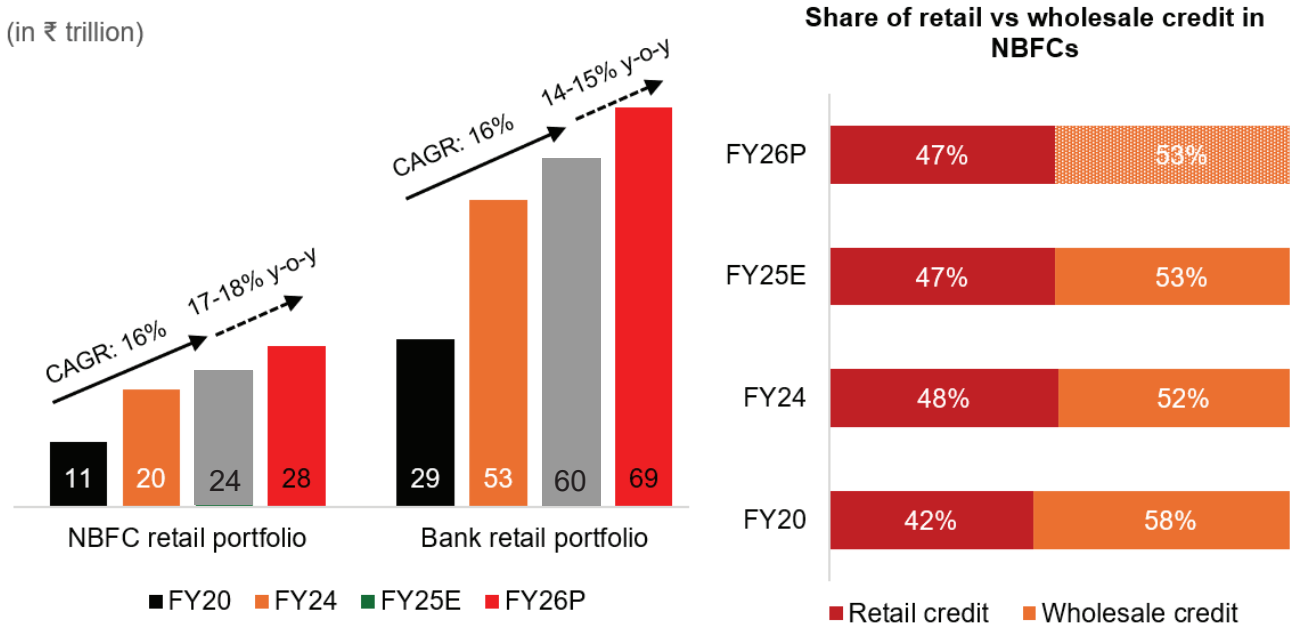
- Healthy domestic consumption, particularly in fast-moving consumer goods, consumer durables and two-wheelers.
- The government has reduced the income tax rates under the new tax regime, potentially increasing disposable income in the hands of the middle class. Tax slabs have also been revised, potentially reducing the tax burden across income levels.
- The policy rate cuts by the RBI are expected to mildly support consumption, as these will gradually get transmitted to other interest rates in the economy, thus lowering borrowing costs.
- Along with measures to spur consumption in the short term, the Union Budget 2025-26 also looks to improve employment and skilling, which will help boost permanent incomes and consumption in the medium-to-long term.

Secured segments to propel NBFCs' credit growth, albeit at a moderate pace

NBFCs have been a crucial part of India's financial ecosystem, bridging the credit gap in underserved areas. Their significance is underscored by their share in systemic credit (Comprising banks and NBFCs) increasing by over 150 bps since fiscal 2020 to reach an estimated 23.2% as of March 2025.

Driven by their targeted focus on retail segments, NBFCs continue to outpace the overall systemic credit, clocking a CAGR of 14% between fiscals 2020 and 2025. In fiscal 2025, the retail segment saw strong expansion in secured asset classes, while the unsecured lending segments normalized from an elevated base. As a result, NBFCs expanded their outstanding credit by 16-18% on-year in fiscal 2025 and are expected to grow at a similar pace in fiscal 2026.

Credit growth momentum was sustained in fiscal 2024, driven by robust demand from key retail segments, building on the recovery in fiscal 2023 to pre-pandemic levels. The share of retail credit increased to 48% in fiscal 2024 from 42% in fiscal 2020. However, the credit market witnessed a shift from unsecured to secured asset classes in fiscal 2025, owing to concerns over asset quality in the former. As a result, the retail segment's share in the lending mix fell slightly to 47%, while the wholesale segment's share increased to 53%.



E- estimate, P- projected
Note:
1) Retail includes housing, vehicle, gold, microfinance, personal, consumer durables and education loans.
2) Wholesale includes micro, small and medium enterprises, real estate and large corporate, infrastructure and construction equipment loans.
Source: Industry, company reports, RBI, Crisil Intelligence

Within retail credit, the growth of NBFCs' vehicle finance portfolio moderated to 16-17% on-year in fiscal 2025 from 25% in fiscal 2024. The moderation was driven by a decline in the commercial vehicles segment, partially offset by growth in tractor and two-wheeler sales, led by improved rural sentiment.

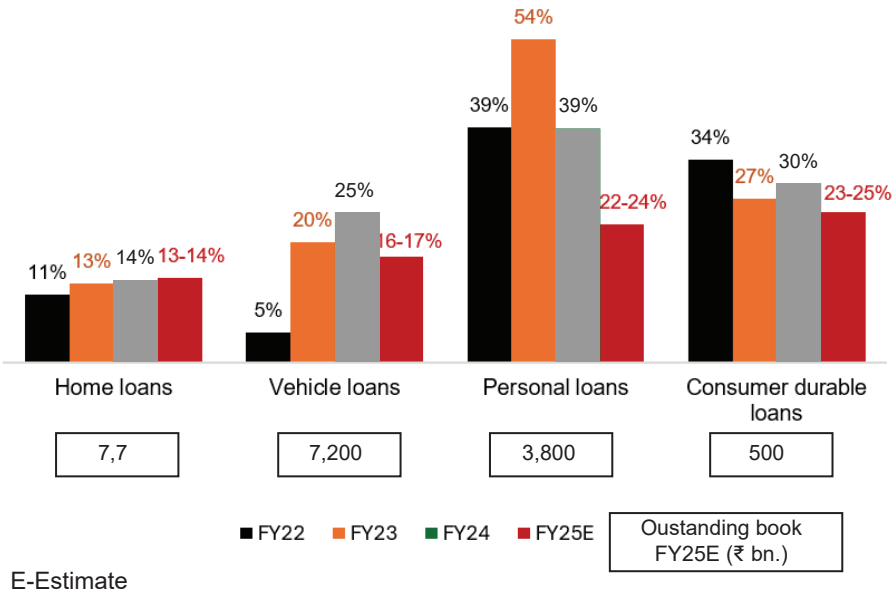
NBFCs' vehicle finance portfolio is expected to experience a modest uptick in fiscal 2026, aided by improving market sentiment and supported by the easing of domestic interest rates, following theRBI's 50 bps repo rate cut between February and April 2025, with further rate cuts anticipated in fiscal 2026.

The housing credit growth remained steady at 13-14% on-year in fiscal 2025, reflecting broader economic moderation and elevated interest rates. Nevertheless, the sector remained resilient, buoyed by rising disposable incomes, robust demand and stable property prices.

NBFCs' credit growth in the personal loan segment moderated to 22-24% on-year in fiscal 2025 from 39% in fiscal 2024 due to heightened concerns over asset quality, mainly on account of overleveraging, marked by a decline in unique borrowers in the past two years. The segment's small-ticket loans were particularly vulnerable to delinquencies and overleveraging. In response, the RBI took proactive measures, including increasing risk weights, which, in turn, led lenders to exercise caution and slow down disbursements to the segment.

NBFCs' consumer durable financing portfolio grew 23-25% in fiscal 2025, fuelled by strong mobile phone sales, higher credit penetration and the rise of fintech players. The tax relief announced in the budget for fiscal 2026 is expected to boost retail consumption and demand, driving credit growth in the consumer durable financing segment in fiscal 2026.

NBFCs' segment-wise oustanding credit growth (on-year %)



E-Estimate
Source: RBI, National Housing Bank, company reports and Crisil Intelligence

Operational Performance

For the year ended March 31, 2025, the Company achieved broad-based growth across key performance indicators. A total of 28 Lakhs loan applications were sanctioned, reflecting a 17% increase over the previous year. Strategic collaborations and an expanded distribution network enabled disbursements totalling ₹ 6,830 Crores, marking an 8% year-on-year growth.

In line with its customer acquisition strategy, the Company onboarded approximately 16 Lakhs new customers during the year. The gross loan portfolio stood at ₹ 5,566 Crores as of March 31, 2025, comprising two key segments:
• Personal Loans: 72% of the portfolio
• Consumer Durable Loans: 28% of the portfolio

The Company recorded disbursements of ₹ 4,065 Crores for the year ended March 31, 2025, in the Consumer Durables segment, against ₹ 2,786 Crores recorded for the year ended March 31, 2024, representing a robust growth of 46%. The increase in Consumer durables disbursals is attributed to the expansion of the Feet-on-Street (FOS) network and the establishment of new partnerships with Original Equipment Manufacturers (OEMs).

On the other hand, the Personal Loan segment witnessed a decline. The disbursements fell by 8% from ₹ 3,541 Crores for the year ended March 31, 2024, to ₹ 2,765 Crores for the year ended March 31, 2025. The decline in personal loans is mainly due to enhanced credit assessment standards, reflecting a cautious lending approach. This change is prompted by a tightened credit environment and macroeconomic uncertainties surrounding unsecured lending.

The Company remains committed to providing transparent and accessible financial services. By continuously refining its offerings to meet evolving customer needs, the Company continues to support innovation, customer satisfaction, and long-term sustainable growth.

Fuelling Growth Through Distribution Expansion and Strengthened Collection Networks

During the year ended March 31, 2025, the Company continued to invest strategically in expanding its distribution and collection capabilities, reinforcing its mission to support a growing product portfolio while maintaining the highest standards of quality and operational efficiency.

Distribution Network Expansion

The Company adopted a multi-faceted strategy to broaden market reach and deepen penetration across key geographies. This was achieved through a combination of scaling the distribution workforce, forging strategic partnerships, and building strong alliances with prominent industry players.

As a result, the Company's physical distribution footprint surpassed 35,000 Point-of-sale across 21 states, supported by collaborations with leading OEMs. This extensive reach enabled the delivery of diverse and accessible EMI solutions tailored to the evolving needs of its customers.

Key distribution initiatives included:
- Deployment of innovative and permanent POS materials across over 15,000 retail outlets, enhancing brand visibility at critical customer touchpoints.
- Launch of eight financial education videos under the #PaisekiPaathshala campaign to promote financial literacy and customer empowerment.

A major highlight during the year was the #ShaandaarDiwali campaign under the #ZindagiHit theme. This initiative reinforced the Company's positioning as an enabler of aspirations, achieving over 1.9 Crores views and significant visibility across more than 12,000 POS outlets.

Looking ahead, the Company will continue to refine its POS strategies, strengthen network engagement, extend its financial literacy initiatives, and roll out innovative marketing campaigns across both digital and offline channels.

Enhanced Collection Strategy

The Company follows a risk-based approach to collections, segmenting customers based on origination profiles and payment behaviour. Customized collection strategies are deployed for each risk tier, encompassing:

- Pre-due date customer engagement.
- Early-stage field interventions.
- Internalizing collection efforts in key geographies to improve recovery rates.

A robust internal tele-calling team forms the first line of defence, providing flexibility and responsiveness in designing collection strategies aligned with portfolio needs.

During the early part of year ended March 31, 2025, the Company's collection performance degenerated on account of macroeconomic headwinds, especially due to high number of unsecured borrowers. However, the Company swiftly implemented a series of corrective measures, including Optimizing floor capacity, Strengthening the external collection agency network and Intensifying focus on high-risk segments.

These interventions helped mitigate the adverse effects of market conditions and maintain overall collection effectiveness. Looking ahead, the Company continues to advance its collections strategy by leveraging data analytics and predictive insights. These tools help proactively address emerging risks and ensure resilience against macroeconomic and portfolio-specific challenges.

Strengthening Risk Management Through a Robust Framework

The Company has a comprehensive Risk Management Framework that integrates compliance seamlessly with business operations. This framework encompasses an end-to-end risk lifecycle, including effective identification, assessment, measurement, mitigation, and ongoing monitoring and reporting of various risks pertaining to people, process, technology, and vendors. This empowers the Company to make informed decisions, control portfolio risks, identify high-risk customer segments, and strategically adjust the credit policy to minimize exposure.

This framework is underpinned by a robust three-tier governance structure comprising:

1) First Line of Defence – Business functions responsible for risk identification and control.
2) Second Line of Defence – Operational Risk team overseeing risk frameworks and compliance.
3) Third Line of Defence – Internal Audit ensuring independent review and validation.

Oversight and effectiveness of the risk management framework are further reinforced through periodic reviews by the Integrated Risk Management Committee (IRMC). Additionally, the Company follows an established Operational Risk Framework supported by Risk Control Self-Assessments (RCSA), enabling dynamic and continuous evaluation of emerging risks and internal controls.

Based on the outcomes of various risk measurement methodologies, the Company deploys adequate risk responses within its risk management framework, which includes:

- Risk Acceptance – For risks within tolerance levels.
- Risk Elimination – Where feasible, to completely remove exposure.
- Risk Reduction – Through mitigation controls and process enhancements.
- Risk Transfer – Via insurance or third-party arrangements.

The critical and high risks areas are escalated to appropriate forums to ensure there is timely resolution and oversight. This structured and disciplined approach to risk management enables the Company to safeguard its operations, maintain regulatory compliance, and support long-term esilience and growth.

The Company continues to place strong emphasis on prudent credit risk management by deploying a comprehensive credit assessment and monitoring framework. This framework entails utilizing a comprehensive mix of demographic data, credit bureau data, and internal customer behaviour insights to tracks key metrics like bounce rates, delinquency trends, and repayment behaviour, etc.

In addition, the Company conducts regular credit bureau data scrubbing exercises to assess off-us leverage and gain timely visibility into customers' overall debt exposure.

Strengthening Digital Infrastructure for Sustainable Growth

The Company has been investing in Information Technology (IT), transitioning from legacy systems to modern and agile digital platforms. This digital evolution has markedly enhanced both internal efficiencies and external stakeholder interactions, reinforcing the Company's commitment to operational excellence and regulatory compliance.

The key milestones during the year included the successful implementation of several mission-critical regulatory initiatives such as Video KYC, Key Fact Sheet (KFS) modifications, CRC-based customer risk classification and DRC testing. These initiatives have ensured continued alignment with evolving regulatory frameworks (TRAI and RBI).

Operational resilience continued to be a strategic imperative, with the Company demonstrating exceptional system performance through a sustained uptime even during high-demand periods such as the Diwali season. This superior reliability, surpassing industry benchmarks, played a critical role in fortifying business continuity, enhancing customer satisfaction, and upholding service excellence at scale.

Looking ahead, the Company will continue to prioritize maintaining high service availability, optimizing system performance, and ensuring alignment with evolving TRAI and RBI guidelines. These strategic initiatives are designed to bolster operational agility, enhance regulatory compliance, and drive sustainable long-term success.

Elevating the Digital Lending Journey with Innovation

The Company continues to set new benchmarks in the digital lending space, seamlessly blending technology with customer-centric design to deliver an elevated borrowing experience. The Company's mobile application serves as a one-stop digital platform for Consumer Durable and Personal Loan customers, supporting end-to-end loan lifecycle management.

For the year ended March 31, 2025, the Company achieved significant milestones in its digital transformation journey, reaching an installed user base of approximately 45 Lakh. A key enhancement was the introduction of Video KYC, which now facilitates a fully digital and hassle-free loan application process across all loan values and tenures.

Further simplifying access to credit, the Company introduced a two-click personal loan eligibility check, redefining convenience by allowing users to assess their credit options in seconds. The integration of Instant Aadhaar verification and UPI-based e-mandate registration accelerated the loan sanction and servicing process enhancing the customer experience. Consequently, the footprint on the website was substantially increased during the year leading to greater customer base.

These innovations are a testament to Company's unwavering commitment to shaping the future of digital finance-delivering intuitive, and intelligent solutions that place customers at the centre of every innovation.

Excelling in our Customer Experience Journey

As part of its unwavering commitment to delivering a seamless, customer-centric experience, the Company has implemented a series of strategic initiatives designed to enhance user satisfaction and strengthen brand trust. Guided by a clear "customer-first" philosophy, these initiatives are anchored in four key pillars: real-time feedback integration, proactive digital engagement, customer-led product refinement, and expanded self-service capabilities.

The Company continues to leverage data, technology, and customer insights to drive targeted, meaningful engagement. Advanced machine learning models were developed to identify customers most likely to require credit and their preferred communication channels, enabling sharper targeting and improved engagement effectiveness. Expanded data sets further enhanced decision-making and service personalization. By adopting a data-driven approach, marketing campaigns were refined to remain relevant, personalized and minimising promotional fatigue.

A significant milestone in the Company's customer-centric journey was the successful full-scale deployment of the Transactional Net Promoter Score (tNPS) framework. This achievement underscored the Company's ongoing commitment to enhance customer satisfaction and operational excellence. To further strengthen the customer experience and drive efficiency, the Company rolled out a series of strategic initiatives that led to improved service quality and a noticeable decline in customer complaints.

Elevating Brand Visibility and Engagement with Innovative Digital Strategies

During the year, the Company placed strong strategic emphasis on enhancing brand visibility, deepening audience engagement, and amplifying its digital footprint through a range of innovative, content-led initiatives. These efforts were thoughtfully anchored in the themes of financial empowerment, customer-centric communication, and purpose-driven collaborations, aimed at building a trusted and relatable brand identity in the evolving digital landscape.

The Company made significant strides in enhancing its media presence, reinforcing its reputation as a credible and customer-centric company. A total of 1,345 media stories were published, consisting of 686 print and 659 online articles. Notably, Category A media mentions doubled to 715, underscoring the brand's growing prominence in top-tier publications.

Social media campaigns were crafted to foster authentic, interactive engagement, leveraging formats such as contests, user-generated content, and topical storytelling. Standout initiatives included:
- The International Women's Day campaign, celebrating inclusion and empowerment,
- The 'Smartphone Unboxing and Review' video series, which connected product education with engaging digital content.
- The festive #ShaandaarDiwali campaign, which elevated seasonal brand resonance.

To strengthen financial literacy and customer awareness, the Company expanded its video-first content strategy, introducing educational series such as:
- 'Paise Ki Paathshala', which demystifies everyday financial concepts.

• 'FinTalk with Home Credit', a platform for expert-led discussions on financial well-being.
• 'Scam Se Satark', a fraud awareness series promoting secure digital behaviour.
These initiatives were instrumental in positioning the Company as a responsible financial enabler, committed to empowering customers through knowledge.

In parallel, the Company advanced its corporate narrative and thought leadership positioning through focused communication efforts:
• Published flagship consumer studies including "How India Borrows 2024" and "The Great Indian Wallet 2024", generating over 700 media clippings, reflecting significant media interest and stakeholder relevance.
• Released targeted press notes and conducted thematic media outreach, resulting in 68 dedicated media features across mainstream platforms.
• Secured 91 placements of leadership-authored articles, covering key themes such as financial inclusion, digital transformation, and responsible lending-demonstrating the Company's voice on issues of national importance.
• The #ShaandarDiwali campaign further bolstered festive brand visibility, achieving 57 earned media mentions.

These sustained, strategic efforts have played a pivotal role in building brand equity, fostering stakeholder trust, and positioning the Company as a thought leader in the financial services ecosystem.

Annual Campus Engagement Programme

To support mass hiring for entry-level roles, the Company employs a community-based approach, collaborating with local institutes, NGOs, and training partners to address immediate business needs. This strategy ensures quick access to relevant talent. Additionally, the Company utilizes key recruitment platforms alongside structured internal referral programs, to maintain a steady, high-quality talent pipeline that supports scalable workforce growth across the Company.

Strengthening Our Workforce: Commitment to Employee Development and Well-being

The Company recognize the workforce as its most critical asset. In today's competitive talent landscape, the Company is dedicated to attracting, developing and retaining the right talent while fostering a work culture that enables employees to realize their full potential. With a workforce of 4,148 employees as on March 31, 2025, the Company experienced significant growth this year. In line with our growth journey, the Company has placed strategic emphasis on fostering human capital through proactive development programs that prepare them for future challenges. The Company is committed to providing a dynamic and competitive work environment that empowers employees to thrive-driving excellence in productivity, efficiency, and customer satisfaction.

The Company prioritized a flexible and inclusive training culture recognizing that each employee has a unique learning style. Emphasizing on continuous learning and development, the Company successfully concluded key program including Junior Odyssey (First time manager program), Middle Odyssey (Leadership Excellence program for middle management) and Mission Vikas (Peer-to-peer learning program for Trainers) and Quality Analysts along with other on-the job, instructor-led and self-paced interventions showcasing our commitment to building a future- ready workforce.

The Company's commitment to fostering a high-performance culture was reinforced through several strategic initiatives, including developing a capability model to identify critical competencies and enhancing talent through mentoring and cross-functional projects. During the year ended March 31, 2025, a strong emphasis was placed on Customer Centricity trainings for customer-facing roles that reinforced the Company's focus on delivering exceptional services.

In addition, the Company reinforced a culture of performance and meritocracy by implementing transparent goal-setting frameworks that aligned with its strategic objectives. Acknowledging the challenges of attracting and retaining top talent, the Company introduced comprehensive training programs and targeted retention initiatives, aimed at building a skilled, motivated, and future-ready workforce.

The Company remains committed to providing the employees with avenues for growth and career advancement. LEAP (Leveraging Employee Ability Program), designed specifically for front-line employees, has been instrumental in offering career growth opportunities and has significantly contributed to talent retention within the Company. Additionally, the Company's transparent Internal Job Posting (IJP) system empowered employees to pursue roles aligned with their interests. Together, these initiatives have enhanced internal mobility and enabled the workforce to build multidisciplinary capabilities-contributing to a more agile, well-rounded, and future-ready talent workforce.

The Company strongly believes in fostering a healthy work culture and celebrating achievements both big and small to support this vision, a range of people-centric initiatives were implemented, including comprehensive rewards and recognition programs, employee engagement activities, and leadership connect sessions. These programs catered to a diverse workforce across different career stages, ensuring continuous motivation. Simultaneously, to strengthen team affiliation and engagement, we organized regular team-building activities and celebrations on a weekly or fortnightly basis, as well as during festive occasions. Acknowledging the importance of work-life balance, the Company also offered employees the flexibility to work remotely, enabling them to effectively manage both professional and personal priorities.

Further enhancing the employee experience, the Company has achieved near-complete digitization of its HR operations. These digital enablers reinforce our commitment to agility, transparency, and continuous learning.

Through these initiatives, the Company reaffirms its commitment to employee growth and development, fostering a motivated and agile workforce aligned with the Company's long-term success.

Community Support Initiatives

As part of our continued commitment to financial inclusion and empowerment, the Company strengthened its Community Support initiative, 'Saksham – The Financial Literacy Program', during the year ended March 31, 2025. The program is designed to promote financial awareness and responsible financial behaviour, with a special focus on underprivileged women and college students.
During the year, Company collaborated with Sewa Bharat, a reputed NGO, to expand the outreach of this initiative. Through this partnership, Saksham successfully educated over 20,000 underprivileged women, equipping them with essential knowledge on budgeting, saving, credit, usage, digital finance,

and consumer rights. This effort reaffirms our belief in inclusive growth and our commitment to creating long-term socio-economic impact through financial education.

Robust Asset Liability Management and Strategic Funding Performance

The Company has constituted Asset Liability Committee (ALCO) in line with guidelines issued by RBI to monitor asset liability mismatches, liquidity position, funding sources, liquidity and interest rate risks management and compliance with various regulatory guidelines and lenders stipulations.

As on March 31, 2025, the Company's outstanding borrowings stood at ₹ 3,928 Crores. Despite a challenging macroeconomic environment, the Company successfully raised ₹ 3,906 Crores in fresh borrowings during the year including a mix of both long- term and short-term instruments to meet evolving business needs. This achievement not only highlights the Company's robust access to capital markets but also reflects the enduring trust of its lending partners.

The key enabler of the successful fundraise was the Company's deep-rooted and long-standing relationships with a well-diversified base of lending partners. These partnerships were instrumental in structuring customized funding solutions aligned with the Company's unique asset profile and strategic market positioning. This collaborative and relationship-driven approach allowed the Company to remain agile, optimize borrowing costs, and navigate dynamic market conditions with confidence and speed.

The Company maintained a prudent asset-liability management (ALM) framework, ensuring positive cumulative mismatches across all maturity buckets. In addition, the Company sustained a robust liquidity position, consistently achieving Liquidity Coverage Ratios (LCR) that exceeded the minimum regulatory requirements. All liquidity ratios maintained within ALCO approved tolerance limits. Importantly, the Company met all its interest and principal repayment obligations on time, and the value of hypothecated assets remained sufficient to meet lender claims, further cementing lender confidence.

During the year, the Company's capital position was bolstered through an infusion of Tier I capital, resulting in a Capital Adequacy Ratio (CAR) of 19.23% as on March 31, 2025, well above the regulatory threshold. This robust capital buffer not only supports ongoing business expansion but also provides resilience against macroeconomic volatility.

These efforts showcased the Company's disciplined approach to financial prudence, strategic capital planning and long- term stakeholder value creation. With diversified funding avenues and disciplined risk management practices, the Company is well-positioned to drive sustainable growth, enhance customer experience, and confidently navigate an evolving economic landscape.

In a strong endorsement of its financial resilience and governance standards, the Company's credit rating was upgraded by Care Ratings from BBB+ (Rating Watch with Developing Implications) to AA- (Stable). This upgrade reflects improvements in asset quality, financial performance, and capital adequacy, and enhances future fundraising prospects at competitive terms.

Internal Control Systems and their Adequacy

The Company has a well-defined and effective internal control systems, designed in alignment with operations and the complexity of the sector it works in. These detailed controls ensure effective and productive use of resources, safeguarding of Company's assets, and maintaining the accuracy and integrity of financial and operational data.

The Company has also formulated a risk-based internal audit policy as part of its oversight function. The objective of risk-based internal audit reviews is to identify key activities and controls in business processes, review the effectiveness of these processes and controls. It also involves assessing the operating effectiveness of internal controls and providing recommendations for business processes and internal control enhancements. Stringent follow-up is done for the implementation of corrective actions and improvements in business processes which is periodically reviewed by the Audit Committee/Management at timely intervals.

Outlook

India's credit landscape is poised for significant growth, driven by rising financial awareness, the government's continued push for financial inclusion, and improved credit access for underserved populations. Retail credit is expected to be a major contributor to this expansion.

The Company also remains committed to employee growth and development through comprehensive, people-centric initiatives. By investing in capability-building and fostering an agile, motivated workforce, the Company is equipping its employees to meet future challenges and contribute meaningfully to organizational goals.

Looking ahead, the Company will maintain a sharp focus on ethical practices, quality-driven growth, sound asset quality and liquidity, enhanced profitability, and adherence to the highest standards of corporate governance.

Cautionary Statement

Statements made in this Management Discussion and Analysis Report may contains forward-looking statements regarding the Company's objectives, projections, expectations, and estimates. These statements are based on certain assumptions and expectations about future events, but the Company cannot guarantee their accuracy or realisation. Actual results, performance, or achievements could differ substantially or materially from those expressed or implied in such forward-looking statements due to external factors beyond the Company's control. The Company assumes no responsibility to publicly update or revise any forward-looking statements based on subsequent developments.

3. SHARE CAPITAL

Capital Structure

The Authorised Share Capital of the Company as on March 31, 2025, was ₹ 21,00,00,00,000/- (Indian Rupees Twenty-One Hundred Crores only) comprising of 2,10,00,00,000 (Two Hundred Ten Crores) equity shares of ₹ 10/- (Indian Rupees Ten only).

During the year under review, the Company issued and allotted 4,07,16,613/- equity shares having a face value of ₹ 10 per share at a premium of ₹ 2.28 per share on Private Placement/ Preferential basis. Consequent to the aforesaid allotment, the issued and paid-up Equity Share Capital as on March 31, 2025, stands at ₹ 11,31,80,57,890/- (Eleven Hundred Thirty One Crores Eighty Lakhs Fifty-Seven Thousand Eight Hundred Ninety Only).

Further, as of March 31, 2025, the Company's entire paid-up share capital is in dematerialized form. Additionally, the Company has not issued any Global Depository Receipts (GDRs), American Depository Receipts (ADRs), warrants, or any other convertible instruments that could impact its equity structure.

Non-Convertible Debentures

During the year under review, the Company has not issued any Non-Convertible Debentures.

4. DIVIDEND

Due to the losses in FY 2024-25, no dividend is permitted to be paid to the members as per the provisions of the Companies Act, 2013 (the "Act") and rules made thereunder.

5. TRANSFER TO RESERVES

Pursuant to guidelines issued by Reserve Bank of India, the Company is required to transfer 20% of its profits to the Reserves in terms of section 45-IC (1) of the Reserve Bank of India Act, 1934. In the absence for any profits for the FY ended March 31, 2025, your directors express their inability to transfer any amounts to the General Reserve.

6. PUBLIC DEPOSITS

The Company is a non-deposit taking Non-Banking Financial Company and has not accepted any deposits during the year under review. The Board has also passed a resolution for non-acceptance of deposits from the public.

7. FINANCIAL STATEMENTS

The Company has prepared its Financial Statements in conformity with the provisions of Section-129 of the Act, Indian Accounting Standards prescribed under Section 133 of the Act, 2013, Companies (Indian Accounting Standard) Rules, 2015, Companies (Accounts) Rule, 2014 and circulars, guidelines, directions issued by Reserve Bank of India, from time to time. The audited financial statement together with Auditor's report form part of the Annual Report.

Holding Company

TVS Holdings Limited is the holding company and holds 81.04% equity shares as on date of this report.

Subsidiary/Associate Companies

The Company has no subsidiary or associate in India as defined in the Act.

8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, the Company has received the approval from the Competition Commission of India and the Reserve Bank of India for change in shareholding / control and change in management. Accordingly, TVS Holdings Limited, STPL Trading and Services Private Limited (formerly known as "Srinivasan Trading Private Limited"), and PI Opportunities Fund II has acquired 100% paid up share capital of the Company. Pursuant to such change in control/acquisition, the Board of the Company has been reconstituted w.e.f February 03, 2025, as follows:

A. Directors Appointed:

1. Mr. K Gopala Desikan, Non-Executive Director
2. Dr. Deepali Pant Joshi, Independent Director
3. Mr. Kunnawalkam Elayavalli Ranganathan, Independent Director
4. Mr. Balasubramanyam Sriram, Independent Director

B. Directors Resigned:

1. Mr. Ondrej Kubik, Whole-time Director
2. Mr. Anirban Majumder, Whole-time Director
3. Ms. Esha Pruthi, Whole-time Director
4. Mr. Rakesh Kapoor, Independent Director
5. Mr. Jagdish Prasad, Independent Director
6. Mr. Jean Lafontaine, Non-Executive Director
7. Mr. Jean Pascal Pierre A. Duvieusart, Non-Executive Director
8. Mr. Pavel Rozehnal, Non-Executive Director
9. Mr. Sarpreet Singh Benipal, Non-Executive Director

Directors Liable to Retire by Rotation

In terms of Section-152 of the Act, two- third of the total number of Directors i.e., excluding Independent Directors are liable to retire by rotation and out of which, one-third are liable to retire by rotation at every Annual General Meeting.

Mr. K Gopala Desikan, Non-Executive Director, who is liable to retire at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee shall consider and recommended his re-appointment after evaluating his track record, integrity, and other fit and proper criteria as laid down under RBI guidelines.

Women Director

In compliance with Section 149 of the Act read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Dr. Deepali Pant Joshi is the Independent Women Director of the Company.

Declaration and Undertaking

All the Directors of the Company have confirmed that they satisfy the "fit and proper" criteria as prescribed under Paragraph 96 of Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023, as amended, and that they are not disqualified from being appointed/continuing as Directors in terms of section 164(2) of the Act.

Independent Director (IDs)

In accordance with Section 149(7) of the Act, all IDs have declared that they meet the criteria of independence as provided under Section 149(6) of the Act, and the Board confirms that they are independent of the management.

The detailed terms of appointment of IDs are disclosed on the Company's website in the following link www.homecredit.co.in/en/corporate-governance. All the IDs have been registered with the databank of Independent Directors developed by the Indian Institute of Corporate Affairs in accordance with the provisions of Section 150 of the Act and obtained ID registration certificates.

Separate Meetings of Independent Directors

In compliance with Schedule IV of the Act, the Independent Directors held their separate meeting on December 24, 2024, inter alia, for the following:

1. To review the performance of Non-Independent Directors and the Board as a whole.
2. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Both the Independent Directors were present at the meeting. The Independent Directors present at the meeting elected Mr. Rakesh Kapoor as the Chairman for the meeting, deliberated on the above and expressed their satisfaction on all matters.

Performance Evaluation of the Board

Pursuant to the provisions of Sec 134(3)(p) read with Sec 178 of the Act, a formal evaluation of the performance of the Board, it's Committees, Individual Directors and the Chairperson was carried out for FY 2024-2025.

1. The evaluation was carried out using questionnaire covering, amongst others, composition of Board, effective decision making, advice and necessary guidance, open communication, meaningful participation, knowledge & expertise of Directors, contribution at Board meetings etc. Further, Individual Directors (Executive, Non- Executive and Independent) were evaluated in terms of participation in the meetings of Board and Committees, Education & Qualification, effective examination of the financial and other information related to the operations of the Company, raising of valid concerns, impartial & meaningful participation, and adequate deliberations in the meeting.

2. As part of the evaluation process, the performance evaluation of the respective Committees and that of Independent and Non-Independent Directors was done by the Board excluding the Director being evaluated. The performance of Non-Independent Directors, the Chairman and the Board was conducted by the Independent Directors in its meetings. The criteria for evaluation of the Board as a whole, inter alia, covered parameters such as Structure of the Board, Meetings of the Board, Functions of the Board and Board & Management. The criteria for evaluation of Individual Directors covered parameters such as knowledge and competency, fulfilment of functions, ability to function as a team, etc. The criteria for evaluation of the Board Committees covered areas related to mandate and composition, effectiveness of the Committee, structure of the Committee and meetings, etc. The feedback of the Independent Director on their review of the performance of Non-Independent Directors, Chairman of the Board, and the Board as a whole and the assessment of the quality, quantity and timeliness of flow of information between the Company, the Management and the Board was taken into consideration by the Board in carrying out the performance evaluation.

3. Qualitative comments and suggestions of Directors were taken into consideration by the Chairman of the Board. The actions emerging from the Board evaluation process were collated and on consolidated basis, the summary of the ratings was prepared, and the report of performance evaluation so arrived at, was then noted, and discussed by the Board.

The performance evaluation concluded on the note that each of the individual directors, Committees, and the Board as a whole, were performing efficiently and effectively and shared a common vision to turning organization goals into reality. The entire performance evaluation process was completed to the satisfaction of Board.

Key Managerial Personnel

During the year under review, Mr. Ondrej Kubik has resigned from the post of Chief Executive Officer of the Company w.e.f February 21, 2025.

The Board, in its meeting held on April 7, 2025, approved the appointment of Mr. Vivek Singh as the Chief Executive Officer (CEO) of the Company. Mr. Singh holds a graduate degree from Symbiosis College of Arts & Commerce and an MBA from Bharti Vidya Peeth-Pune University. With over 21 years of experience in the financial services sector, he has a proven track record in business management, product expansion, and strategic leadership.

Mr. Singh has been instrumental in growing the Two-Wheeler finance book to over ₹ 16,000 Crore and has consistently delivered strong results through a combination of product management expertise and execution excellence. His leadership has also driven significant advancements in customer engagement through the use of technology and digital tools. Having previously held key roles at IDFC First Bank, TATA Capital, TATA Motor Finance, and ICICI Bank, Mr. Singh's extensive industry experience and strategic vision make him well-suited to lead the Company as CEO.

Mr. Vivek Singh, Chief Executive Officer, Mr. Anirban Majumder, Chief Financial Officer and Ms. Neha Gupta, Company Secretary of the Company are the Key Managerial Personnel of the Company as on the date of this report.

9. STATUTORY AUDITORS

In compliance with the RBI Guidelines and in terms of the provisions of Section 139 of the Act, shareholders of the Company at the 27th Annual General Meeting (AGM) held on September 09, 2024, has, on the recommendations of the Board of Directors, appointed M/s S.R. Dinodia & Co., LLP (Firm No. FRN 001478N/N500005), Chartered Accountants as the Statutory Auditors of the Company for a consecutive term of 3 years (2024-25 to 2026-27) to hold office from the conclusion of the 27th AGM till the conclusion of the 30th AGM of the Company.

Further, in compliance with the RBI Guidelines, the Board has approved and adopted a Policy for appointment of Statutory Auditors of the Company, which can be accessed on the Company's website.

The Auditors' Report to the shareholders does not contain any qualification, reservation, or adverse remark. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and do not call for further comments. Further, there were no frauds reported by the Statutory Auditors to the Audit Committee or the Board under Section 143(12) of the Act.

10. SECRETARIAL AUDITOR

The Board of Directors appointed M/s Anjali Yadav & Associates, Practicing Company Secretaries, as Secretarial Auditor of the Company for FY 2024-25 for conducting the audit of the secretarial and related records of the Company.

Pursuant to the provisions of Section 204 of the Act, the Company is required to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in practice, in the prescribed format.

Accordingly, the report received from M/s Anjali Yadav & Associates, Secretarial Auditors of the Company is annexed to this Board Report as **Annexure A**. The Report does not contain any qualification, reservation or adverse remark.

Compliance With Secretarial Standards

Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) has, on April 23, 2015, notified the Secretarial Standards on Meetings of the Board of Directors (SS–1) and General Meetings (SS–2) effective from July 1, 2015, and revised from time to time. The Company is in fully compliant with the same.

11. DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Act, the Board of Directors hereby confirms that:

a. In preparation of the Annual Accounts for the FY ended March 31, 2025, the applicable Accounting Standards had been followed along with proper explanation to material departures.

b. The Directors had selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the FY and of the profit or loss of the Company for that period.
c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
d. The Directors had prepared the Annual Accounts on a going concern basis.
e. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
f. The Directors had devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

12. EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014. The Annual Return in form MGT-7 as of March 31, 2025, shall be made available on the website of the Company and can be accessed at https://www.homecredit.co.in/en/corporate-governance.

13. CORPORATE GOVERNANCE

Effective corporate governance practice constitutes the strong foundation, on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance superintends business strategies and ensures accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Key Elements of Corporate Governance are as follows:

- Compliance with applicable laws and adopting best practices.
- Proactive adherence to the regulations.
- Benchmarking and adopting best practices among banks, peers and other leading organisations.
- Number of Board and Committee meetings are more than the statutory requirement, including meetings dedicated for discussing strategy, operating plans and risks.
- The Board comprises of Directors from diverse backgrounds and substantial experience, who are able to provide appropriate guidance to the executive management as required.
- Panel of independent directors with outstanding track record and reputation.
- The Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Integrated Risk Management Committee, Asset Liability Management Committee and IT Strategy Committee comprising of independent Board members.
- Independent discussions by the Audit Committee members with Internal Auditor without presence of Senior Management on a quarterly basis.
- Independent Discussions by the Board members with Chief Risk Officer without presence of Senior Management on a quarterly basis.
- Independent Discussions by the Board members with Chief Compliance Officer without presence of Senior Management on a quarterly basis.

- Separate meeting of independent directors without presence of non-independent directors.
- Evaluation process where each Board member evaluates the performance of every Director, Committees of the Board, the Chairman of the Board and the Board as a whole.
- Complete and detailed information provided to Board members in advance to enable them to evaluate matters carefully for meaningful discussions.
- Adoption of key governance policies in line with the best practices, which are made available to stakeholders for viewing and downloading from the Company's website.

The Company not only views Corporate Governance principles as set of binding obligations but believes in using it as a framework to be followed in true spirit. The Company makes a constant endeavour to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, Government, and others. The Company's activities are carried out in accordance with high quality corporate practices and the Company is constantly striving to finer these by adopting best practices.

The Company embraced ethical, transparent, accountable conduct and creating a culture where the Directors and employees have been empowered to bring any wrongful conduct to notice. The Company practiced zero tolerance toward sexual harassment at the workplace and it also have the Policy on prevention of sexual harassment at workplace to create a healthy working environment for all genders of employees in the Company.

The Corporate Governance Report for the year under review regarding the compliance with the conditions of the Corporate Governance is attached herewith as **Annexure B**. Further, the additional disclosure requirements for NBFCs in accordance with the SBR framework forms part of the Corporate Governance Report.

Board Meetings

During the year under review, the Board met 10 times on April 23, 2024, April 25, 2024, May 29,2024, June 28, 2024, July 31, 2024, August 13, 2024, November 20, 2024, January 27, 2025, February 03, 2025, and March 26, 2025, and the gap between the two meetings did not exceed one hundred and twenty days.

The Board committees are integral to the Company's governance framework and have been established to address specific areas in compliance with the applicable provisions of the Companies Act, 2013, and the Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, as amended from time to time.

The Board has constituted the following committees i.e. Audit Committee, Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR), Asset Liability Committee (ALCO), Integrated Risk Management Committee (IRMC), Information Technology Strategy Committee (IT Strategy), Customer Service Committee (CSC) and Committee of the Executive for Monitoring and Follow up of Cases of Frauds (COE).

Details of the committee composition, roles and responsibilities, meetings, and member attendance are provided in the Corporate Governance Report **(Annexure B).**

Terms of Reference of Nomination and Remuneration Policy

In accordance with Section 178 of the Act, the Company has formulated the Terms of Reference of Nomination and Remuneration Policy read with Compensation Policy ("NRC Policy") to ensure that Executive, Non-Executive Directors, Key Managerial Personnel, Senior Management Personnel and other employees are sufficiently compensated for their performance.

Directors

The Nomination and Remuneration Committee recommends the remuneration for Executive and Non-Executive Directors which is then approved by Board of Directors/ shareholders of the Company. The Independent Directors receives sitting fee for attending the meeting of the Board or any committee in which director(s) is a member.

Employees Remuneration

The remuneration of employees including of Key Managerial Personnel, Senior Management Personnel largely consists of basic salary, perquisites, allowances, and performance incentives. Perquisites and retirement benefits are paid according to the Company's policy, subject to the prescribed statutory ceiling.

The components of the total remuneration vary for different grades and are governed by the industry pattern, qualification, and experience/merits, and performance of each employee. The Company, while deciding the remuneration package, takes into consideration the current employment scenario and remuneration package of the industry.

Criteria for Board Membership

The Directors to be appointed on the Board shall fulfill the fit and proper criteria as mentioned under the NRC Policy of the Company.

Independent Directors

Independent Director shall meet all criteria specified in Section 149 of the Act and rules made there under.

14. RELATED PARTY TRANSACTIONS

The Company has framed policy on related party transactions in compliance with RBI directions.

During the FY 2024-25 all contracts/arrangements/transactions entered by your Company were on arms' length basis and in the ordinary course of business. During the FY 2024-25, as required under section 177 of the Act, all related party transactions were approved & ratified by the Audit Committee and the Company has not entered into any transactions with Related Parties which are not in its ordinary course of business or not on an arm's length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act. A statement on "Related Party Disclosures" showing the disclosure of transactions with related parties as required under Indian Accounting

Standard 24 (Ind AS 24) issued by Institute of Chartered Accountants of India, read with the Companies (Indian Accounting standards) Rules, 2015, are given in the Notes to the Financial Statements.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

15. RISK MANAGEMENT

Risk Management is at the centre stage in Home Credit to effectively manage and mitigate the risk, that the Company is or may be exposed to, by integrating and strengthening the role of risk management in its strategic decision making and creating value for its stakeholders. The Risk Acceptance Policy of the Company has been adopted and is regularly reviewed by the Board of Directors which provides for the identification, assessment, and control of risks. In terms of RBI instructions dated May 16, 2019, the Company has put in place a Board approved Policy to Safeguard the Independence of the Chief Risk Officer. At Home Credit, the Chief Risk Officer is the custodian of the Risk Management Framework. Mr. Sameer Katdare, the Chief Risk Officer of the Company, is responsible for the identification and measurement of risks using both quantitative and qualitative elements, assisting in establishing the Company's risk management framework encompassing risk strategy and risk appetite, considering the competitive and regulatory landscape, and reporting of risks and risk mitigating measures to the Board/IRMC.

16. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Company has aligned its system of internal financial control with the requirement of the Act. The Company continues to monitor the efficacy of Internal Controls through a comprehensive Internal Control Framework which had been designed to ensure transparency and accountability in an organization's process of designing and implementing a system of internal control. Through this framework, risks in the Company are identified, analysed and appropriate responses are managed.

Internal Control Systems

The Company has established an adequate internal control mechanism to safeguard all our assets and ensure operational efficiency and regulatory compliance. The frameworks are put in place to ensure adequate controls in business processes. Further, Risk and Control dashboards have been defined and are periodically updated for all important operational processes. At periodic intervals, the management team ensure that the defined controls are operative. Every year on annual basis, the report is presented to Audit Committee by Internal Auditors and Statutory Auditors.

The Company's internal controls systems are commensurate with its size and the nature of its operations. These have been designed as well as operating effectively to provide a reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures and ensuring compliance of corporate policies. The Company is strengthening the controls by leveraging technology, centralising processes and enhancing monitoring.

The same has also been confirmed by the Statutory Auditor in their report on the financial statements of the Company for FY 24-25.

17. INTERNAL AUDIT

The Audit Committee has approved a Risk Based Internal Audit ("RBIA") framework, along with appropriate processes and plans for internal audit. The audit plan is aimed at evaluation of the efficacy and adequacy of internal control systems and compliance thereof, robustness of internal processes, policies and accounting procedures and compliance with laws and regulations. Based on the internal audit reports, function/process owners undertake corrective action in their respective areas and work towards closure of the audit observations. The significant audit observations are tracked and presented to the Audit Committee, together with the status of the management actions and the progress of the implementation of the recommendations on a regular basis. The Company has a dedicated team of internal auditors to conduct internal audit, which is commensurate with its size, nature and operations. Every year, this team defines the audit agenda for the year, which is implemented after approval from the Audit Committee. The reports are reviewed by the Audit Committee of the Board. Wherever necessary, internal control systems are strengthened, and corrective actions are initiated. Separate meetings between the Internal Auditor and the Audit Committee, without the presence of senior management, are held on quarterly basis to facilitate the independent discussion amongst them.

18. CORPORATE SOCIAL RESPONSINILITY (CSR) INITIATIVES

The Company has a duly constituted CSR Committee and a Board-approved CSR Policy, in line with the provisions of Section 135 of the Act. The CSR activities are deeply embedded in the Company's value system and are implemented through Srinivasan Services Trust (SST), a registered trust established in 1966, with the vision of building self-reliant rural communities. SST undertakes projects that align with the CSR activities specified under Schedule VII of the Act, focusing on key areas such as economic development, education, environment, health, and infrastructure. SST's approach aims to drive sustainable development in rural areas by encouraging communities to embrace long-term change and take ownership of their progress.

For the financial year 2024-25, based on the recommendation of the CSR Committee, the Company contributed ₹ 1,51,50,000/- (constituting more than 2% of its average net profits from the three preceding financial years) to Srinivasan Services Trust (SST) to support the execution of the CSR activities for the year. All projects undertaken by SST fall within the individual threshold limit of ₹ 1 Crore, and therefore, as per applicable regulations, do not require an impact assessment.

In compliance with Section 135 of the Act, and Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on CSR, containing details of the approved projects and programs, is provided as **Annexure C** to this report.

19. VIGIL MECHANISM

The Company has a vigil mechanism policy to deal with instances of fraud, unethical behaviour, and mismanagement, if any. The vigil mechanism policy ensures that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism. The vigil mechanism provides for adequate safeguards against victimization of

persons and ensures that any employee, officer, and director who violates the requirements of this policy will be subject to disciplinary action.

20. SAFE ENVIRONMENT FOR WOMEN AT WORKPLACE

Your Company is committed to ensure safe and secure environment for women employees of the Company at all the levels and at all the offices of the Company. Accordingly, the Company has duly constituted Internal Committee in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which ensures immediate response to the complaints of harassment and fast track procedure disposal for such complaints. During the FY ended March 31, 2025, no complaint was received by the Committee.

21. GENERAL DISCLOSURES

Significant/Material orders passed by the Regulator or Court or Tribunals:

During the financial year 2024-25, the Company has received the approval for the proposal of acquisition of shareholding / control and change in management from the Competition Commission of India and the Reserve Bank of India. Accordingly, TVS Holdings Limited, STPL Trading and Services Private Limited (formerly known as "Srinivasan Trading Private Limited"), and PI Opportunities Fund II has acquired 100% paid up share capital of the Company.

Further, there were no significant/material orders passed by any Regulator or Court or Tribunal which would impact the going concern status of the Company and its future operations.

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:

During the financial year 2025, there was no instance of one-time settlement with Banks or Financial Institutions. Therefore, as per rule 8(5)(xii) of Companies (Accounts) Rules, 2014, reasons of difference in the valuation at the time of one-time settlement and valuation done while taking loan from the Banks or Financial Institutions are not reported.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

There was no application made or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year under review.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year and the date of the report.

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below:

A. **Conservation of Energy and Technology Absorption:** Your Company is primarily involved in providing services which do not result in significant consumption of power and energy. However, adequate measures have been taken to reduce energy consumption, wherever possible. Also, Your Company being a non-banking finance Company is not covered under the list of industries, which should furnish the reports under Conservation of Energy and Technology Absorption.

B. **Foreign exchange earnings and outgo:**

S. No.	Particulars	Year ended March 31, 2025 (₹ In Crores)	Year ended March 31, 2024 (₹ In Crores)
1	Expenditure in foreign currency*	266.68	195.42
2	Earning in foreign currency	Nil	0.14

*Including Capex.

23. EMPLOYEES' REMUNERATION

Details of Employees receiving remuneration in excess of the limits prescribed under Section 197 of the Act read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith as **Annexure-D**. In terms of the first proviso to Section 136 (1) of the Act, the Annual Report excluding the aforesaid annexure, is being sent to the shareholders of the Company. The annexure is available for inspection at the Registered Office of the Company as mentioned in the Notice of AGM, and any shareholder interested in obtaining a copy of the said annexure may write to the Company Secretary at the registered office of the Company.

24. LOAN, GUARANTEES & INVESTMENT

The Company, being a non-banking finance Company registered with the Reserve Bank of India and engaged in the business of granting loans and finance in the ordinary course of its business, is exempt from complying with the provisions of Section 186 of the Act, in respect of loans and guarantees. Accordingly, the disclosures of the loans as required under the aforesaid section have not been given in this report.

25. CREDIT RATINGS

As on March 31, 2025, the Non-Convertible Debentures and other borrowings raised by the Company retained the below ratings:

Facility	Rating as at March 31, 2024		Rating as at March 31, 2025	
	CARE	India Ratings	CARE	India Ratings
Non-Convertible Debentures	-	IND BBB+/Positive	-	IND BBB+/Rating watch with Developing Implications
Other Borrowings				
Long term bank facilities	CARE BBB+; Stable	-	CARE AA-; Stable	-
Short term Debt/Commercial Paper	-	IND A2+	-	IND A2+/ Rating watch with Developing Implications
Bank Loans	-	IND BBB+/Positive	-	IND BBB+/Rating watch with Developing Implications

26. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Act, details of which need to be mentioned in this Report.

Pursuant to the Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016, a report from the statutory auditors to the Board of Directors has been received by the Company. The Company continues to fulfil all the norms and standards laid down by the Reserve Bank of India (RBI) as applicable to the Company.

27. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148 of the Act are not applicable in respect of the business activities carried out by the Company and hence such accounts and records were not required to be maintained by the Company.

28. COMPLIANCE WITH REGULATIONS/ DIRECTIONS OF RESERVE BANK OF INDIA APPLICABLE TO NON-BANKING FINANCIAL COMPANIES

The RBI vide its notification dated October 22, 2021, introduced an integrated regulatory framework for NBFCs under "Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs". Under SBR, NBFCs are divided into four layers viz., top layer, upper layer, middle layer and base layer based on the size, activity, and perceived riskiness. The Company falls under the category of middle layer ("NBFC-ML").

The Company has complied with and shall continue to ensure compliance with applicable regulations/ directions and other instructions issued by Reserve Bank of India (RBI) from time to time and continues to fulfil all the norms and standards laid down by the RBI in Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 issued by Department of Non-Banking Supervision, Reserve Bank of India on October 19, 2023 as amended from time to time.

The Company remains committed to fair and transparent business practices in line with RBI's Fair Practice Code and Know Your Customer (KYC) norms. These regulations aim to set minimum standards for customer dealings, enhance transparency, encourage competition-driven operational excellence, and foster trust in the NBFC sector. The Company has established all mandated committees as per RBI guidelines and has implemented a comprehensive Corporate Governance Policy. Additionally, a monitoring mechanism is in place to ensure compliance with the Fair Practices Code, KYC norms, and other policies approved by the Board of Directors.

The Company has adhered to the prudential norms and standards prescribed by the Reserve Bank of India (RBI) concerning income recognition, provisioning for non-performing assets, and capital adequacy. As of the reporting period, the capital adequacy ratio stands at 18.59%, exceeding the RBI's minimum requirement of 15%, demonstrating the Company's strong financial position.

29. ACKNOWLEDGEMENT

Your Company maintained cordial relationships with Reserve Bank of India, Registrar of Companies and other regulatory authorities, Financial Institutions, Banks, Vendors, Suppliers and Customers during the financial year. Your directors wish to place on record the support extended by them, extend heartiest thanks and look forward to receiving their continued support and encouragement. Last but not the least by any means, the Board of Directors also acknowledge its sincere appreciation for the commitment and hard work put in by the Management and employees of the Company during the year under review.

The Company's Philosophy on Corporate Governance:

The Company endeavours to adopt the best practices and the highest standards of corporate governance through transparency in business ethics, accountability to its customers, investors, regulators and other stakeholders. The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better these practices by adopting best practices. The Company believes that governance practices enable the Management to direct and control the affairs of the Company in an efficient manner and to achieve the Company's goal of maximising value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a leading financial service Company in India. Home Credit India has a strong legacy of fair, transparent and ethical governance practices.

The key elements of Home Credit's Corporate Governance include effective and professional Board of Directors and established practices and procedures to comply with applicable laws and adopting best practices. The Board comprises of Directors having diversified experience in the fields of finance, law, risk, information technology and operations. The Board comprises three independent directors and one Non-Executive Director.

To focus on key areas and to meet the regulatory requirements, the Board has also constituted various committees like Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Integrated Risk Management Committee, Asset Liability Committee, IT Strategy Committee, Customer Service Committee, Committee of the Executive for Monitoring and Follow up of Cases of Frauds and defined their roles and responsibilities. The Board reviews the functioning of these committees from time to time. The Company has also framed and implemented requisite policies, inspired from applicable laws, to guide the business operations and practices of the Company. The Company has appointed Chief Risk Officer, Internal Auditor and Chief Compliance Officer to advise on function specific matters in line with the regulatory expectations.

I. BOARD OF DIRECTORS

Your Company recognises and embraces the importance of a diverse Board in its success. The confluence of Directors on the Board with different knowledge and skills, perspective, regional and industry experience, cultural and geographical background ensures that your Company retains its competitive advantage. As on March 31, 2025, the Board of the Company comprises of 4 (Four) Directors, out of which one is a Non-Executive Director and three are Independent Directors having diversified experience in the fields of finance, law, risk, information technology and operations. The composition of the Board is in conformity with the Act and other applicable laws.

Further, during the year ended March 31, 2025, 10 (Ten) meetings of the Board of Directors were held (i.e., on 23.04.2024, 25.04.2024, 29.05.2024, 28.06.2024, 31.07.2024, 13.08.2024, 20.11.2024, 27.01.2025, 03.02.2025 and 26.03.2025). The intervening gap between the two continuous meetings was within the period prescribed under the Act.

The details of the composition of Board of Directors as on March 31, 2025, and the number of Board meetings attended by respective Directors are tabulated below:

S. No.	Name of Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships in other Companies	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation#	Sitting Fee (in ₹ Lakhs)	Commission	
1	Ondrej Kubik*	28/08/2018	Whole Time Director/ Executive	8194580	10	8	Nil		N.A		Nil
2	Esha Pruthi*	24/11/2023	Whole Time Director/ Executive	10392980	10	8	Nil		N.A		Nil
3	Jean Pascal Duvieusart	25/05/2023	Non-Executive Director	1 0167605	10	6	2		N.A		Nil
4	Rakesh Kapoor*	16/01/2020	Independent Director	15358	10	9	Nil		9.55		Nil
5	Jean Lafontaine*	22/05/2020	Non-Executive Director	8740353	10	6	Nil		N.A		Nil
6	Sarpreet Singh Benipal*	20/04/2021	Non-Executive Director	8430748	10	8	1		N.A		Nil
7	Anirban Majumder*	22/05/2020	Whole Time Director/ Executive	8741217	10	9	Nil		N.A		Nil
8	Jagdish Prasad	11/2/2022	Independent Director	1653669	10	9	Nil		10.6		Nil
9	Pavel Rozehnal*	30/08/2013	Non-Executive Director	6683247	10	4	12		N.A		Nil
10	K Gopala Desikan	3/2/2025	Non- Executive Director	67107	10	0	21		N.A		Nil
11	Balasubramanyam Sriram	3/2/2025	Independent Director	2993708	10	2	8		0.8		Nil
12	Dr. Deepali Pant Joshi	3/2/2025	Independent Director	7139051	10	2	9		0.8		Nil
13	Kunnawalkam Elayavalli Ranganathan	3/2/2025	Independent Director	58990	10	2	6		0.8		Nil

* Resigned with effect from February 03, 2025.
#Salary and other compensation to Whole Time Directors ₹ 45.97 Crores.

Changes in the Board of Directors during the FY 2024-25:

During the FY 2024-25, following changes took place in the composition of Board of Directors.

S. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1	Mr. Ondrej Kubik	Whole time Director	Re-appointment subject to approval of shareholders.	27-Aug-24
2	Ms. Esha Pruthi	Whole time Director	Appointment regularization by Shareholders	9-Sep-24
3	Mr. Ondrej Kubik	Whole time Director	Re-appointment regularization by Shareholders	9-Sep-24
4	Mr. K Gopala Desikan *	Additional Non – Executive Director	Appointment subject to approval of shareholders	3-Feb-25
5	Mr. Balasubramanyam Sriram*	Additional Independent Director	Appointment subject to approval of shareholders	3-Feb-25
6	Dr. Deepali Pant Joshi*	Additional Independent Director	Appointment subject to approval of shareholders	3-Feb-25
7	Mr. Kunnawalkam Elayavalli Ranganathan*	Additional Independent Director	Appointment subject to approval of shareholders	3-Feb-25
8	Mr. K Gopala Desikan*	Non – Executive Director	Appointment regularization by shareholders.	3-Feb-25
9	Mr. Balasubramanyam Sriram*	Independent Director	Appointment regularization by shareholders.	3-Feb-25
10	Dr. Deepali Pant Joshi*	Independent Director	Appointment regularization by shareholders.	3-Feb-25
11	Mr. Kunnawalkam Elayavalli Ranganathan*	Independent Director	Appointment regularization by shareholders.	3-Feb-25
12	Mr. Ondrej Kubik*	Whole – time Director	Resignation	3-Feb-25
13	Mr. Anirban Majumder*	Whole – time Director	Resignation	3-Feb-25
14	Ms. Esha Pruthi*	Whole – time Director	Resignation	3-Feb-25
15	Mr. Rakesh Kapoor*	Independent Director	Resignation	3-Feb-25
16	Mr. Jagdish Prasad*	Independent Director	Resignation	3-Feb-25
17	Mr. Jean Lafontaine*	Non – Executive Director	Resignation	3-Feb-25
18	Mr. Jean Pascal Pierre A Duvieusart*	Non – Executive Director	Resignation	3-Feb-25
19	Mr. Pavel Rozehnal*	Non – Executive Director	Resignation	3-Feb-25
20	Mr. Sarpreet Singh Benipal*	Non – Executive Director	Resignation	3-Feb-25

*Appointment and Resignation pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:

Pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024, Mr. Rakesh Kapoor and Mr. Jagdish Prasad, Independent Directors of the Company has resigned from the directorship w.e.f February 03, 2025.

Details of any relationship amongst the directors inter-se:

There exist no inter-se relationship among the directors and the same is confirmed basis the annual declaration of interest by the directors.

II. COMMITTEES OF THE BOARD

The Board has constituted Committees with specific terms of reference to focus on specific areas. These include the Audit Committee, the Nomination and Remuneration Committee, the Integrated Risk Management Committee, the Information Technology Strategy Committee, Corporate Social Responsibility Committee, Asset Liability Committee, Customer Service Committee and Committee of the Executive for Monitoring and Follow up of cases of Frauds (COE). The Board reviews the functioning of these committees from time to time. The Minutes and the gist of minutes of meetings of all Committees of the Board are placed before the Board of Directors for noting.

1. AUDIT COMMITTEE

Pursuant to the requirement of the NBFC Regulations and the Act, the Company has constituted an Audit Committee. The Board reviews the terms of reference and working of the Committee from time to time.

The TOR of Audit Committee inter-alia provides for the following key responsibilities of Committee:

01. To review from time to time the performance of the Company and annual financial statements and Auditors' report thereon before submission to the Board.
02. To evaluate the internal financial control and the risk management systems.
03. To initiate examination of the accountability and place it before the Board, in fraud cases involving very senior executives of the Company (MD & CEO / Executive Director / Executives of equivalent rank).
04. To provide any clarification on matters relating to audit in the Annual General Meeting.
05. To ensure that an Information System Audit of the internal system and processes is being conducted at least once in a year to assess operational risks faced by the Company.
06. To provide omnibus approval or specific approval, as the case may be, for any transaction or any subsequent modification of transactions of the Company with related parties where the transaction is proposed to be carried out in the ordinary course of business and on an arm's length basis including any omnibus approval for related party transactions.

07. To recommend related party transactions to the Board for approval when the transaction proposed to be carried out in not the ordinary course of business and on an arm's length basis.
08. To scrutinize the inter-corporate loans and investments of the Company.
09. To review quarterly audit notes and compliances with respect to the KYC Policy of the Company.
10. To approve adjustments if any, to the model output (i.e., a management overlay) of the Expected Credit Loss (ECL) Model.
11. To take decision on the valuation of the undertaking or assets of the Company in the event of sale or purchase of such undertaking or assets.
12. To appoint registered valuer for valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth or liabilities of the Company as required under an applicable law.
13. To take note of the ageing analysis of the entries pending reconciliation with outsourced vendors of cash management.
14. To review the details of trading in securities by the Designated Persons, if any, including violation of any clauses of the Code of Conduct as reported to the Committee by the Compliance Officer at least once in a financial year.
15. To review the reports of internal audit conducted on various activities outsourced by the Company.
16. To oversee the vigil mechanism established by the Company by reviewing the nature of complaints/whistle blowers received from time to time and action taken in this regard.
17. To review the reports of Internal Audit, status on closure of audit reports as well as status of closure of internal audit findings.
18. To recommend to the Board of Directors for appointment, including the fillings of a casual vacancy, remuneration and terms of appointment of auditors of the Company.
19. To ensure that the risk assessment of business and other functions of the Company is conducted and the consolidated position of major risks faced by the Company based on inputs from all forms of audit is reviewed on an annual basis.
20. To monitor and assess the auditor's independence and review the performance of auditor and effectiveness of audit process on annual basis and assist Statutory Auditor in case of any concern with the management.
21. To review the report on any serious lapses/negligence in audit responsibilities or conduct issues on part of the Auditors or any other matter considered as relevant, before submission to RBI.
22. To approve the Risk Based Internal Audit (RBIA) plan and review the performance of Risk Based Internal Audit (RBIA).
23. To review the quality assurance and improvement program that covers all the aspect of internal audit function and may include assessment of the internal audit function at least once in a year.
24. Such other matters as may be required to be discussed and/ or approved by Audit Committee pursuant to the provisions of Companies Act, 2013 along with rules and regulations made thereunder, guidelines and notifications issued by Reserve Bank of India or other applicable laws.
25. To have full access to information contained in the records of the Company.
26. To investigate into any matter in relation to the items specified in this TOR or referred to it by the Board and have power to obtain professional advice from external sources on specified items in this and above section.

27. The Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the Company.
28. To provide reasonable recommendations to the Board of Directors on the matters as and when asked for, the Board of Directors shall have the right either to accept the recommendation with or without modifications, or to reject the recommendations, of the Committee. If the Board does not accept the recommendations of the Committee, it shall disclose the same in the Boards' Report along with the reasons, therefore.
29. The Audit Committee of Board shall be responsible for overseeing the internal audit function in the organization. The Audit Committee shall approve the RBIA plan to determine the priorities of the internal audit function based on the level and direction of risk, as consistent with the Company's goals. Every activity / location, including the risk management and compliance functions, shall be subjected to risk assessment by the RBIA. It shall review all the pending high and medium risk paras and persisting irregularities regarding key areas in which risk mitigation has not been undertaken despite risk identification.
30. To ensure that the remuneration for Internal Audit Function staff should be structured in a way to avoid creating conflict of interest and compromising audit's independence and objectivity.
31. To promote the use of new audit tools/ new technologies for reducing the extent of manual monitoring / transaction testing / compliance monitoring, etc. and ensure the adequate staffing of the Internal Audit Function.
32. The Audit Committee shall meet Internal Auditor at least once in a quarter, without the presence of the senior management, including the Chief Executive Officer or whole-time director. In case Chief Executive Officer or whole-time director is the reporting authority to Internal Auditor, then the 'Reviewing authority' shall be the Audit Committee/Board and the 'Accepting authority' shall be the Board in matters of performance appraisal of the Internal Auditor.

Composition of the Audit Committee and Details of Meeting Held:

During the FY 2024-25, the Committee met 6 (Six) times on April 23, 2024, May 29, 2024, August 13, 2024, November 20, 2024, January 27, 2025, and March 26, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. 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 NBFC
				Held	Attended	
1	Mr. Ondrej Kubik*	16-Oct-18	Whole-time Director	6	5	Nil
2	Mr. Pavel Rozehnal#	12-Nov-21	Non-Executive Director	6	0	Nil
3	Mr. Jean Lafontaine*	12-Nov-21	Non-Executive Director	6	5	Nil
4	Mr. Rakesh Kapoor*	6-Mar-20	Independent Director	6	5	Nil
5	Mr. Jagdish Prasad*	11-Feb-22	Independent Director	6	5	Nil
6	Mr. Jean Pascal Pierre A. Duvieusart*	26-Sep-24	Non-Executive Director	6	2	Nil
7	Mr. Balasubramanyam Sriram	3-Feb-25	Independent Director	6	1	Nil
8	Mr. K Gopala Desikan	3-Feb-25	Non-Executive Director	6	0	Nil
9	Mr. Kunnawalkam Elayavalli Ranganathan	3-Feb-25	Independent Director	6	1	Nil

* Ceased to be the member of the Committee with effect from February 03, 2025.
# Ceased to be the member of the Committee with effect from September 26, 2024.

2. NOMINATION & REMUNERATION COMMITTEE

Pursuant to the requirement under NBFC Regulations, the Company has constituted a Nomination & Remuneration Committee (NRC). The Board reviews the terms of reference and working of the Committee from time to time.

The TOR of Nomination and Remuneration Committee inter-alia provides for the following key responsibilities of Committee:

a. The Committee shall lay down the criteria (i.e., Fit & Proper Criteria) for determining the requisite qualification, and past experience required from an individual for appointment as Director, Key Managerial Personnel, and Senior Management Officers of the Company.
b. The Committee shall identify an individual, on the basis of Fit & Proper Criteria, for appointment as the Director, Key Managerial Personnel, and Senior Management Officers of the Company, as the case may be, and recommend to the Board, or the other appointing authority, as the case may be, their appointment.
c. To review from time to time, the eligibility of the Directors to continue to hold directorship in the Company and recommend to the Board for its consideration on the structure for the Board.
d. To play statutory and consultative role in building appropriate remuneration structure in the Company.
e. To put in place a framework for ensuring that remuneration is reasonable and sufficient to attract, retain and motivate directors and senior management of the quality required to run the Company successfully.
f. To review and recommend policy relating to the compensation payable to the Directors, KMPs, SMPs and other employees of the Company to the Board.
g. While formulating the policy, the Committee ensure that:
   - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
   - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
   - Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
h. To review and recommend to the Board, the compensation, including modification therein, that can be offered to the Directors, KMPs and SMPs of the Company.
i. To formulate criteria for evaluation of Directors, Board and its committees.
j. To have full access to information contained in the records of the Company.
k. To specify the criteria and procedure for effective evaluation of performance of Board, its Committees and Directors to be carried out by the Board and review its implementation and compliance.
l. To ensure ‘fit and proper’ status of proposed/ existing directors.
m. To ensure that there is no conflict of interest in the appointment of directors on Board of the Company, KMP and SMP.
n. The NRC, as and when required, shall work in close coordination with Integrated Risk Management Committee (IRMC) of the Company to achieve effective alignment between compensation and risks.
o. To ensure that compensation levels are supported by the need to retain earnings of the Company and the need to maintain adequate capital based on Internal Capital Adequacy Assessment Process from time to time.
p. To formulate a framework for succession planning with respect to Directors, KMPs and SMPs.
q. To delegate any of its powers to one or more of its members/ Directors or the Company’s HR Head or any other KMP/ SMP of the Company.

r. The NRC shall be authorized to issue the guidelines, procedures, formats, reporting mechanism and manual in supplement for better implementation to this Policy, as per its discretion.
s. The NRC shall have the constitution, powers, functions, and duties as laid down in section 178 of the Act.

Composition of the Nomination and Remuneration Committee and details of meeting held:
During the FY 2024-25, the Committee met on August 13, 2024, and January 28, 2025; The composition of the Committee and attendances of the Members at the meeting of the Committee held during the year is as follows:

S. 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 NBFC
				Held	Attended	
1	Mr. Jean Lafontaine*	25-Jun-20	Non- Executive Director	2	2	Nil
2	Mr. Pavel Rozehnal#	25-Jun-20	Non- Executive Director	2	1	Nil
3	Mr. Rakesh Kapoor*	16-Feb-20	Independent Director	2	2	Nil
4	Mr. Jagdish Prasad*	20-Sep-22	Independent Director	2	2	Nil
5	Mr. Jean Pascal Duvieusart*	26-Sep-24	Non- Executive Director	2	0	Nil
6	Dr. Deepali Pant Joshi	3-Feb-25	Independent Director	2	0	Nil
7	Mr. Balasubramanyam Sriram	3-Feb-25	Independent Director	2	0	Nil
8	Mr. K Gopala Desikan	3-Feb-25	Non- Executive Director	2	0	Nil

* Ceased to be the member of the Committee with effect from February 03, 2025.
# Ceased to be the member of the Committee with effect from September 26, 2024.

3. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In accordance with the requirements under the Act and the Companies (CSR Policy) Rules, 2014, the Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee. Based on the recommendation of the CSR Committee, the Board has also approved the Corporate Social Responsibility Policy ('CSR Policy') of the Company.

The Board reviews the terms of reference and working of the Committee from time to time.
The CSR Policy inter-alia provides for the following key responsibilities of Committee:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act, 2013;

2. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
3. Monitor the Corporate Social Responsibility Policy of the Company from time to time.

Composition of the CSR Committee and details of meeting held:
During the FY 2024-25, the Committee met 2 (two) time on July 24, 2024 and October 25, 2024. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member*	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 NBFC
				Held	Attended	
1	Mr. Sarpreet Benipal*	30-Jun-2021	Non- Executive Director	2	2	Nil
2	Ms. Esha Pruthi*	1-Oct-2023	Whole-Time Director	2	2	Nil
3	Mr. Anirban Majumder*	30-Jun-2021	Whole-Time Director	2	2	Nil
4	Mr. Ashish Tiwari*	30-Jun-2021	Chief Marketing Officer	2	2	Nil
5	Ms. Harshita Uppal*	30-Jun-2021	Chief People Officer	2	2	Nil
6	Mr. Sameer Katdare*	30-Jun-2021	Chief Risk Officer	2	1	Nil
7	Mr. Amit Gupta #	3-Nov-2023	Head- Funding	2	0	Nil
8	Mr. Varun Ahuja*	31-Jul-2024	Member of funding team	2	1	Nil
9	Mr. Nishu Gupta*	31-Jul-2024	Member of funding team	2	1	Nil
10	Mr. Sumit Dalela*	20-Nov-2024	Head-Treasury	2	0	Nil
11	Dr. Deepali Pant Joshi	3-Feb-25	Independent Director	2	0	Nil
12	Mr. Kunnawalkam Elayavalli Ranganathan	3-Feb-2025	Independent Director	2	0	Nil
13	Mr. K Gopala Desikan	3-Feb-2025	Non- Executive Director	2	0	Nil

* Ceased to be the member of the Committee with effect from February 03, 2025.
# Ceased to be the member of the Committee with effect from July 15, 2024.

4. ASSET LIABILITY COMMITTEE (ALCO)

The Terms of Reference of Company of Asset Liability Committee (ALCO) inter-alia provides for the following key responsibilities of Committee:

- Review ALM position for each quarter and ensure adherence to risk tolerance limits set by the Board.
- Monitor and discuss the status and results of decisions implemented in previous meetings.
- Review the short-term liquidity through current and prospective cashflow position.
- Assess funding requirements and review funding pipeline, including contingency funding plan.
- Discuss maturity profile and mix of incremental assets and liabilities.
- To take decision on sale of assets as a source of funding, if required.
- Review the current and prospective capital levels to determine sufficiency in relation to financial goals, risk and compliance.
- Review deployment of excess liquidity as per the latest Liquidity Management policy.
- Ensure compliance with all regulatory requirements on liquidity, funding and capital.
- Review repayment, refinancing of maturing debt liabilities.
- Oversee risks relating to liquidity and interest rate risk.
- Ensure implementation of the liquidity risk management strategy, in line with “Liquidity Risk Management Framework” policy of HCIN.
- Ensure adherence to risk tolerance limits set by the Board. Review utilization and breach of all internally established Risk Appetite Limits (RAL) and Target Limits and mitigation plan in case of any limit breach.
- Distribute the minutes of each meeting to the Board of Directors/ relevant stakeholders.
- To give necessary authorizations to continue to operate with higher limits than prescribed in this Policy for various purposes based on exigencies and actual requirements, if any.

Composition of the Asset Liability Committee (ALCO) and details of meeting held:
During the FY 2024-25, the Committee met 5 (Five) times on May 16, 2024, July 26, 2024, December 03, 2024, January 28, 2025 and March 24, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	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 NBFC
				Held	Attended	
1	Mr. Ondrej Kubik*	28-Aug-2018	Whole-Time Director	5	4	Nil
2	Mr. Sameer Katdare*	15-Sep-2020	Chief Risk Officer	5	4	Nil
3	Mr. Anirban Majumder*	1-Dec-2017	Whole-Time Director	5	4	Nil
4	Mr. Vikas Aggarwal*	3-Nov-2023	Head- Finance Controller and Tax	5	3	Nil
5	Mr. Amit Gupta#	11-Feb-2022	Head- Funding	5	1	Nil
6	Mr. Varun Ahuja##	31-Jul-2024	Member of funding team	5	0	Nil
7	Mr. Nishu Gupta##	31-Jul-2024	Member of funding team	5	0	Nil
8	Mr. Sumit Dalela*	20-Nov-2024	Head-Treasury	5	2	Nil
9	Dr. Deepali Pant Joshi	3-Feb-2025	Independent Director	5	1	Nil
10	Mr. Balasubramanyam Sriram	3-Feb-2025	Independent Director	5	1	Nil
11	Mr. K Gopala Desikan	3-Feb-2025	Non-Executive Director	5	1	Nil

* Ceased to be the member of the Committee with effect from February 03, 2025.
# Ceased to be the member of the Committee with effect from July 15, 2024,
##Ceased to be the member of the Committee with effect from November 20, 2024

5. INTEGRATED RISK MANAGEMENT COMMITTEE (IRMC)

The Terms of Reference of Company of Integrated Risk Management Committee (IRMC) inter-alia provides for the following key responsibilities of Committee:

- To review and assess the type and nature of the different risks, i.e. credit risk, liquidity risk, market risk, operational risk, financial risk, legal risk and/or any other risk as may be decided by the Board of Directors of the Company.
- To review and assess the quality, integrity and effectiveness of the risk management systems.
- To review and govern the functions of the sub-committee on operational risk and credit risk of the Company.
- To ensure that the Company has implemented an effective ongoing process to identify various risks, to measure its potential impact against a broad set of assumptions and then to activate what is necessary to pro-actively manage these risks, and to decide the Company's appetite or tolerance for risk.
- To review processes and procedures to ensure the effectiveness of internal systems of control so that decision-making capability and accuracy of reporting and financial results are always maintained at an optimal level.
- To monitor external developments relating to the practice of corporate accountability and the reporting of specifically associated risk, including emerging and prospective impacts.
- To review the risk bearing capacity of the Company in light of its reserves, insurance coverage or other such financial structures.

Composition of the Integrated Risk Management Committee (IRMC) and details of meeting held:

During the FY 2024-25, the Committee met 4 (Four) times on June 25, 2024, September 24, 2024, November 13, 2024, and January 29, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	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 NBFC
				Held	Attended	
1	Mr. Ondrej Kubik*	1-Aug-2018	Whole-Time Director	4	3	Nil
2	Mr. Sameer Katdare*	15-Sep-2020	Chief Risk Officer	4	3	Nil
3	Mr. Anirban Majumder*	30-May-2018	Whole-Time Director	4	4	Nil
4	Ms. Esha Pruthi*	1-Oct-2023	Whole-Time Director	4	4	Nil
5	Mr. Nitin Kumar Agarwal*	26-Jul-2018	Head - Operational Risk Management	4	4	Nil
6	Mr. K Gopala Desikan	3-Feb-2025	Non- Executive Director	4	0	Nil
7	Dr. Deepali Pant Joshi	3-Feb-2025	Independent Director	4	0	Nil
8	Mr. Kunnawalkam Elayavalli Ranganathan	3-Feb-2025	Independent Director	4	0	Nil

* Ceased to be the member of the Committee with effect from February 03, 2025.

6. IT STRATEGY COMMITTEE

The Terms of Reference of IT Strategy Committee provides that the Committee shall be responsible for the overall evaluation, providing direction, and monitoring of the IT Governance Framework which inter-alia includes the following key responsibilities of Committee:

- Ensure that an effective IT strategic planning process in place.
- Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the HCIN towards accomplishment of its business objectives.
- Ensures that IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives, and unambiguous responsibilities for each level in the organisation.
- Ensure that the HCIN has put in place processes for assessing and managing IT and cybersecurity risks.
- Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the HCIN's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives; and
- Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the HCIN.
- Review of assessment of IT capacity requirements and measures taken to address the issues.
- Approval of documented standards and procedure of access control.

- The constitution of the ISC, with Chief Information Security Officer (CISO) and other representatives from business and IT functions, etc., shall be decided by the ITSC.
- Oversee the Information Security Committee.
- Consult with Risk Management Committee of Board on risk management policy on issues with IT related risks, including the Cyber Security related risks.
- Review of cyber security risks/ arrangements/ preparedness of the HCIN on Quarterly basis.
- Monitor strategic IT plans.
- Proper balance of IT investments for sustaining HCIN's growth and becoming aware about exposure towards IT risks and controls.
- Provide IT insights to Board and act as subject matter expert.
- Work in partnership with other Board committees and Senior Management for providing input.
- Approval & updating of documented standards and procedure for access to information asset and Privileged Access.
- Work in alignment with HCIN Operational Risk Management (ORM) Committee to ensure the following with regards to IT Outsourcing:
  - Institute an appropriate governance mechanism.
  - Identify, measure, monitor and control risks associated with outsourcing in an end-to-end manner.
  - Developing responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements.
  - Evaluating risks of all prospective outsourcing based on developed framework.
  - Periodically reviewing the effectiveness of policies and procedures.
  - Communicating significant risks to the Board.
  - Ensuring that contingency plans have been developed and tested adequately.
  - Ensure that business continuity preparedness is not adversely compromised on account of outsourcing.
- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place. The Committee shall review all policies of the Company relating to information security and information technologies and recommend to the Board, the policies that require approval from Board.
- IT Strategy committee have the responsibility to institute an effective governance mechanism and risk management process for all IT outsourced operations.

Composition of the IT Strategy Committee and details of meeting held:

During the FY 2024-25, the Committee met 4 (Four) times on April 10, 2024, August 08, 2024, November 07, 2024, and March 12, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	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 NBFC
				Held	Attended	
1	Mr. Jagdish Prasad*	11-Feb-2022	Independent Director	4	3	Nil
2	Ms. Esha Pruthi*	1-Oct-2023	Chief Legal Officer	4	1	Nil
3	Mr. Anirban Majumder*	28-Jun-2018	Whole-Time Director & Chief Financial Officer	4	0	Nil
4	Mr. Ladislav Simicek*	16-Jan-2020	Chief Information Officer	4	3	Nil
5	Mr. Jan Brazda*	15-Sep-2023	Head- IT Operations	4	3	Nil
6	Mr. Sangram Sanjay Salunke*	1-Apr-2024	Chief Information Security Officer	4	3	Nil
7	Mr. Bhrigu Sehgal*	21-Oct-2022	Chief Sales Officer	4	0	Nil
8	Dr. Deepali Pant Joshi	3-Feb-2025	Independent Director	4	1	Nil
9	Mr. K Gopala Desikan	3-Feb-2025	Non- Executive Director	4	1	Nil
10	Mr. Kunnawalkam Elayavalli Ranganathan	3-Feb-2025	Independent Director	4	1	Nil

7. CUSTOMER SERVICE COMMITTEE

The Company has constituted Customer Service Committee to support the Board in its overall responsibility of customer service and protection. The Terms of Reference of Customer Service Committee inter-alia includes the following key responsibilities of Committee:

- To review the level of customer service in the Company including customer complaints and the nature of their resolution.
- To provide guidance in improving the level of customer service.
- To ensure that the Company provides and continues to provide best-in-class services across all its category of customers to help the Company in protecting and growing its brand equity.
- To evolve innovative measures for enhancing the quality of customer service and improving the overall satisfaction level of customers.
- To ensure implementation of directives received from the regulators, including RBI, with respect to rendering of services to Company customers.
- To review and govern the functions of the sub-committee, if any, on grievance redressal of the Company.
- To review the Complaints handling procedures of the Company in light of trend in customer complaints, Industry Practice and regulatory requirement.
- To approve the appointment of Internal Ombudsman / Deputy Internal Ombudsman and decide the structure of emoluments, facilities and benefits accorded to the IO/DIO.

- To review the periodic reports (including the analysis of complaints) of Internal Ombudsman on his / her activities, preferably at quarterly intervals, but not less than half yearly intervals.
- To review the cases in which the decision of the Internal Ombudsman has been rejected by the Company.
- To review the Root Cause Analysis of customer grievance at least on an annual basis, and suggest corrective measures, to the extent necessary, so as to minimize the number of complaints and allied risks
- To conduct or authorize, at the Company's expense, investigations or studies of matters within the CSC's scope of responsibilities and to obtain advice and assistance from internal and external advisors.
- To perform such other functions as may be assigned from time to time under the Company policies, guidelines and procedures of the Company.
- To apprise the Board of Directors of the Company, at least on annual basis, a summary of critical complaints reviews along with corrective measures.

Composition of the Customer Service Committee and details of meeting held:

During the FY 2024-25, the Committee met 4 (Four) times on June 28, 2024, August 22, 2024, November 20, 2024, and March 20, 2025. The composition of the Committee and attendances of the Members at the meetings of the Committee held during the year are as follows:

S. No.	Name of Member	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 NBFC
				Held	Attended	
1	Mr. Ashish Tiwari	23-Apr-2024	Chief Marketing Officer	4	4	Nil
2	Mr. Ondrej Kubik*	23-Apr-2024	Chief Executive Officer	4	1	Nil
3	Mr. Anirban Majumder	23-Apr-2024	Chief Financial Officer	4	3	Nil
4	Ms. Esha Pruthi	23-Apr-2024	Chief Legal Officer	4	4	Nil
5	Mr. Sameer Katdare	23-Apr-2024	Chief Risk Officer	4	2	Nil
6	Ms. Harshita Uppal	23-Apr-2024	Chief People Officer	4	4	Nil

* Ceased to be the member of the Committee with effect from February 21, 2025.

8. COMMITTEE OF THE EXECUTIVE FOR MONITORING AND FOLLOW UP OF CASES OF FRAUDS

The Company has constituted the Committee of the Executive for Monitoring and Follow-up of cases of Fraud to assist the Board in review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of fraud w.e.f November 20, 2025.

Following are the key responsibilities of Committee:

- To oversee the effectiveness of the fraud risk management.
- To review and monitor cases of frauds, including root cause analysis.
- To suggest mitigating measures for strengthening the internal controls, risk management framework and minimizing the incidence of frauds.
- To ensure periodic review of incidents of fraud and Monitoring and Follow-up of cases of frauds on regular intervals.
- To review mechanism to ensure that Whistle Blower complaints on possible fraud cases / suspicious activities in account(s) are examined and concluded appropriately under their Whistle Blower Policy.
- To ensure implementation of directives received from the regulators, including RBI, with respect to fraud risk management.
- To ensure prevention, early detection and timely reporting of incidents of fraud to Law Enforcement Agencies (LEAs), Reserve Bank of India (RBI).
- To review Framework for Early Warning Signals for Detection of frauds on regular intervals;
- To ensure reporting and modalities of the incidents of fraud to appropriate LEAs, viz. State Police authorities, Reserve Bank of India (RBI) etc., subject to applicable laws.
- To establish suitable nodal point(s) / designate officer(s) for reporting incidents of fraud to LEAs and for proper coordination to meet the requirements of the LEAs.
- To ensure Closure of Fraud Cases reported to RBI.
- To ensure completion of the investigation from fraud angle before transferring the loan account / credit facility to other lenders / ARCs.
- To conduct or authorize, at the Company's expense, investigations or studies of matters within the SCBMF's scope of responsibilities and to obtain advice and assistance from internal and external advisors.
- To perform such other functions as may be assigned from time to time under the Company policies, guidelines and procedures of the Company.

S. No.	Name of Member	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 NBFC
				Held	Attended	
1	Mr. Sameer Katdare	20-Nov-2024	Chief Risk Officer	1	1	Nil
2	Mr. Anirban Majumder	20-Nov-2024	Chief Financial Officer	1	1	Nil
3	Mr. Vikas Aggarwal	20-Nov-2024	Head- Finance Controller and Tax	1	1	Nil
4	Ms. Niti Bansal	20-Nov-2024	Senior Vice President- Anti Fraud	1	1	Nil
5	Mr. Sangram Sanjay Salunke	20-Nov-2024	Chief Information Security Officer	1	1	Nil
6	Mr. Rajan Kumar Singh	20-Nov-2024	Senior Manager- Vigilance	1	1	Nil

9. INDEPENDENT DIRECTORS MEETING

In compliance with Schedule IV of the Act, the Independent Directors held their separate meeting on December 24, 2024, inter alia, for the following:

1. To review the performance of Non-Independent Directors and the Board as a whole.
2. To assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

Both the Independent Directors were present at the meeting. The Independent Directors present at the meeting elected Mr. Rakesh Kapoor as the Chairperson for the meeting, deliberated on the above and expressed their satisfaction on all matters.

III. General Body Meetings

During the FY 2024-25, three shareholder's meeting were held on September 09, 2024, February 03, 2025, and March 27, 2025. The details of such meetings and the special resolutions passed in such meetings are as follows:

S. No.	Type of Meeting (Annual/ Extraordinary)	Date and Place	Special resolutions passed
1	Annual General Meeting	9-Sep-24 Registered Office (Delhi, India)	• To approve issuance of non – convertible debentures on private placement basis.
2	Extraordinary General Meeting	3-Feb-25 Audio Visual Mode	• To consider and approve creation of security interest under section 180(1)(a) of the Companies Act, 2013. • To consider and approve the borrowing limit of the Company as per Section 180(1)(c) of the Companies Act, 2013.
3	Extraordinary General Meeting	27-Mar-25 Registered Office (Delhi, India)	• To consider and approve adoption of restated Articles of Association. • To issue Equity Shares on Private Placement / Preferential Basis

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

The Company has not defaulted in compliance with the requirements of Act, including with respect to compliance with accounting and secretarial standards.

V. Details of penalties and strictures

During FY 2024-25, no penalty or stricture has been imposed on the Company by the RBI, ROC or any other statutory authority

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

Annexure-C

Particulars of Corporate Social Responsibility (CSR) activities carried out by the Company during F.Y 2024-25 in terms of Section 135 of the Companies Act, 2013.

1. Brief outline on CSR Policy of the Company.

The Company has framed a CSR Policy to cover the matters related to Corporate Social Responsibility under the applicable provisions of Act. CSR activities are deeply embedded in the Company's value system and are implemented through Srinivasan Services Trust (SST), a registered trust established in 1966, with the vision of building self-reliant rural communities. SST undertakes projects that align with the CSR activities specified under Schedule VII of the Act, focusing on key areas such as economic development, education, environment, health, and infrastructure. SST's approach aims to drive sustainable development in rural areas by encouraging communities to embrace long-term change and take ownership of their progress.

2. Composition of CSR Committee:

S. No.	Name of Member	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sarpreet Benipal*	Non- Executive Director	2	2
2	Ms. Esha Pruthi*	Whole-Time Director	2	2
3	Mr. Anirban Majumder*	Whole-Time Director	2	2
4	Mr. Ashish Tiwari*	Chief Marketing Officer	2	2
5	Ms. Harshita Uppal*	Chief People Officer	2	2
6	Mr. Sameer Katdare*	Chief Risk Officer	2	1
7	Mr. Amit Gupta**	Head- Funding	2	0
8	Mr. Varun Ahuja***	Member of funding team	2	1
9	Mr. Nishu Gupta***	Member of funding team	2	1
10	Mr. Sumit Dalela****	Head-Treasury	2	0
11	Dr. Deepali Pant Joshi #	Independent Director	2	0
12	Mr. Kunnawalkam Elayavalli Ranganathan #	Independent Director	2	0
13	Mr. K Gopala Desikan #	Non- Executive Director	2	0

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

* Ceased to be the member of the Committee with effect from February 03, 2025.
**Ceased to be the member of the Committee with effect from July 15, 2024 and Board took note of such change in representation in their meeting held on July 31, 2024.
*** Appointed as the members of the Committee w.e.f July 31, 2024 and cessed to be the member of the Committee w.e.f November 20, 2024.
**** Appointed as the member of the Committee w.e.f November 20, 2024.
#Appointed as members of the Committee w.e.f February 03, 2025.

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	https://www.homecredit.co.in/en/corporate-governance
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable
5.	(a) Average net profit of the company as per sub-section (5) of section 135.	₹ 75,65,18,690
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135 of the Companies Act, 2013	₹ 15,130,374
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	Not Applicable
	(d) Amount required to be set-off for the financial year, if any.	Not Applicable
	(e) Total CSR obligation for the financial year [5(b)+5(c)-5(d)].	₹ 15,130,374

6.	(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	₹ 15,150,000
	(b) Amount spent in Administrative Overheads	Not Applicable
	(c) Amount spent on Impact Assessment, if applicable	Not Applicable
	(d) Total amount spent for the Financial Year [6(a)+6(b)+6(c)].	₹ 15,150,000
	(e) CSR amount spent or unspent for the Financial Year:	

Total Amount Spent for the Financial Year. (In ₹)	Amount Unspent (in ₹.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
₹ 15,150,000	**N.A.**				

(f) Excess amount of set off, if any

S. No.	Particulars	Amount (in ₹)
i.	Two percent of average net profit of the company as per sub-section (5) of Section 135 of Companies Act, 2013	₹ 15,130,374
ii.	Total amount spent for the Financial Year	₹ 15,150,000
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	₹ 19,626
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	₹ 19,626

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹).	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹).	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding financial years. (in ₹).
					Amount (in ₹).	Date of transfer.	
Not Applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **Not Applicable**

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

Mr. K Gopala Desikan
Chairman of the CSR Committee
DIN: 00067107

Place: Gurgaon
Date:April 26, 2025

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Home Credit India Finance Private Limited
S-7, Second Floor, Manish Chambers 4,
Plot No. 7, LSC, Sector -12,
District Court Complex,
Dwarka, Delhi -110075

We, Anjali Yadav, Proprietor of Anjali Yadav & Associates, Company Secretaries have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Home Credit India Finance Private Limited (CIN: U65910DL1997PTC422426) (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 and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

i. The Companies Act, 2013 ('the Act') and the rules made thereunder (as amended from time to time)

ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder (as amended from time to time)

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (as amended from time to time)

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

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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time) - **Not applicable to the Company during the audit period.**

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time) - **Not applicable to the Company during the audit period.**

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time) - **Not applicable to the Company during the audit period.**

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) - **Not applicable to the Company during the audit period.**

e) The Securities and Exchange Board of India (Share Based Employees Benefits and Sweat Equity) Regulations, 2021 (as amended from time to time) - **Not applicable to the Company during the audit period.**

f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time) - **Not applicable to the Company during the audit period.**

g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (as amended from time to time).

h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (as amended from time to time) - **Not applicable to the Company during the audit period.**

i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (as amended from time to time) - **Not applicable to the Company during the audit period.**

j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (as amended from time to time) - **Not applicable to the Company during the audit period.**

vi. 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 the applicable laws such as rules, regulations and guidelines issued by the Reserve Bank of India as are applicable to Non - Deposit taking NBFC.

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

i. Secretarial Standard- 1 (Meetings of Board of Directors) issued by The Institute of Company Secretaries of India

ii. Secretarial Standard- 2 (General Meetings) issued by The Institute of Company Secretaries of India

From the verification of records and as per the information and explanation furnished to us, during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, wherever applicable.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of 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 notices were given to directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions were carried through unanimous consent of the members and same is recorded in the Minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that during the audit period under review:

1. The Company has appointed S.R. Dinodia & Co. LLP, Chartered Accountants as Statutory Auditors of the Company for a period of three years in the Annual General Meeting held on September 09, 2024.

2. During the period under review, the Company received the approval for the proposal of acquisition of shareholding / control and change in management from the Competition Commission of India and the Reserve Bank of India in compliance with Para 42 of the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023. Accordingly, TVS Holdings Limited, STPL Trading and Services Private Limited (formerly known as “Srinivasan Trading Private Limited”), and PI Opportunities Fund II has acquired 100% paid up share capital of the Company, distributed as follows:

Name of the Transferor	Number of equity shares	Name of the Transferee
Home Credit India B.V.	88,09,45,391	TVS Holdings Limited
	9,24,15,253	STPL Trading and Services Private Limited (formerly known as "Srinivasan Trading Private Limited")
	11,77,28,522	PI Opportunities Fund II
Home Credit International a.s.	10	TVS Holdings Limited
Total	1,091,089,176	

As a result of the change in shareholding, the Company becomes subsidiary of TVS Holdings Limited following the acquisition of 80.74% stake by the TVS Holdings Limited. Consequently, the Company's status was changed from "Private" to "Deemed Public".

3. During the period under review, following changes took place in respect to the Composition of Board of Directors and Key Managerial Personnel of the Company:

SECRETARIAL AUDIT REPORT

S. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
1.	Mr. Ondrej Kubik	Whole time Director	Re-appointment subject to approval of shareholders.	27-Aug-24
2.	Ms. Esha Pruthi	Whole time Director	Appointment regularization by Shareholders	9-Sep-24
3.	Mr. Ondrej Kubik	Whole time Director	Re-appointment regularization by Shareholders	9-Sep-24
4.	Mr. K Gopala Desikan *	Additional Non – Executive Director	Appointment subject to approval of shareholders	3-Feb-25
5.	Mr. Balasubramanyam Sriram*	Additional Independent Director	Appointment subject to approval of shareholders	3-Feb-25
6.	Dr. Deepali Pant Joshi*	Additional Independent Director	Appointment subject to approval of shareholders	3-Feb-25
7.	Mr. Kunnawalkam Elayavalli Ranganathan*	Additional Independent Director	Appointment subject to approval of shareholders	3-Feb-25
8.	Mr. K Gopala Desikan*	Non – Executive Director	Appointment regularization by shareholders.	3-Feb-25
9.	Mr. Balasubramanyam Sriram*	Independent Director	Appointment regularization by shareholders.	3-Feb-25
10.	Dr. Deepali Pant Joshi*	Independent Director	Appointment regularization by shareholders.	3-Feb-25
11.	Mr. Kunnawalkam Elayavalli Ranganathan*	Independent Director	Appointment regularization by shareholders.	3-Feb-25
12.	Mr. Ondrej Kubik*	Whole – time Director	Resignation	3-Feb-25
13.	Mr. Anirban Majumder*	Whole – time Director	Resignation	3-Feb-25
14.	Ms. Esha Pruthi*	Whole – time Director	Resignation	3-Feb-25
15.	Mr. Rakesh Kapoor*	Independent Director	Resignation	3-Feb-25
16.	Mr. Jagdish Prasad*	Independent Director	Resignation	3-Feb-25
17.	Mr. Jean Lafontaine*	Non – Executive Director	Resignation	3-Feb-25
18.	Mr. Jean Pascal Pierre A. Duvieusart*	Non – Executive Director	Resignation	3-Feb-25
19.	Mr. Pavel Rozehnal*	Non – Executive Director	Resignation	3-Feb-25
20.	Mr. Sarpreet Singh Benipal*	Non – Executive Director	Resignation	3-Feb-25
21.	Mr. Ondrej Kubik	Chief Executive Officer	Resignation	21-Feb-25

* Appointment and Resignation pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024

4. During the year under review, the Company has approved borrowing limits and creation of security interest as per Section 180 (1) (C) and Section 180 (1) (a) of the Companies Act, 2013 in the extra ordinary general meeting held on February 03, 2025.

5. During the year under review, the Company has adopted the restated Articles of Association of the Company, in substitution, and to the entire exclusion, of the existing Articles of Association of the Company in the extra ordinary general meeting held on March 27, 2025 pursuant to requirement under the Shareholders Agreement dated January 28, 2025, executed by and between PI Opportunities Fund-II, TVS Holdings Limited, and STPL Trading and Services Private Limited (SHA) and Deed of Adherence dated February 03, 2025, signed by the Company.

6. During the period under review, the Company has entered into transactions with business entities in which directors are interested on arm's length basis and in ordinary course of business and the requisite approval(s) for all such transaction in this regard has been obtained from the Audit Committee and where there was a variance in the related party transactions, the ratification of the variances has been approved by the Audit Committee as on the date of signing of this report.

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.

For Anjali Yadav & Associates
Company Secretaries

Anjali Yadav
Proprietor
FCS No.: 6628
C P No.:7257
UDIN: F006628G000173872
PR Unique Code: S2006DE715800
PR Certificate No.: 6284/2025

Place: New Delhi
Date: April 22, 2025

SECRETARIAL AUDIT REPORT

To,
The Members,
Home Credit India Finance Private Limited
S-7, Second Floor, Manish Chambers 4,
Plot No. 7, LSC, Sector -12,
District Court Complex,
Dwarka, Delhi -110075

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 Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.

3. We have not verified the correctness and appropriateness of financial 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.

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 check 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 Anjali Yadav & Associates
Company Secretaries

Anjali Yadav
Proprietor
FCS No.: 6628
C P No.:7257
UDIN: F006628G000173872
PR Unique Code: S2006DE715800
PR Certificate No.: 6284/2025

Place: New Delhi
Date: April 22, 2025

Independent Auditor's Report

To The Members of Home Credit India Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Matters

The Financial Statements of the Company for the year ended March 31, 2024, have been audited by the predecessor auditor who have expressed an unmodified opinion dated May 29, 2024 on such financial statements.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

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

Responsibility of Management & those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India and RBI guidelines. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, 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 our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the daily backup of the books of accounts and other records and papers maintained in electronic mode has not been maintained on servers physically located in India as per the requirement of Section 128 of the Companies Act 2013.

c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above on reporting under Section 143(3)(b) of the Act.

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

2B. 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:

a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note No. 32.1 to the financial statements).

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses [Refer Note No. 44(xv) to the financial statements].

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

d)

i. The Management has represented that to the best of its knowledge & belief, the Company has not advanced, loaned or invested any funds (either from borrowed funds or share premium or any other sources or kind of funds) in any other persons or entities, 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.

ii. The Management has represented that to the best of its knowledge & belief, the Company has not received any funds from any persons or entities including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

e) The Company has not declared or paid any dividend during the year.

f) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account 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 respective software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per statutory requirements for record retention.

g) In our opinion and according to the information and explanation given to us, since the Company has not paid any remuneration to its directors during the period of applicability of Section 197 of the Act, reporting under section 197(16) is not applicable.

For S.R Dinodia & Co. LLP
Chartered Accountants,
Firm Registration Number: 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number: 083689
UDIN: 25083689BM14ER4425

Place of Signature: Gurugram
Date: 26.04.2025

Annexure 'A' to the Independent Auditors' Report of even date on the financial statements of Home Credit India Finance Private Limited

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2025, we report that:

i) In respect of Property, Plant and Equipment:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.

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

b) The Company has a regular program of physical verification of its Property, Plant and Equipment under which Property, Plant and Equipment are verified once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, Property, Plant and Equipment were verified during the financial year ended March 31, 2023 and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties as disclosed in the financial statements are held in the name of the Company. In respect of leasehold immovable properties, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Accordingly, the provisions of clause 3(i)(d) of the Order are not applicable.

e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, the provisions of clause 3(i)(e) of the Order are not applicable.

ii)

a) According to the information and explanations given to us, the Company does not have any inventory. Accordingly, the provisions of clause 3(ii)(a) of the Order are not applicable.

b) According to the information and explanations given to us and the records examined by us, during the year, the Company has been sanctioned working capital limits in excess of ₹ five crore, in aggregate, from banks and financial institutions on the basis of security of current assets. According to the information and explanations given to us, the quarterly statements filed by the Company with such banks and financial institutions are materially in agreement with the books of account of the Company as disclosed in Note No 44 (i) to the financial statements.

iii) In respect of investments in, guarantee or securities provided, granting of loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships (LLP's) or any other parties;

a) The Company is a Non-Banking Financial Company (NBFC-ICC). Its principal business is to grant loans. Accordingly, the provision of clause 3(iii)(a) of the Order is not applicable.

b) As the Company has neither made any investment nor provided any guarantee or securities to companies, firms and limited liability partnerships (LLP's) or any other parties. Accordingly, the provision of clause 3(iii)(b) of the Order is not applicable.

c) In respect of loans granted, according to the information and explanations given to us and based on the audit procedures performed by us, the schedule of repayment of principal and payment of interest has been stipulated and repayments/receipts of the principal amount and the interest are regular, except for following wherein the repayment(s)/receipt(s) of the principal amount and the interest are not regular.

(Amount in ₹ crores)

Loan Category	Extent of Delay	No. of Cases	Principal Overdue	Interest Overdue*	Total Overdue**
Consumer durable loans	1-90 days	116493	38.21	3.24	41.45
	Beyond 90 days	67950	47.41	3.85	51.26
Cash loans	1-90 days	49771	18.5	11.49	29.99
	Beyond 90 days	35555	33.42	21.89	55.31

* The above amounts are inclusive of fees income.
**The above amounts are before adjustment of loan acquisition costs and related income to arrive at EIR method. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an item-wise list of loan assets where delinquencies in the repayment of principal and interest have been identified.

d) According to the information and explanations given to us and based on the audit procedures performed by us, the total amount which is overdue for more than 90 days in respect of loans and advances in the nature of loans granted is as follows-

(Amount in ₹ crores)

Loan Category	Extent of Delay	No. of Cases	Principal Overdue	Interest Overdue*	Total Overdue**
Consumer durable loans	Beyond 90 days	67950	47.41	3.85	51.26
Cash loans	Beyond 90 days	35555	33.42	21.89	55.31

* The above amounts are inclusive of fees income.
**The above amounts are before adjustment of loan acquisition costs and related income to arrive at EIR method. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an item-wise list of loan assets where delinquencies in the repayment of principal and interest have been identified.
Reasonable steps are being taken by the Company for recovery of principal and interest.

e) The Company is a NBFC - ICC & its principal business is to grant loans. Accordingly, the provision of clause 3(iii)(e) of the Order is not applicable.

f) 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 Company has not granted any loans or advances in the nature of loans, which are either repayable on demand or without specifying any terms or period of repayment.

iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi) On the basis of available information and explanation provided to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014 dated December 31, 2014 (as amended from time to time) to the current operations carried out by the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii) In respect to statutory dues:

a) On the basis of available information and explanation provided to us, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and any other material statutory dues applicable to it with the appropriate authorities. Further, there were no undisputed outstanding statutory dues as on the l ast day of the financial year concerned for a period of more than six months from the date they became payable.

Note: However, the following amounts relating to various assessment years are provided in the books of account based on Management's estimation of outflow:

Name of the statute	Amount (₹ in Crores)
Income Tax Act, 1961	1.82

b) According to the records of the Company examined by us and the information and explanations given to us, there were no dues in respect of statutory dues referred to in sub-clause (vii) (a) above that have not been deposited with the appropriate authorities on account of any dispute except the following:

Namet of the statute	Nature of dues	Amount (₹ in Crores)	Amount paid under Protest (₹ in Crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	6.45*	-	A.Y. 2016-17	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.83	-	A.Y. 2019-20 to A.Y. 2023-24	With reference to an assessment order passed for AY 2020-21, appeal is yet to be filed
IncomeTax Act, 1961	Tax deducted at source	5.28	-	A.Y. 2019-20	Order passed on March 20, 2025. Appeal filed on April 10, 2025
Income Tax Act, 1961	Tax deducted at source	0.01	-	Various assessment years	CPC- TRACES
Income Tax Act, 1961	Tax deducted at source	9.09	-	Various assessment years	With reference to an assessment order passed for AY 2019-20, appeal is yet to be filed
Haryana Goods & Service Tax	GST	14.51	-	Various assessment years	High Court, Punjab and Haryana
Delhi Goods & Service Tax	GST	2.24	-	FY-2018-19	Joint Commissioner (Appeals), Central GST & Central Excise-Delhi
Maharashtra Goods & Service Tax	GST	0.70	-	FY-2018-19	Joint Commissioner (Appeals), Central GST & Central Excise, Division – VII, Navi Mumbai Commissionerate
Delhi Goods & Service Tax	GST	1.42	-	FY 2020-21	Appeal is yet to be filed
Tamil Nadu Goods & Service Tax	GST	0.35	-		Appeal is yet to be filed
Haryana Value Added Tax	VAT	0.06	-		Appeal is yet to be filed
Maharashtra Goods & Service Tax	GST	0.09	-	FY-2019-20	Joint Commissioner (Appeals), Central GST & Central Excise, Division – VII, Navi Mumbai Commissionerate

* As per the order, Nil demand was raised by the Income Tax Department, since the company had tax losses in the A.Y. 2016-17. However, since carried forward losses have been utilized by the company in the subsequent years against the taxable income, potential tax amount on the disputed amount is disclosed in the table above.

Note: The above-said table does not include the following amounts, where appeal effect order is yet to be received from the income tax authority but due to available carried forward losses of relevant assessment years, the Company do not foresee the cash outflow:

Name of the statute	Nature of dues	Amount (₹ in Crores)	Period to which the amount relates	Remarks
Income Tax Act, 1961	Income Tax	1.39	AY. 2018-19	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	0.64	A.Y. 2022-23	Dispute Resolution Panel, New Delhi
Income Tax Act, 1961	Income Tax	0.28	A.Y. 2020-21	TPO Order passed on June 12, 2024

viii) According to the information and explanations given to us and the records examined by us, there were no unrecorded transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

ix) In respect of loans or other borrowings taken during the year by the Company, according to the information and explanations given to us and audit procedures performed by us:

a) No default made by the Company in repayment of loans or other borrowings or in the payment of interest thereon during the year.
b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
c) Term loan taken has been applied for the purpose for which the loans were obtained.
d) No funds raised on short-term basis have been used for long-term purposes by the Company.
e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.
f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3(ix)(f) of the Order are not applicable.

x) In respect of moneys raised by the Company through issue of shares & debt instruments:

a) During the year, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable.

b) According to the information and explanations given to us, during the year, the Company has made private placement/preferential allotment of shares. In respect of the same, in our opinion, the Company has complied with the requirement of relevant provisions of the Act and the Rules framed there under. Further, in our opinion, the funds so raised have been used for the purposes for which the funds were raised. During the year, the Company did not make preferential allotment/ private placement of convertible debentures (fully, partially or optionally convertible).

xi)

a) As per the information and explanations given to us on our enquiries on this behalf, no fraud of material significance on or by the Company has been noticed or reported during the year.

b) In our opinion and according to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed during the year and up to the date of this report in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) Considering the principles of materiality outlined in the Standards on Auditing, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

xii) The Company is not a Nidhi company. Accordingly, provisions of clause 3(xii)(a) to (c) of the Order are not applicable.

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

xiv)

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

b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the Order are not applicable.

xvi) In respect of registration with Reserve Bank of India, according to the information and explanations given to us and audit procedures performed by us

a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and such registration has been obtained by the Company.

b) The Company is holding a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3 (xvi)(c) of the order are not applicable.

xvii) According to the information and explanations given to us, the Company has neither incurred any cash losses in the current financial year nor in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors during the year. Accordingly, provisions of clause 3 (xviii) of the order are not applicable.

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

xx) In respect of Corporate Social Responsibility, according to the information and explanations given to us and audit procedures performed by us:
   a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring to be transferred to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, provisions of clause 3 (xx) (a) of the Order are not applicable.
   b) There are no ongoing CSR projects under sub-section (6) of section 135 of the said Act. Accordingly, provisions of clause 3 (xx) (b) of the Order are not applicable.

xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For S.R. Dinodia & Co. LLP
Chartered Accountants,
Firm's Registration Number 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number: 083689
UDIN: 25083689BM14ER4425

Place of Signature: Gurugram
Date: 26.04.2025

Annexure 'B' to the Independent Auditors' Report of even date on the Financial Statements of Home Credit India Finance Private Limited

The Annexure referred to in paragraph 2A(g) under 'Report on Other Legal and Regulatory Requirements' section of Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2025.

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

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

For S.R. Dinodia & Co. LLP.
Chartered Accountants,
Firm Registration Number 001478N/N500005

(Sandeep Dinodia)
Partner
Membership Number 083689
UDIN : 25083689BM14ER4425

Place of Signature: Gurugram

Date: 26.04.2025

Home Credit India Finance Private Limited
Balance Sheet as at March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
1 Financial assets			
(a) Cash and cash equivalents	4	369.85	209.21
(b) Bank balance other than cash and cash equivalents	5	60.65	77.49
(c) Trade receivables	6	28.06	22.39
(d) Loans	7	5,012.36	4,995.51
(e) Other financial assets	8	63.66	61.61
		5,534.58	**5,366.21**
2 Non-financial assets			
(a) Current tax assets (net)	9	17.26	15.98
(b) Deferred tax assets (net)	10 (a)	213.23	725.64
(c) Property, plant and equipment	11	27.93	10.97
(d) Right-of-use assets	12	32.05	24.39
(e) Intangible assets under development	13 (a)	13.02	18.84
(f) Other intangible assets	13 (b)	96.65	111.31
(g) Other non-financial assets	14	35.82	26.82
		435.96	**933.95**
Total assets		**5,970.54**	**6,300.16**
Liabilities and equity			
Liabilities			
1 Financial liabilities			
(a) Payables	15		
(I) Trade payables			
- Total outstanding dues of micro enterprises and small enterprises		-	0.50
- Total outstanding dues of creditors other than micro enterprises and small enterprises		115.53	102.66
(II) Other payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		0.18	0.81
(b) Borrowings (other than debt securities)	16	3,928.46	3,780.83
(c) Lease liabilities	17	32.29	24.36
(d) Other financial liabilities	18	149.59	161.66
		4,226.05	**4,070.82**
2 Non-financial liabilities			
(a) Provisions	19	133.80	131.84
(b) Other non-financial liabilities	20	25.41	36.24
		159.21	**168.08**
Total liabilities		**4,385.26**	**4,238.90**
3 Equity			
(a) Equity share capital	21 (a)	1,131.81	1,091.09
(b) Other equity	21 (b)	453.47	970.17
Total equity		**1,585.28**	**2,061.26**
Total liabilities and equity		**5,970.54**	**6,300.16**
Material accounting policy information	3		
Notes to the financial statements	1 to 68		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

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

Sandeep Dinodia
Partner
Membership No:083689

Deepali Pant Joshi
Director
DIN: 07139051

K. Gopala Desikan
Director
DIN: 00067107

Vivek Singh
Chief Executive Officer

Place of Signature:
Gurugram
Date: April 26, 2025

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Home Credit India Finance Private Limited
Statement of Profit and Loss for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
I	**Revenue from operations**			
	(i) Interest income	22	1,780.84	1,664.50
	(ii) Fees and commission income	23	315.70	262.53
	Total revenue from operations		**2,096.54**	**1,927.03**
II	Other income	24	4.70	5.45
III	**Total income (I+II)**		**2,101.24**	**1,932.48**
IV	**Expenses**			
	(i) Finance costs	25	435.81	401.17
	(ii) Impairment on financial instruments	26	751.06	594.40
	(iii) Employee benefits expenses	27	304.57	299.23
	(iv) Depreciation and amortization expenses	28	88.25	86.65
	(v) Other expenses	29	426.42	362.46
	Total expenses		**2,006.11**	**1,743.91**
V	**Profit/ (loss) before exceptional items and tax (III-IV)**		**95.13**	**188.57**
VI	Exceptional items	30	**(62.64)**	**-**
VII	**Profit/ (loss) before tax (V+VI)**		**32.49**	**188.57**
VIII	**Tax expense:**	10 (b)		
	(i) Current tax		51.48	-
	(ii) Deferred tax charge (net)		511.05	46.75
	Total tax expense		**562.53**	**46.75**
IX	**Profit/ (loss) for the year (VII-VIII)**		**(530.04)**	**141.82**
X	**Other Comprehensive Income/ (loss)**			
	A. Items that will not be reclassified to profit or loss			
	- Remeasurement (losses)/gains on defined benefit plans		5.42	(2.79)
	- Income tax impact on above	10 (c)	(1.36)	0.70
	B. Items that will be reclassified to profit or loss and taxes thereon		-	-
	Other Comprehensive Income/ (loss) for the year, net of tax		**4.06**	**(2.09)**
XI	**Total Comprehensive Income/ (loss) for the year, net of tax (IX+X)**		**(525.98)**	**139.73**
XII	**Earnings per equity share (Face value of ₹ 10 per share)**	31		
	Basic (₹)		(4.86)	1.30
	Diluted (₹)		(4.86)	1.30
	Material accounting policy information	3		
	Notes to the financial statements	1 to 68		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

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

Sandeep Dinodia
Partner
Membership No:083689

Deepali Pant Joshi
Director
DIN: 07139051

K. Gopala Desikan
Director
DIN: 00067107

Vivek Singh
Chief Executive Officer

Place of Signature:
Gurugram
Date: April 26, 2025

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Home Credit India Finance Private Limited
Statement of Changes in Equity for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

A. Equity share capital

Particulars	Number of shares	Amount
Equity share of ₹ 10 each, issued, subscribed and fully paid		
As at April 1, 2024	**1,091,089,176**	**1,091.09**
Changes in equity share capital during the year	40,716,613	40.72
As at March 31, 2025	**1,131,805,789**	**1,131.81**

Particulars	Number of shares	Amount
Equity share of ₹ 10 each, issued, subscribed and fully paid		
As at April 1, 2023	**1,091,089,176**	**1,091.09**
Changes in equity share capital during the year	-	-
As at March 31, 2024	**1,091,089,176**	**1,091.09**

B. Other equity

As at March 31, 2025	Reserves and surplus			Item of OCI	Total
	Statutory reserve as per section 45-IC of RBI Act, 1934	Securities premium	Retained earnings	Remeasurements of defined benefit plans	
As at April 1, 2024	**114.62**	**2,940.01**	**(2,082.64)**	**(1.82)**	**970.17**
Loss for the year	-	-	(530.04)	-	(530.04)
Other Comprehensive Income/(loss) for the year, net of tax (OCI)	-	-	-	4.06	4.06
Securities premium received	-	9.28	-	-	9.28
As at March 31, 2025	**114.62**	**2,949.29**	**(2,612.68)**	**2.24**	**453.47**

As at March 31, 2024	Reserves and surplus			Item of OCI	Total
	Statutory reserve as per section 45-IC of RBI Act, 1934	Securities premium	Retained earnings	Remeasurements of defined benefit plans	
As at April 1, 2023	**86.26**	**2,940.01**	**(2,196.10)**	**0.27**	**830.44**
Profit for the year	-	-	141.82	-	141.82
Other Comprehensive Income/(loss) for the year, net of tax (OCI)	-	-	-	(2.09)	(2.09)
Transfer from retained earnings to statutory reserve	28.36	-	(28.36)	-	-
As at March 31, 2024	**114.62**	**2,940.01**	**(2,082.64)**	**(1.82)**	**970.17**

Material accounting policy information	3
Notes to the financial statements	1 to 68

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

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

Sandeep Dinodia
Partner
Membership No:083689

Deepali Pant Joshi
Director
DIN: 07139051

K. Gopala Desikan
Director
DIN: 00067107

Vivek Singh
Chief Executive Officer

Place of Signature:
Gurugram
Date: April 26, 2025

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Home Credit India Finance Private Limited
Statement of Cash Flows for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A.	**Cash flow from operating activities**		
	Profit/(Loss) before taxes	32.49	188.57
	Add/(less) adjustments:		
	Depreciation and amortisation expense	88.25	86.65
	Impairment of intangible assets	62.64	-
	Interest expense on leases	3.76	4.17
	Liabilities written back	(2.21)	(0.04)
	Interest on income tax refund	-	(1.95)
	Interest expense on income tax	1.72	-
	Impairment loss allowance on loans	16.16	(136.17)
	Impairment loss allowance on other financial assets	3.84	(0.60)
	Other financial assets written off	0.99	0.31
	Amortisation of deferred finance cost	3.59	1.47
	Loss on settlement and loan closure	43.06	22.73
	Bad debts written off	890.04	950.39
	Loss / (profit) on sale of property, plant and equipment (net)	0.06	(1.00)
	Gain on lease modification	(0.01)	(0.16)
	Interest Income on security deposits	(1.61)	(1.45)
	Operating profit before working capital changes	**1,142.77**	**1,112.92**
	Working Capital Adjustments:		
	(Increase) in loans	(966.11)	(1,602.44)
	(Increase) in trade receivables	(11.21)	(5.24)
	Increase in trade payables	12.37	7.50
	(Increase) in other financial assets	(2.06)	(36.93)
	Increase in other financial liabilities	4.75	20.06
	Increase in provisions	7.38	5.55
	(Decrease) in other non-financial liabilities	(10.83)	(3.36)
	(Increase) in other non-financial assets	(8.98)	(0.97)
	(Increase)/Decrease in bank balance other than cash and cash equivalents	17.09	(47.70)
	Cash (used in)/ generated from operations before taxes	**185.17**	**(550.61)**
	Income taxes paid (net of refunds)	(54.48)	10.53
	Net cash (used in)/generated from operating activities (A)	**130.69**	**(540.08)**
B.	**Cash flow from investing activities**		
	Purchase of property, plant and equipment, Capital work-in-progress, other intangible assets and intangible assets under development	(128.53)	(58.43)
	Proceeds from sale of property, plant and equipment	0.32	1.00
	Net cash (used in)/ generated from investing activities (B)	**(128.21)**	**(57.43)**
C.	**Cash flow from financing activities**		
	Debt securities repaid	-	(11.31)
	Borrowings other than debt securities taken	5,717.47	2,414.77
	Borrowings other than debt securities repaid	(5,588.11)	(1,780.52)
	Proceeds from issue of share capital (including securities premium)	50.00	-
	Repayment of lease liabilities	(21.69)	(21.26)
	Net cash generated from/ (used in) financing activities (C)	**157.67**	**601.68**

Home Credit India Finance Private Limited
Statement of Cash Flows for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

D.	**Net increase in cash and cash equivalents (A+B+C)**	**160.15**	**4.17**
	Cash and cash equivalents at the beginning of the year in the statement of cash flows	209.70	205.53
	Cash and cash equivalents at the end of the year in the statement of cash flows	**369.85**	**209.70**
		As at March 31, 2025	**As at March 31, 2024**
	Components of cash and cash equivalents in the statement of cash flows		
	Cash and cash equivalents (refer note 4)		
	Cash in hand	0.00	0.12
	Balances with banks		
	- In current accounts	369.85	194.58
	- Deposits with banks (original maturity of three months or less)	-	15.00
		369.85	**209.70**
	Less: Impairment loss allowance	-	0.49
		369.85	209.21
	The above statement of cash flows has been prepared under the indirect method set out in Ind AS 7-Statement of Cash Flows.		

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For S.R. Dinodia & Co. LLP
Chartered Accountants
Firm Registration Number: 001478N/N500005

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

Sandeep Dinodia
Partner
Membership No:083689

Deepali Pant Joshi
Director
DIN: 07139051

K. Gopala Desikan
Director
DIN: 00067107

Vivek Singh
Chief Executive Officer

Place of Signature:
Gurugram
Date: April 26, 2025

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

1. Company overview

Home Credit India Finance Private Limited ('the company') is a Systemically Important Non–Banking Financial Company (NBFC) incorporated on 1st October 1997 in India as Private Limited Company. The company is registered with the Reserve Bank of India ('RBI') as a Non–Banking Financial (Non-Deposit Accepting or Holding) Company ('NBFC- ND') vide certificate of registration number 01.00317 dated 20 September 1999 and subsequent to change in name of the company, a fresh registration number B-14.03292 dated 25 October 2013 has been obtained. The company has been classified as Middle Layer NBFC ("NBFC- ML") as per RBI Scale Based Regulations. The company is primarily engaged in the business of retail financing. The company does not accept deposits from the public.

2. Basis of preparation

2.1 Statement of Compliance

The financial statements for the year ended March 31, 2025 have been prepared by the company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. These financial statements have been approved by the Board of Directors in their meeting held on April 26, 2025.

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.2 Basis of preparation, measurement and presentation

These financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer to accounting policies in note 3) in accordance with the accounting principles generally accepted in India.

The Balance Sheet, the Statement of Change in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ("NBFCs") that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

2.3 Functional and presentation currency

These financial statements are presented in Indian Rupees ₹, which is the company's functional and presentation currency. All amounts have been denominated in crores and rounded off to the nearest two decimals, except as stated otherwise. The amounts disclosed as '0.00' represent amounts below rounding off norms adopted by the company.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

2.4 Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.
Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements, assumptions and estimation uncertainties

In the process of applying the company's accounting policies, management has made the following estimates and judgments, which have a significant impact on the carrying amount of assets and liabilities at each balance sheet date:

Business model assessment

Classification of financial assets: Assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The company monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. Refer note 40 & 41.

Impairment of financial assets

The company establishes criteria for determining whether credit risk on the financial assets has increased significantly since initial recognition, determines methodology for incorporating forward looking information into measurement of expected credit loss ('ECL') and selection of models used to measure ECL.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

Fair value of financial instruments

The fair value of financial instruments 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 another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is carried out in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. Refer note 40 & 41.

Impairment of financial instruments: Determining inputs into the ECL measurement model, including incorporation of forward-looking information including key assumptions used in estimating recoverable cash flows

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a lifetime ECL ('LTECL') basis and the qualitative assessment;
- The segmentation of financial assets when their ECL is assessed on a collective basis;
- Development of ECL models, including the various formulas and the choice of inputs;
- Determination of associations between macroeconomic scenarios and, economic inputs and collateral values, and the effect on PDs, EADs and LGDs
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

It has been the company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. Refer to note 41.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

Effective Interest Rate (EIR) method

The company's EIR methodology, recognises interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

Measurement of defined benefit obligations: key actuarial assumptions

The measurement of obligations related to defined benefit plans makes it necessary to use several statistical and other factors that attempt to anticipate future events. These factors include assumptions about the discount rate, the rate of future compensation increases, withdrawal, mortality rates etc. The management has used the past trends and future expectations in determining the assumptions which are used in measurements of obligations. Refer to note 34.

Recognition of deferred tax assets

The company has recognised deferred tax assets/ (liabilities) and concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the experience and future projections. The company is expected to generate adequate taxable income for liquidating these assets in due course of time. Refer to note 10.

Recognition and measurement of provisions and contingencies

The company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in statutory litigation in the ordinary course of the company's business. Given the subjectivity and uncertainty of determining the probability and amount of losses, the company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgment is required to conclude on these estimates.

Useful lives and expected residual value of assets

Depreciation and amortisation are derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. Useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

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2.5 Measurement of fair value

The company's accounting policies and disclosures require/ may require measurement of fair values, for both financial and non-financial assets and liabilities. The company has an established control framework with respect to the measurement of fair values. The company regularly reviews significant unobservable inputs and valuation adjustments. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Fair value of financial instruments measured at amortized cost is disclosed in Note 40.

3. Material accounting policy information

3.1 Financial Instruments

Initial recognition and measurement

Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the company becomes a party to the contractual provisions of the instrument.
This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities 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.

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Financial assets – Classification

On initial recognition, a financial asset is classified as measured at either of:
- Amortized cost
- Fair value through other comprehensive income (FVTOCI)
- Fair value through profit or loss (FVTPL)

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 being 'debt instrument' is measured at the amortised cost, only if both of the following conditions are met and is not designated as at FVTPL:

- The financial asset is held within a business model whose objective is to hold assets for collecting 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 (SPPI) on the principal amount outstanding.

A financial asset being 'debt instrument' is measured at the FVTOCI if both of the following criteria are met and is not designated as at FVTPL:

- The asset is held within the business model, whose objective is achieved both by collecting contractual cash flows and selling the financial assets, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI 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 FVOCI-equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

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Financial assets – 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. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- 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;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the company's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable interest rate features;
- Prepayment and extension features; and
- Terms that limit the company's claim to cash flows from specified assets (e.g. non- recourse features)

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Financial assets: 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 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 Statement of Profit and Loss. Any gain or loss on derecognition is recognised in Statement of Profit and Loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to Statement of Profit and Loss.
Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in 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 Statement of Profit and Loss.

Collateral Repossession

In its normal course of business whenever default occurs, the company on the satisfaction of some internal logics initiate the Arbitration process and after getting the order from the Arbitral Tribunal takes the possession of two- wheeler in its secured portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. The company generally does not use the assets repossessed for the internal operations. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet as it does not meet the recognition criteria in other standards and consequently the company also does not derecognise the underlying financial asset immediately on repossession. The company does not record repossessed assets on its Balance Sheet as non–current assets held for sale.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss.

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Any gain or loss on derecognition is also recognised in Statement of Profit and Loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Derecognition

Financial asset - derecognition due to substantial modification of terms and conditions

The company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be POCI.

If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Financial asset – derecognition other than due to substantial modification

A financial asset, such as a loan to a customer, is derecognised only when:

- The company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, the company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.
Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Derecognition - Financial liability

The company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value.

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The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.2 Impairment of financial assets

Impairment of financial instruments:
The company applies the ECL model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset 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 a provision matrix which takes into account the company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind AS 109. Accordingly, the financial assets have been segmented into three stages based on the risk profiles. The three stages reflects the general pattern of credit deterioration of a financial assets. The company categories financial assets at the reporting date into stages based on the days past due ('DPD') status as under:

- Stage 1: Low credit risk, i.e. 0 to 30 days past due
- Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due
- Stage 3: Impaired assets, i.e. more than 90 days past due

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the company.

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The company incorporates forward looking information into both assessments of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on the consideration of external actual and forecast information, the company forms a 'base case' view of the future direction of relevant economic variables. This process involves developing two or more additional economic scenarios and considering the relative probabilities of each outcome. The base case represents a most likely outcome while the other scenarios represent more optimistic and more pessimistic outcomes.

The measurement of impairment losses across all categories of financial assets requires judgment, in particulars, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. The company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. The company regularly reviews its models in the context of actual loss experience and make adjustments when such differences are significantly material.

The amount of ECL (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in profit or loss.

After initial recognition, trade receivables are subsequently measured at amortized cost using the effective interest method, less provision for impairment. The company follows the simplified approach required by Ind AS 109 for recognition of impairment loss allowance on trade receivables, which requires lifetime ECL to be recognised at each reporting date, right from initial recognition of the receivables.

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is charged to Statement of Profit and Loss and is recognised in OCI.

Write-offs

The gross carrying amount of a financial asset is written off when there is no realistic prospect of recovery and/or overdue beyond 180 days in case of loan assets (360 days in case of one joint lending arrangement). This is generally the case when the company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

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3.3 Property, plant and equipment

Initial recognition and measurement

The cost of an item of Property, plant and equipment is recognised as an asset if, and only if:
• It is probable that future economic benefits associated with the item will flow to the entity; and
• The cost of the item can be measured reliably.

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

Gains or losses arising from the retirement or disposal of a property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.
The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific fixed assets and that are attributable to construction activity in general and can be allocated to specific fixed assets are included in capital work-in-progress

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Depreciation methods, estimated useful lives and residual value

The company depreciates its property, plant and equipment on the straight line method based on the useful lives as specified in Part 'C' of Schedule II to the Act, except for the following assets, where the management's estimate of the useful life of such property, plant and equipment are lower than the lives arrived at on the basis of Schedule II of the Act:

Category of Assets	Estimated life (Years) #
Servers (included in computers)	5
Furniture and fixtures	3
Office equipment	2

#For the above mentioned class of assets, based on internal technical evaluation, the management believes that the useful lives as given above best represent the period over which management expects to use these assets.
Depreciation on additions is being provided on pro rata basis from the date of such additions. Similarly, depreciation on assets sold / disposed off during the year is being provided up to the dates on which such assets are sold / disposed off. Modification or extension to an existing asset, which is of capital nature and which becomes an integral part thereof is depreciated prospectively over the remaining useful life of that asset.

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Leasehold improvements are amortised on a straight line basis over the non-cancellable period of lease or management estimates of useful life, whichever is lower.
The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3.4 Intangible assets

Initial recognition and measurement
Intangible assets acquired by the company are carried at cost of acquisition less amortisation. The cost of an item of intangible assets comprises its purchase price, including non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset is recognised in profit or loss when the asset is de-recognised.
Amortization methods, estimated useful lives and residual value

Intangible assets, comprising software and Trademark, are amortised over the estimated useful life of 3 years to 5 years on a straight-line basis from the date of capitalization. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3.5 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

3.6 Provisions and contingencies

A provision is recognised if, as a result of a past event, the company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

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If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.
A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the year in which the change occurs.

3.7 Revenue recognition

Interest income on loans

Interest income from financial assets is recognised using Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

The interest revenue continues to be recognised at the original EIR applied on the gross carrying amount for financial assets (when the asset is not credit impaired) or to the amortised cost of the liability. However, for the financial assets that have become credit impaired subsequent to the initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.
Other financial charges

Cheque bouncing charges, late payment charges, foreclosure and other related charges are recognised on a point-in-time basis, and are recorded when realised since the probability of collecting such monies is established when the customer pays.
Other income

Service fees income is recognised over the time as services are rendered, per the terms of the contract. Insurance commission income is recognised in the month of issuance / renewal of the policy. All other items of income are accounted for on accrual basis.
Recovery from bad debts

Recovery from bad debts written off is recognised as income and is netted off from Impairment on financial instruments, on the basis of actual realization from customers.

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3.8 Employee Benefits

Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Benefits such as salaries and bonus etc., are recognised in the Statement of Profit and Loss in the period in which the employee provides the related service.

Post-employment benefits

Defined contribution plan.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Provident fund is a defined contribution plan. The company expenses its contributions towards provident fund which are being deposited with the Regional Provident Fund Commissioner.

Defined benefit plans
The company's gratuity scheme is an unfunded defined benefit plan.
The company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The present value of obligations under such defined benefit plans are based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognise each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity period approximating to the terms of related obligations.

The change in defined benefit plan liability is split into changes arising out of service, interest cost and re-measurements. Changes due to service cost and net interest cost / income is recognised in the statement of profit and loss. Re-measurements of net defined benefit liability / (asset) which comprise of actuarial gains and losses are recognised in other comprehensive income:

Gratuity payable to the employees on fixed term contract with the company are accounted for on the basis of salary drawn and the period served as at the balance sheet date in accordance with the Payment of Gratuity Act, 1972.

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Other long term employee benefits

Benefits under compensated absences constitute other employee benefits. Employee entitlements to annual leave are recognised when they accrue to the eligible employees. An accrual is made for the estimated liability for annual leave as a result of services provided by the eligible employees up to the Balance Sheet date. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Leave encashment payable to the employees on fixed term contract with the company are accounted for on the basis of salary drawn and the accumulated leave balance as at the balance sheet date in accordance with the other long term employee benefits plans of the company.

3.9 Taxes

Income-tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax base and book base). It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the company operates and generates taxable income.

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Minimum alternative tax ('MAT') under the provisions of the Income Tax Act, 1961 is recognised as current tax in the statement of profit and loss.

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

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Current tax assets and liabilities are offset only if, the company:
a) Has a legally enforceable right to set off the recognised amounts; and
b) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously

Deferred tax

Deferred tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

3.10 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
• Leases of low value assets; and
• Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:
• Amounts expected to be payable under any residual value guarantee;
• The exercise price of any purchase option granted in favour of the company if it is reasonably certain to assess that option;
• Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

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(All amounts are in ₹ Crores, except share data and unless otherwise stated)

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease; initial direct costs incurred; and
- The amount of any provision recognised where the company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the company revises its estimate of the term of any lease, it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in statement of profit and loss.

For contracts that both convey a right to the company to use an identified asset and require services to be provided to the company by the lessor, the company has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract

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3.11 Foreign Currency Transactions

Transactions in foreign currency are translated into the functional currency of the company at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of Profit and Loss of the period. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the exchange rates on that date; the resultant exchange differences are recognised in the Statement of Profit and Loss.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

3.12 Earnings per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

3.13 Statement of cash flows

Cash flows are reported using the indirect method, whereby profit for the period 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 items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

4 Cash and cash equivalents	As at March 31, 2025	As at March 31, 2024
Cash in hand	0.00	0.12
Balances with banks		
- in current accounts	369.85	194.58
- Deposits with banks (original maturity of three months or less)	-	15.00
	369.85	209.70
Less : Impairment loss allowance	-	0.49
	369.85	209.21

5 Bank balance other than cash and cash equivalents		
Fixed deposit with banks	-	10.09
Other bank deposits (refer notes below)	60.92	67.92
	60.92	78.01
Less : Impairment loss allowance	0.27	0.52
	60.65	77.49

Notes:
(i) ₹ 0.03 Crores (March 31, 2024: ₹ 0.02 Crores) fixed deposit included on which lien marked with banks for registration with VAT authorities.
(ii) ₹ 0.25 Crores (March 31, 2024: ₹ 0.25 Crores) fixed deposit included on which lien marked with banks for Aadhar verification.
(iii) ₹ 0.15 Crores (March 31, 2024: ₹ 0.14 Crores) fixed deposit included on which lien marked against overdraft.
(iv) ₹ 60.49 Crores (March 31, 2024: ₹ 67.51 Crores) fixed deposit include on which lien marked against securitisation transactions.

6 Trade receivables	As at March 31, 2025	As at March 31, 2024
Trade receivables (unsecured) considered good	22.91	11.56
Less: Impairment loss allowance	3.44	1.51
Sub-total - (A)	19.47	10.05
Trade receivables (unsecured) which have significant increase in credit risk	-	0.11
Less: Impairment loss allowance	-	0.02
Sub-total - (B)	-	0.09
Trade receivables (unsecured) - credit impaired	5.05	1.33
Less: Impairment loss allowance	5.05	1.33
Sub-total - (C)	-	-
Unbilled revenue	10.74	14.49
Less: Impairment loss allowance	2.15	2.24
Sub-total - (D)	8.59	12.25
Total (A+B+C+D)	28.06	22.39

Notes:
1. No trade receivables are due from directors or other officers of the company either severally or jointly with any other person, nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
2. The amount of ₹ 3.04 Crores (March 31, 2024: ₹ 0.72 Crores), excluding applicable taxes, pertaining to joint lending services fee recoverable is not included in the above, yet it is possible that the entity will collect the consideration to which it is entitled for the services that have been transferred to the customer.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

As at March 31, 2025

Particulars	Unbilled	Not due for payment	Outstanding for following periods from due date of payments					
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	10.11	14.89	8.02	-	-	-	-	33.02
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	0.56	0.14	3.62	-	0.00	-	-	4.32
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	0.07	-	-	-	-	-	1.29	1.36
Total Receivables	**10.74**	**15.03**	**11.64**	**-**	**0.00**	**-**	**1.29**	**38.70**
Less: Impairment loss allowance								10.64
Net Receivables								**28.06**

As at March 31, 2024

Particulars	Unbilled	Not due for payment	Outstanding for following periods from due date of payments					
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables considered good	14.41	9.46	2.10	-	-	-	-	25.97
(ii) Undisputed trade receivables which have significant increase in credit risk	-	-	0.11	-	-	-	-	0.11
(iii) Undisputed trade receivables - credit impaired	-	-	0.04	-	-	-	-	0.04
(iv) Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	0.08	-	-	-	-	-	1.29	1.37
Total Receivables	**14.49**	**9.46**	**2.25**	**-**	**-**	**-**	**1.29**	**27.49**
Less: Impairment loss allowance								5.10
Net Receivables								**22.39**

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

7 Loans	As at March 31, 2025	As at March 31, 2024
(A) Loans at Amortised cost		
Term loans		
(i) Two wheeler loans	0.00	0.00
(ii) Consumer durable loans	1,567.32	1,175.70
(iii) Cash loans	3,998.64	4,358.99
Total (A) - Gross	**5,565.96**	**5,534.69**
Less: impairment loss allowance	420.11	403.74
Less: unamortised income & expenses	133.49	135.44
Total (A) - Net	**(936.00)** #	**5,012.36**
(B) Secured/ Unsecured		
(i) Secured by tangible assets	0.00	0.00
(ii) Unsecured	5,565.96	5,534.69
Total (B) - Gross	**5,565.96**	**5,534.69**
Less: impairment loss allowance	420.11	403.74
Less: unamortised income & expenses	133.49	135.44
Total (B) - Net	**5,012.36**	**4,995.51**
(C) Loans in India		
(i) Public sector	-	-
(ii) Others	5,565.96	5,534.69
Total (C) - Gross	**5,565.96**	**5,534.69**
Less: impairment loss allowance	420.11	403.74
Less: unamortised income & expenses	133.49	135.44
Total (C) - Net	**5,012.36**	**4,995.51**

8 Other financial assets	As at March 31, 2025	As at March 31, 2024
Receivable from payment gateway providers	12.35	11.64
Security deposits	12.96	11.98
Receivables from channel partners	1.80	2.61
Recoverable from employees	0.51	0.53
Interest accrued but not due on fixed deposits	4.49	3.51
Other receivables*	34.14	34.91
	66.25	**65.18**
Less: Impairment loss allowance	2.59	3.57
	63.66	**61.61**

* Includes assets amounting to ₹ 34.00 crores (March 31, 2024: ₹ 34.00 crores) provided against securitisation transaction.

9 Current tax assets (net)	As at March 31, 2025	As at March 31, 2024
Advance tax and deduction at source* [net of provision for tax (including interest) of ₹ 141.87 crores (March 31, 2024: ₹ 88.68 crores)]	17.26	15.98
	17.26	**15.98**

* Includes ₹ 1.38 crores adjusted against tax demand by the authority.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

10 Deferred tax assets (net) and tax expense

(a) Movement in deferred tax on temporary differences:

	As at April 1, 2023	Recognised in profit or loss during FY 2023-24	Recognised in OCI during FY 2023-24	As at March 31, 2024	Recognised in profit or loss during FY 2024-25	Recognised in OCI during FY 2024-25	As at March 31, 2025
Deferred tax assets:							
Provisions for employee benefits	13.06	6.54	0.70	20.30	(7.70)	(1.36)	11.24
Property,plant and equipment& Other intangible assets	27.67	(8.95)	-	18.72	10.59	-	29.31
Impairment loss allowance on loans	134.54	(34.25)	-	100.29	4.07	-	104.36
Effect of effective interest rate on interest income	22.76	11.21	-	33.97	(0.44)	-	33.53
Expense disallowable under section 94B of Income Tax Act, 196	267.99	(11.36)	-	256.63	(256.63)	-	0.00
Unabsorbed depreciation under Income Tax Act, 1961	30.26	(3.05)	-	27.21	(27.21)	-	-
Brought forward losses under Income Tax Act, 1961	259.50	(12.50)	-	247.00	(247.00)	-	-
Other temporary differences	34.05	4.03	-	38.08	5.37	-	43.45
	789.83	**(48.33)**	**0.70**	**742.20**	**(518.95)**	**(1.36)**	**221.89**
Deferred tax liabilities:							
Other temporary differences	(18.14)	1.58	-	(16.56)	7.90	-	(8.66)
	(18.14)	**1.58**	**-**	**(16.56)**	**7.90**	**-**	**(8.66)**
Net deferred tax assets/ (liabilities)	**771.69**	**(46.75)**	**0.70**	**725.64**	**(511.05)**	**(1.36)**	**213.23**

The company has reassessed the deferred tax recognized as at March 31, 2025 and based on the assessment, the company has de-recognised the Deferred Tax Asset of ₹ 505.65 crores which was created on brought forward losses and interest expense disallowable under section 94B of Income Tax Act, 1961, the benefit of which will not be available to the company due to change in shareholding and consequent change in methodology of calculation, respectively.

Temporary differences getting consumed in next 5 years - The company expects that the temporary differences like impairment loss allowance on loans, provision for expenses, bonus, gratuity and income deferral etc. would be consumed in next 5 years.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

10 Deferred tax assets (net) and tax expense *(Continued)*

	For the year ended March 31, 2025	For the year ended March 31, 2024
(b) Amounts recognised in statement of profit and loss		
Particulars		
(i) Current tax		
Current year	51.48	-
Tax adjustments relating to earlier years	-	-
(ii) Deferred tax		
Attributable to-		
Origination and reversal of temporary differences	511.05	46.75
Tax expense recognised in Statement of profit and loss	**562.53**	**46.75**

(c) Income tax recognised in Other Comprehensive Income/ (loss)

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Before tax	Deferred tax (expense)/ benefit	Net of tax	Before tax	Deferred tax (expense)/ benefit	Net of tax
Remeasurement (losses)/gains on defined benefit plans	5.42	(1.36)	4.07	(2.79)	0.70	(2.09)
	5.42	**(1.36)**	**4.07**	**(2.79)**	**0.70**	**(2.09)**

(d) Reconciliation of effective tax expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit/ (loss) before tax	32.49	188.57
Total	**32.49**	**188.57**
Tax using the company's domestic tax rate of 25.17%	8.18	47.46
Effect of:		
Reversal of deferred tax on brought forward losses	249.02	-
Reversal of deferred tax on expense disallowable under section 94B of Income Tax Act, 1961	256.63	-
Non-deductible expenses	48.70	(0.71)
Effective tax expense	**562.53**	**46.75**

The applicable Indian corporate statutory tax rate for the year ended March 31, 2025 and year ended March 31, 2024 is 25.17%

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

11 Property, plant and equipment

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Disposals	As at March 31, 2025	As at April 1, 2024	For the year	Disposals	As at March 31, 2025	As at March 31, 2025
Leasehold improvements	62.53	-	-	62.53	62.53	0.00	-	62.53	-
Land and building	0.22	-	-	0.22	0.04	0.01	-	0.05	0.17
Furniture and fixtures	3.30	0.11	(0.17)	3.24	2.43	0.51	(0.18)	2.76	0.48
Computer and data processing units	136.82	24.00	(0.08)	160.74	127.34	6.18	(0.06)	133.46	27.28
Office equipments	20.77	0.00	(0.01)	20.76	20.76	0.01	(0.01)	20.76	0.00
Vehicles	0.48	-	(0.48)	-	0.05	0.06	(0.11)	-	-
Total	**224.12**	**24.11**	**(0.74)**	**247.49**	**213.15**	**6.77**	**(0.36)**	**219.56**	**27.93**

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	Disposals	As at March 31, 2024	As at March 31, 2024
Leasehold improvements	62.53	-	-	62.53	62.52	0.01	-	62.53	0.00
Land and building	0.22	-	-	0.22	0.03	0.01	-	0.04	0.18
Furniture and fixtures	3.28	0.06	(0.04)	3.30	1.33	1.14	(0.04)	2.43	0.87
Computer and data processing units	135.55	8.18	(6.91)	136.82	130.85	3.40	(6.91)	127.34	9.48
Office equipments	23.97	0.01	(3.21)	20.77	23.96	0.01	(3.21)	20.76	0.01
Vehicles	-	0.48	-	0.48	-	0.05	-	0.05	0.43
Total	**225.55**	**8.73**	**(10.16)**	**224.12**	**218.69**	**4.62**	**(10.16)**	**213.15**	**10.97**

12 Right-of-use assets

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2024	Additions	Disposals	As at March 31, 2025	As at April 1, 2024	For the year	Disposals	As at March 31, 2025	As at March 31, 2025
Leasehold Buildings	63.58	25.72	(13.15)	76.15	40.11	18.86	(13.07)	45.90	30.25
Computers	3.21	-	(3.21)	-	3.21	-	(3.21)	-	-
Vehicles	3.06	1.86	(1.31)	3.61	2.14	0.98	(1.31)	1.81	1.80
Total	**69.85**	**27.58**	**(17.67)**	**79.76**	**45.46**	**19.84**	**(17.59)**	**47.71**	**32.05**

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	Disposals	As at March 31, 2024	As at March 31, 2024
Leasehold Buildings	64.19	1.09	(1.70)	63.58	23.72	17.48	(1.09)	40.11	23.47
Computers	3.06	0.15	-	3.21	2.42	0.79	-	3.21	-
Vehicles	3.63	0.39	(0.96)	3.06	1.66	0.86	(0.38)	2.14	0.92
Total	**70.88**	**1.63**	**(2.66)**	**69.85**	**27.80**	**19.13**	**(1.47)**	**45.46**	**24.39**

	As at March 31, 2025	As at April 1, 2024
13 (a) Intangible assets under development	13.02	18.84

Movement of Intangible assets under development

Particulars	As at March 31, 2025	As at April 1, 2024
Opening Balance	18.84	15.46
Additions during the year	67.66	50.43
Capitalised during the year	(73.48)	(47.05)
Closing Balance	**13.02**	**18.84**

(b) Other intangible assets

Particulars	Gross block				Accumulated amortisation				Net block
	As at April 1, 2024	Additions	Disposals*	As at	As at	For the year	Disposals*	As at March 31, 2025	As at March 31, 2025
Software	445.16	73.48	(142.12)	376.52	333.85	60.18	(79.48)	314.55	61.97
Trademark	-	36.14	-	36.14	-	1.46	-	1.46	34.68
Total	**445.16**	**109.62**	**(142.12)**	**412.66**	**333.85**	**61.64**	**(79.48)**	**316.01**	**96.65**

Particulars	Gross block				Accumulated amortisation				Net block
	As at April 1, 2023	Additions	Disposals	As at March 31, 2024	As at April 1, 2023	For the year	Disposals	As at March 31, 2024	As at March 31, 2024
Software	398.11	47.05	-	445.16	270.95	62.90	-	333.85	111.31
Total	**398.11**	**47.05**	**-**	**445.16**	**270.95**	**62.90**	**-**	**333.85**	**111.31**

*represents softwares impaired during the year.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

		As at March 31, 2025	As at March 31, 2024
14	**Other non-financial assets**		
	Balance with tax authorities	10.82	6.79
	Advances to employees	0.01	0.05
	Prepaid expenses	24.02	18.64
	Advance paid to suppliers	0.97	1.34
		35.82	**26.82**

		As at March 31, 2025	As at March 31, 2024
15	**Payables**		
(I)	**Trade payables**		
	(i) total outstanding dues of micro enterprises and small enterprises*	-	0.50
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	115.53	102.66
(II)	**Other payables**		
	(i) total outstanding dues of micro enterprises and small enterprises*	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises**	0.18	0.81
		115.71	**103.97**

* The information as required to be disclosed under The Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available.
** Includes amount of ₹ Nil (March 31, 2024: ₹ 14.27 Crores) for payable to related parties. (refer note 35)

Trade payables ageing schedule

As at March 31, 2025

Particulars	Unbilled*	Not Due	Outstanding for following periods from due date of transaction				
			<1 year	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	-	-	-	-	-	-
ii. Others	100.57	2.02	10.65	0.28	0.61	0.02	114.15
iii. Disputed dues- MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	0.93	-	-	-	-	0.45	1.38
Total	**101.50**	**2.02**	**10.65**	**0.28**	**0.61**	**0.47**	**115.53**

As at March 31, 2024

Particulars	Unbilled*	Not Due	Outstanding for following periods from due date of transaction				
			<1 year*	1-2 years	2-3 years	More than 3 years	Total
i. MSME	-	0.50	-	-	-	-	0.50
ii. Others	83.69	2.32	14.56	0.38	0.11	0.22	101.28
iii. Disputed dues- MSME	-	-	-	-	-	-	-
iv. Disputed dues - Others	0.93	-	-	-	-	0.45	1.38
Total	**84.62**	**2.82**	**14.56**	**0.38**	**0.11**	**0.67**	**103.16**

* Unbilled payables have been disclosed under Others

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

		As at March 31, 2025	As at March 31, 2024
15.1	**Disclosures relating to Micro, Small and Medium Enterprises Development Act, 2006 are as follows:**		
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	0.50
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
	(iv) The amount of interest due and payable for the year	-	-
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
	Total	**-**	**0.50**

15.2 Dues to Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

		As at March 31, 2025	As at March 31, 2024
16	**Borrowings (other than debt securities)***		
	At Amortised cost		
	Secured		
	Term loans		
	- From banks	3,153.27	45.67
	- From other parties	151.02	148.72
	Loans repayable on demand		
	- Working capital demand loans from banks	150.00	18.00
	External commercial borrowings from related parties	-	2,440.00
	Associated liabilities in respect of securitization transaction#	304.17	643.44
	Unsecured		
	Loans repayable on demand		
	- Working capital demand loans from banks	170.00	485.00
	Total	**3,928.46**	**3,780.83**
	Borrowings (other than debt securities) in India	3,928.46	1,340.83
	Borrowings (other than debt securities) outside India	-	2,440.00
	Total	**3,928.46**	**3,780.83**

*For terms of borrowings, refer note 43.
#Refer note 39 for details on securitization transaction.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

	As at March 31, 2025	As at March 31, 2024
17 Lease Liabilities		
Lease liabilities (refer note 62)	32.29	24.36
	32.29	**24.36**

	As at March 31, 2025	As at March 31, 2024
18 Other financial liabilities		
Interest accrued but not due on borrowings#	3.38	4.37
Employee benefits payable	0.94	0.81
Payable towards securitisation / assignment transactions	50.12	66.33
Loans pending disbursement	2.97	2.22
Other payables*	92.18	87.93
	149.59	**161.66**

includes ₹ Nil due to related parties (March 31, 2024: ₹ 1.79 crores) (refer note 35).
* Includes ₹ 80.00 crores (March 31, 2024: ₹ 80.90 crores) related to overpayments and prepayments received from customers.

	As at March 31, 2025	As at March 31, 2024
19 Provisions		
Provision for employee benefits		
Provision for gratuity	16.74	18.70
Provision for compensated absences	7.99	8.23
Provision for bonus	19.13	53.07
Provision for incentives to customers	53.03	19.26
Provision for contingent liabilities (taxes)	35.57	31.14
Others	1.34	1.44
	133.80	**131.84**

The movement in the provision for bonus is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	53.07	27.82
Provision recognized during the year (net)	26.53	54.88
Provision (utilized) during the year	(60.47)	(29.63)
Balance at the end of the year	**19.13**	**53.07**

The movement in the provision for incentives to customers is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	19.26	5.67
Provision recognized during the year (net)	144.25	48.85
Provision (utilized) during the year	(110.48)	(35.26)
Balance at the end of the year	**53.03**	**19.26**

The company offers a product where it waives a part of its receivable amount (e.g. a number of last instalments) under the condition that the customer keeps his payment discipline throughout the term of the loan. Therefore, the impact on the loan's cash flows is estimated using the expected success rate of the instalment waiver feature. Estimated expected success rate is based on the previous actual instalment waiver benefits given to the customer and on an estimate of the expected future instalment waiver.

The movement in the provision for contingent liabilities (taxes) is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	31.14	65.99
Provision recognized during the year (net)	4.43	(34.85)
Provision (utilized) during the year	-	-
Balance at the end of the year	**35.57**	**31.14**

	As at March 31, 2025	As at March 31, 2024
20 Other non-financial liabilities		
Statutory dues payable	24.61	31.21
Other liabilities	0.80	5.03
	25.41	**36.24**

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

21 (a) Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of	Amount
Authorised:				
Equity shares of ₹ 10 each	2,100,000,000	2,100.00	2,100,000,000	2,100.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each	1,131,805,789	1,131.81	1,091,089,176	1,091.09

a) **Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting year:**

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares of ₹ 10 each				
Opening balance	1,091,089,176	1,091.09	1,091,089,176	1,091.09
Issued during the year (fully paid up)	40,716,613	40.72	-	-
Outstanding at the end of the year	**1,131,805,789**	**1,131.81**	**1,091,089,176**	**1,091.09**

b) The company offers a product where it waives a part of its receivable amount (e.g. a number of last instalments) under the condition that the customer keeps his payment discipline throughout the term of the loan. Therefore, the impact on the loan's cash flows is estimated using the expected success rate of the instalment waiver feature. Estimated expected success rate is based on the previous actual instalment waiver benefits given to the customer and on an estimate of the expected future instalment waiver.

c) **Shares held by the holding company**

Particulars	As at March 31, 2025	As at March 31, 2024
Equity shares of ₹ 10 each		
91,72,68,691 (March 31, 2024: Nil) shares held by TVS Holdings Limited	917.27	-
Percentage of holding (%)	81.04%	-
Nil (March 31, 2024: 1,09,10,89,166) shares held by Home Credit India B.V., the Netherlands (refer note below)	-	1,091.09
Percentage of holding (%)	-	99.99%

Note: The balance 10 shares as on March 31, 2024 are held by Home Credit International a.s as a nominee shareholder.

d) **Details of shareholders holding more than 5% shares in the company:**

Name of shareholder	Number of shares	% of shareholding
As at March 31, 2025		
TVS Holdings Limited, the holding company	917,268,691	81.04%
PI Opportunities Fund-II	122,121,845	10.79%
STPL Trading and Services Private Limited	92,415,253	8.17%
Total	**1,131,805,789**	**100.00%**
As at March 31, 2024		
Home Credit India B.V., the Netherlands	1,091,089,166	99.99%
Total	**1,091,089,166**	**99.99%**

e) **Details of shares held by the promoters**

As at March 31, 2025

Particulars	Shares held by promoters at the beginning of the year		Shares held by promoters at the end of the year		% change during the year
Promoter name	**No of shares**	**% of total shares**	**No of shares**	**% of total shares**	
TVS Holdings Limited, the holding company	-	-	917,268,691	81.04%	81.04%
STPL Trading and Services Private Limited	-	-	92,415,253	8.17%	8.17%
Home Credit India B.V.	1,091,089,166	99.99%	-	-	-99.99%
Home Credit International a.s.	10	0.01%	-	-	-0.01%
Total	**1,091,089,176**	**100%**	**1,009,683,944**	**89.21%**	**-10.79%**

As at March 31, 2024

Particulars	Shares held by promoters at the beginning of the year		Shares held by promoters at the end of the year		% change during the year
Promoter name	**No of shares**	**% of total shares**	**No of shares**	**% of total shares**	
Home Credit India B.V.	1,091,089,166	99.99%	1,091,089,166	99.99%	-
Home Credit International a.s.	10	0.01%	10	0.01%	-
Total	**1,091,089,176**	**100%**	**1,091,089,176**	**100%**	**-**

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

f) No shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestment.
g) During the period of five years immediately preceding the reporting date, no bonus shares have been issued, no shares have been issued for consideration other than cash and no shares have been bought back.
h) During the year ended March 31, 2025, the erstwhile shareholders have transferred their 100% shareholding in the company to the new shareholders, post receipt of approval from RBI vide letter dated November 29, 2024. In the said letter, the RBI has directed the acquiring company to ensure the consolidation of NBFCs in the

21 (b) Other equity

	As at March 31, 2025	As at March 31, 2024
Statutory reserve (as per Section 45-IC of the RBI Act, 1934)	114.62	114.62
Securities premium	2,949.29	2,940.01
Retained earnings	(2,612.68)	(2,082.64)
Other comprehensive income	2.24	(1.82)
	453.47	**970.17**

a) Statutory reserve (as per Section 45-IC of the RBI Act, 1934)

	As at March 31, 2025	As at March 31, 2024
Opening balance	114.62	86.26
Add: Amount transferred during the year	-	28.36
Closing balance	**114.62**	**114.62**

b) Securities premium

	As at March 31, 2025	As at March 31, 2024
Opening balance	2,940.01	2,940.01
Add: Additions during the year	9.28	-
Closing balance	**2,949.29**	**2,940.01**

c) Retained earnings

	As at March 31, 2025	As at March 31, 2024
Opening balance	(2,082.64)	(2,196.10)
Add: Profit/ (loss) for the year	(530.04)	141.82
Less: Transfer to statutory reserve	-	(28.36)
Closing balance	**(2,612.68)**	**(2,082.64)**

d) Other Comprehensive Income

	As at March 31, 2025	As at March 31, 2024
Opening balance	(1.82)	0.27
Add: (Loss)/income for the year	4.06	(2.09)
Closing balance	**2.24**	**(1.82)**

Statutory reserve
Statutory reserve represents the reserve fund created under Section 45-IC of the Reserve Bank of India Act, 1934 (the 'RBI Act'). Under Section 45-IC of the RBI Act, a company is required to transfer sum not less than twenty percent of its net profit every year. The statutory reserve can be utilised for the purposes as specified by the Reserve Bank of India from time to time.

Securities premium
Securities premium account is used to record the premium on issue of shares/securities. This amount is utilised in accordance with the provisions of the Act.

Retained earnings
Retained earnings represents total of all profits/ (losses) retained or incurred since the company's inception. Retained earnings are credited with the current year's profits, reduced by losses, (if any).

Other Comprehensive Income
Remeasurement gain/(loss) on defined benefit plan: Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the year in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

	For the year ended March 31, 2025	For the year ended March 31, 2024
22 Interest income		
At Amortised cost		
Interest on loans*	1,770.26	1,656.83
Interest on bank deposits#	10.58	7.67
	1,780.84	**1,664.50**

* Includes subvention income of ₹ 190.79 Crores (March 31, 2024: ₹ 111.91 Crores). Also, refer note no. 33 for breakup of interest income.
# Includes interest on deposits held in the name of third party as provided against securitisation transactions.

	For the year ended March 31, 2025	For the year ended March 31, 2024
23 Fees and commission income*		
Service fees	267.39	234.21
Sales commission	48.31	28.32
	315.70	**262.53**

* Refer note no. 33 and 38

	For the year ended March 31, 2025	For the year ended March 31, 2024
24 Other income		
Shared revenue from related party (refer note 35)	-	0.15
Profit on sale of property, plant and equipment (net)	-	1.00
Gain on lease modification	0.01	0.16
Miscellaneous income	4.69	4.14
	4.70	**5.45**

	For the year ended March 31, 2025	For the year ended March 31, 2024
25 Finance costs		
Interest expenses on financial liabilities measured at amortised cost		
Interest on borrowings (other than debt securities)*	419.37	389.38
Interest on debt securities	-	0.63
Interest expense on leases	3.76	4.17
Interest expense on income tax	1.72	-
Corporate guarantee & SBLC charges#	6.36	5.52
Other borrowing costs	4.60	1.47
	435.81	**401.17**

* Includes ₹ 213.36 Crores (March 31, 2024: ₹ 295.46 Crores) for related parties (refer note 35)
# Includes ₹ 5.84 Crores (March 31, 2024: ₹ 5.05 Crores) for related parties (refer note 35)

	For the year ended March 31, 2025	For the year ended March 31, 2024
26 Impairment on financial instruments		
On financial instruments measured at amortized cost		
Impairment loss allowance on loans (refer note 1 below)	16.16	(136.17)
Loss on settlement and loan closure	43.06	22.73
Bad debts written off (refer note 2 below) {(refer note 43.2(h)}	890.04	950.39
Bad debts (recovered)	(203.03)	(242.26)
Impairment loss allowance on other financial assets	3.84	(0.60)
Other financial assets written off	0.99	0.31
	751.06	**594.40**

Notes:
1) Impairment loss allowance on stage 3 income amounting to ₹ 0.21 Crores (March 31, 2024: ₹ 6.69 Crores) netted off with interest income.
2) The contractual amount outstanding of financial assets written off over the period including ₹ 890.04 Crores for the year ended March 31, 2025 (March 31, 2024: ₹ 950.39 Crores) are subject to enforcement activity.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

	For the year ended March 31, 2025	For the year ended March 31, 2024
27 Employee benefits expenses		
Salaries and wages	272.96	271.80
Contribution to provident and other funds (refer note 34)	14.32	12.53
Gratuity (refer note 34)	5.52	4.55
Compensated absences (refer note 34)	2.66	4.29
Staff welfare	9.11	6.06
	304.57	**299.23**

	For the year ended March 31, 2025	For the year ended March 31, 2024
28 Depreciation and amortization expenses		
Depreciation on property, plant and equipment	6.77	4.62
Depreciation on right-of-use assets	19.84	19.13
Amortization of other intangible assets	61.64	62.90
	88.25	**86.65**

	For the year ended March 31, 2025	For the year ended March 31, 2024
29 Other expenses		
Information technology maintenance fees*	136.71	103.64
Rent	1.58	1.23
Travelling and accommodation**	2.90	3.66
Incentive	7.24	5.65
Repairs and maintenance	25.55	20.59
Communication	31.40	32.37
Management service fees (Include Trademark Fees) (refer note 35)	27.82	29.84
Legal and professional ##	156.03	163.67
Electricity and water	5.85	4.86
Rates and taxes (refer note 32.1(c))	6.19	(31.05)
Corporate social responsibility (CSR) expenditure (refer note 61)	1.52	-
Business promotion	3.82	9.23
Recruitment expenses	0.43	0.41
Payment processing and account maintenance	14.49	13.09
Printing and stationery	0.15	0.17
Insurance	0.10	0.17
Loss on sale of property, plant, equipment (net)	0.06	-
Loss on foreign currency transactions (net)	1.34	2.52
Miscellaneous	3.24	2.41
	426.42	**362.46**

* Include ₹ 80.48 Crores (March 31, 2024: ₹ 75.15 Crores) for related parties (refer note 35)
** Include ₹ 0.66 Crores (March 31, 2024: ₹ 0.92 Crores) for related parties (refer note 35)

## Payments to auditor (excluding taxes)	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditor		
- for statutory audit	0.20	0.22
- for tax audit	0.02	0.04
- for limited review	0.02	-
- for other audit services	0.09	0.12
- for reimbursement of expenses	0.00	0.01
- Payments made to previous auditor	0.05	-
	0.38	**0.39**

	For the year ended March 31, 2025	For the year ended March 31, 2024
30 Exceptional items		
Impairment of intangible assets [refer note 13(b)]	(62.64)	-
	(62.64)	**-**

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

31 Earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit/(loss) for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

Particulars	Units	For the year ended March 31, 2025	For the year ended March 31, 2024
(Loss)/Profit after tax (A)	₹ Crores	(530.04)	141.82
Weighted average number of equity shares used in computing basic and diluted earnings per shar (B)	Number of shares	1,091,535,385	1,091,089,176
Basic and diluted earnings per equity share (C= A/B)	₹ per share	(4.86)	1.30

Reconciliation of weighted average number of equity shares for the year ended March 31, 2025 and March 31, 2024 for basic and diluted earnings per share:

Particulars	No. of shares	Weighted average no. of shares as at March 31, 2025
Equity shares of face value of ₹ 10 per share from:		
- April 1, 2024 to March 31, 2025	1,091,089,176	1,091,089,176
- March 28, 2025 to March 31, 2025	40,716,613	446,209
Total	**1,131,805,789**	**1,091,535,385**

Particulars	No. of shares	Weighted average no. of shares as at March 31, 2024
Equity shares of face value of ₹ 10 per share from:		
- April 1, 2023 to March 31, 2024	1,091,089,176	1,091,089,176
Total	**1,091,089,176**	**1,091,089,176**

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

32. Contingent liabilities and commitments

32.1 Contingent liabilities

(a) The pending tax litigations comprises claims against the company pertaining to proceedings pending with income tax amounting to ₹ 7.84 Crores (March 31, 2024: ₹ 7.84 Crores).

(b) The suits filed & legal notices against company in relation with customer complaints in the ordinary course of business as on March 31, 2025 amounting ₹ 1.10 Crores (March 31, 2024: ₹ 0.73 Crores.)

(c) In earlier year, the associated enterprise / the related party has received a draft order under section 144C(1) from the Income Tax Department for assessment year 2020-2021 with respect to the applicability of section 194LD of the Income Tax Act, 1961 on the interest payments on debentures issued by the company to the associated enterprise, wherein, the Income Tax Department has taxed the interest payments from the company at the rate of 10% instead of 5% as withhold by the company as tax deducted at source under section 194LD. Aggrieved by the above draft order from the Income Tax Department, the associated enterprise had filed an objection with Dispute Resolution Panel (DRP) on 21st October 2022. However, in the previous year, the group has received a favourable order under section 156 of Income Tax Act, 1961 imposing zero demand on the group. Accordingly, the company has reversed the provision of ₹ 49.81 Crores during the previous year as there is no longer any tax implication on the company.

The company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The company does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

32.2 Capital and undrawn limits

Estimated amount of contracts remaining to be executed on capital account and not provided for amounted to ₹ 0.49 Crores (March 31, 2024: ₹ 1.82 Crores) (net of advances). Undrawn commitments as at March 31, 2025 is ₹ 9.74 Crores (March 31, 2024: ₹ 25.57 Crores).
There is an uncommitted limit assigned to the EMI card customers at the time of issuance of card. The balance of unutilised limit as on March 31, 2025 is ₹ 1,491.33 Crores (March 31, 2024 ₹ 1,124.30 Crores).

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

33. Operating segments

An operating segment is a component that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the company's other components, and for which discrete financial information is available. The company is engaged in the business of financing and related financial services. Accordingly, the company's activities/business is regularly reviewed by the Board of Directors and Chief Executive Officer from an overall business perspective, rather than reviewing its product/services as individual standalone components. Thus, the company has only one operating segment, and no reportable segments in accordance with Ind AS 108 Operating Segments.

Entity wide disclosures as required by Ind AS 108 are as follows:

a. Information about products and services:

The company focusses on lending primarily to people with little or no credit history. It offers easy, simple and fast loans for a range of Home Appliances, Mobile Phones, Laptops, Two Wheelers, and varied personal needs

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from various portfolios is as follows:		
-Two wheeler loans	0.00	0.01
-Consumer durable loans	430.86	313.75
-Cash loans	1,339.40	1,343.07
	1,770.26	**1,656.83**

	For the year ended March 31, 2025	For the year ended March 31, 2024
Safe pay fees income* from various portfolios is as follows:		
-Consumer durable loans	60.05	44.36
-Cash loans	66.61	76.20
	126.66	**120.56**

* Service fees include safe pay fees (refer note 23)

b. Information about geographical areas:

The entire income of the company are generated from customers which are domiciled in India.

c. Information about major customers (from external customers):

The company does not derive revenues, from any single customer, amounting to 10 per cent or more of company's revenues.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

34. Retirement benefit plans

34.1 Defined contribution plan

The company makes monthly contribution towards provident fund, labour welfare fund (LWF) and employee state insurance corporation (ESIC) which are defined contribution plans. The company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as expense towards such contribution are as follows:

	Year ended March 31, 2025	Year ended March 31, 2024
Employer's contribution to provident fund	12.02	10.77
Employer's contribution to LWF	0.18	0.18
Employer's contribution to ESIC	2.12	1.58
	14.32	**12.53**

34.2 Defined benefit plan

The company operates an unfunded gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days base salary last drawn for each completed year of service. The same is payable on termination of service, or retirement, or death, whichever is earlier. The benefit vests after five year of continuous service. The benefit to employees is as per the plan rules or as per the Payment of Gratuity Act, 1972, whichever is earlier.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

i) Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	18.69	16.38
Included in profit or loss		
Current service cost	4.09	3.25
Interest cost	1.23	0.98
Past service cost (non vested benefits)	-	-
	5.32	**4.23**
Remeasurement losses/ (gains) in other comprehensive (income)/ loss (OCI)		
Actuarial losses/ (gains) arising from:		
- demographic assumptions	8.66	0.62
- financial assumptions	(14.20)	2.18
- experience adjustment	0.12	(0.01)
	(5.42)	**2.79**
Other		
Benefit paid by the company	(1.86)	(4.71)
	(1.86)	**(4.71)**
Balance at the end of the year	**16.73**	**18.69**
Current liability	2.37	3.31
Non-current liability	14.36	15.38
	16.73	**18.69**

Since the liability is not funded, Therefore information with regards to the plan assets has not been furnished.

ii) Expense recognised in statement of profit and loss

	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	4.09	3.25
Interest cost	1.23	0.98
Past service cost (non vested benefits)	-	-
	5.32	**4.23**

iii) Expense recognised in Other Comprehensive (Income)/ loss

	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial losses/ (gains) arising from:		
- demographic assumptions	8.66	0.62
- financial assumptions	(14.20)	2.18
- experience adjustment	0.12	(0.01)
	(5.42)	**2.79**

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

iv) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Discount rate	6.50%	6.90%
(b) Future salary growth#		
-Mass	8.00%	10.00%
-Non Mass	8.00%	18.00%
(c) Mortality	IALM (2006-08)	IALM (2006-08)
(d) Retirement age (years)	58	58
(e) Withdrawal rate	Refer below table	Refer below table

For the year ended March 31, 2025

Age	Mass	Non Mass
Less than 25	45%	45%
26-30	30%	25%
31-35	30%	20%
36-40	20%	15%
41 and above	20%	10%

For the year ended March 31, 2024

Age	Mass	Non Mass
Less than 22	50%	40%
22-25	50%	35%
26-30	45%	35%
31-35	35%	30%
36-40	30%	25%
41 and above	20%	18%

#The estimate of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion and relevant factors such as supply and demand in the employment market etc.

v) Sensitivity analysis of significant assumptions

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	Year ended March 31, 2025		Year ended March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(0.97)	1.09	(0.95)	1.06
Future salary growth (1% movement)	1.06	(0.96)	0.96	(0.89)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

vi) Expected contribution during the next annual reporting period: Since the scheme is managed on unfunded basis, the next year contribution is taken as Nil (previous year Nil)

vii) Expected maturity analysis of the defined benefit plans in future years

Duration (years)	Year ended March 31, 2025	Year ended March 31, 2024
Within the next 1 year	2.45	3.43
Between 2 to 5 years	12.01	14.33
Above 5 years	19.27	21.46
	33.73	**39.22**

As at March 31, 2025, the weighted-average duration of the defined benefit obligation was 5 years (March 31, 2024: 4 years)

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

viii) Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such the company is exposed to various risks as follows:-

Interest Rate Risk : The defined benefit obligation calculation uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligations will tend to increase.

Salary Inflation Risk: Higher than expected increases in salary will increase the defined benefit obligation.

Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements due that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

34.3 The above disclosure excludes the gratuity expense amounting to ₹ 0.20 Crores (March 31, 2024: ₹ 0.32 Crores) recognised towards the amount payable to the employees on fixed term contract with the company. The above expenses has been determined in accordance with the Payment of Gratuity Act, 1972. The total amount payable as at March 31, 2025 to the above employees on fixed term contract is ₹ 0.01 crores (March 31, 2024: ₹0.01 Crores)

34.4 Other long term employee benefit plans

Other long-term employee benefit plans include compensated absences. The company operates an earned leave plan under which employees are entitled to a benefit equivalent to their earned leave balance, comprising up to 15 days of accumulated leave from previous years, in addition to leave accrued during the current year up to the date of separation from the company. The same is payable during retirement, withdrawal of scheme, resignation by employee, disability and upon death of employee. The salary for calculation of earned leave is last drawn salary. The amount of the provision of ₹ 2.52 Crores (March 31, 2024: ₹ 2.55 Crores) is current liability and ₹ 5.47 Crores (March 31, 2024: ₹ 5.68 Crores) is non-current liability as per the actuarial report and management details, however, for maturity analysis (refer note 42), the same has been disclosed as payable within 12 months as the company does not have an unconditional right to defer payment post 12 months. During the year ended March 31, 2025, the company has recognised the expense of ₹ 2.66 Crores (March 31, 2024: ₹ 4.29 Crores)

34.5 The Indian Parliament has approved the Social Security Code, 2020, which consolidates and subsumes the Provident Fund, Gratuity Act, and related rules. The Ministry of Labour and Employment has also released the draft rules under this code on November 13, 2020, and has invited suggestions from stakeholders. These suggestions are currently under active consideration by the Ministry. The company will closely evaluate these draft rules, assess any potential impact, and make the necessary accounting adjustments once the final rules are notified and come into effect.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
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35. Related party transactions

a) List of Related parties:

i) Entities having control over the company:

- TVS Holdings Limited (holding company) (w.e.f. February 03, 2025)
- PPF Group N.V. (NL) (ultimate holding company) (till February 03, 2025)
- PPF Financial Holdings a.s. (CZ) (step up holding) (till February 03, 2025)
- Home Credit Group B.V. the Netherlands (step up holding) (till November 28, 2023)
- Home Credit N.V., the Netherlands (step up holding) (till February 03, 2025)
- HC Asia B.V., the Netherlands (step up holding) (till December 31, 2023)
- Home Credit India B.V., the Netherlands (holding company) (till February 03, 2025)

ii) Key managerial personnel (KMP):

- K Gopala Desikan, Non-Executive director (w.e.f. February 03, 2025)
- Balasubramanyam Sriram, Independent director (w.e.f. February 03, 2025)
- Deepali Pant Joshi, Independent director (w.e.f. February 03, 2025)
- Kunnawalkam Elayavalli Ranganathan, Independent director (w.e.f. February 03, 2025)
- Ondrej Kubik, Whole time director (till February 03, 2025)/Chief Executive Officer (till February 21, 2025)
- Vivek Singh, Chief Executive Officer (w.e.f. April 07, 2025)
- Vijay Dhingra, Whole time director (till October 13, 2023)
- Esha Pruthi, Whole time director (w.e.f. November 24, 2023 till February 03, 2025)
- Rakesh Kapoor, Independent director (till February 03, 2025)
- Anirban Majumder, Whole time director (till February 03, 2025)/ Chief financial officer
- Jagdish Prasad, Independent director (till February 03, 2025)
- Sarpreet Benipal, Non executive director (till February 03, 2025)
- Jean Lefontaine, Non executive director (till February 03, 2025)
- Pavel Rozehnal, Non executive director (till February 03, 2025)
- Jean Pascal Pierre A. Duvieusart, Non-Executive Director (w.e.f. September 29, 2023 till February 03, 2025),
- Gaurav Sharma, Company secretary (till December 7, 2023)
- Neha Gupta, Company secretary (w.e.f. December 8, 2023)

iii) Fellow subsidiaries with whom transactions have taken during the year or previous year

- Home Credit International a.s (till February 03, 2025)
- AB 4 B.V. (till February 03, 2025)
- PPF CO3 B.V. (till February 03, 2025)
- PT. Home Credit, Indonesia (till October 02, 2023)
- Home Credit Vietnam Finance Company Limited (till February 03, 2025)
- HC Consumer Finance Philippines, Inc. (till May 31, 2023)
- EmbedIT s.r.o (till February 03, 2025)
- Embedinfo Technologies India Private Limited (till February 03, 2025)

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b) Transactions with the related parties are as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Compensation to key management personnel		
Short term employee benefits	50.03	29.47
Sitting fees	0.23	0.15
Professional fees	1.22	1.24
Issue of share capital (including securities premium)		
TVS Holdings Limited, the holding company	44.61	-
External commercial borrowings (repayment) ##		
AB 4 B.V.	1,200.00	175.00
PPF CO3 B.V.	1,240.00	-
Interest on external commercial borrowings		
AB 4 B.V.	104.64	148.72
PPF CO3 B.V.	108.72	146.74

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Corporate guarantee & SBLC charges		
Home Credit Group B.V., the Netherlands	-	2.14
Home Credit N.V., the Netherlands	5.84	2.91
Management service fees		
Home Credit International a.s	-	12.44
Home Credit N.V., the Netherlands	15.02	6.25
Travelling and accommodation		
Home Credit International a.s	-	0.67
Home Credit N.V., the Netherlands	0.66	0.25
Information technology maintenance fees		
Home Credit International a.s	0.35	1.01
EmbedIT s.r.o	80.21	74.14
Purchase of intangible assets		
EmbedIT s.r.o	59.75	46.21
Trademark fee*		
Home Credit International a.s	40.93	8.69
Other Income		
PT. Home Credit, Indonesia	-	0.05
Home Credit Vietnam Finance Company Limited	-	0.05
HC Consumer Finance Philippines, Inc.	-	0.05

*Trademark fee includes one time lumpsum payment made for 4 years which has been capitalised under 'Other intangible assets' amounting to ₹ 33.15 Crores.
#The amounts are exclusive of applicable GST.
In addition to the repayment, ECB were renewed during the year.

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c) Outstanding balances with related parties are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Payables		
Home Credit International a.s	-	2.33
Home Credit N.V., the Netherlands	-	8.79
EmbedIT s.r.o	-	3.15
External commercial borrowings		
PPF CO3 B.V.	-	1,240.00
AB 4 B.V	-	1,200.00
Interest accrued but not due on external commercial borrowings		
PPF CO3 B.V.	-	1.44
AB 4 B.V	-	0.35
Corporate Guarantee		
Home Credit N.V., the Netherlands	-	861.00

d) Transfer Pricing

The company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by such date as required under law. The management is of the opinion that its international transactions are at arm's length and the transfer pricing legislation under Section 92-92F of the Income-tax Act, 1961 will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision of taxation, if any.

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36. Capital management

The company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the Reserve Bank of India (RBI). The adequacy of the company's capital is monitored using, among other measures, the regulations issued by the RBI. The company has complied in full with all its externally imposed capital requirements over the reported period.

The primary objectives of the company's capital management policy are to ensure that the company complies with regulatory capital requirements. The company ensures adequate capital at all time and manages its business in a way in which capital is protected, satisfactory business growth is ensure, cash flow are monitored, borrowing covenants are honoured and ratings are maintained.

The RBI norms require capital to be maintained at prescribed level in accordance with such norms, Tier I capital of the company comprises share capital, share premium, retained earnings, statutory reserve, less deferred revenue expenditure, deferred tax assets and other intangible assets (includes Unbilled Revenue, Capital advance, leasehold improvements and First loss credit enhancement on securitization) etc. The other component of regulatory capital is Tier II capital instruments, and includes 12 month expected credit loss allowances for financial instruments (Stage 1 assets) i.e. where the credit risk has not increased significantly since initial recognition, to the extent the same does not exceed 1.25 % of risk weight assets less first loss credit enhancement on securitization, as applicable. Life time expected credit loss allowance on financial instrument (stage 2 and stage 3 assets) is reduced from risk weighted assets. There were no changes in capital management process during the period presented. Refer note no 45(i).

37. Events after balance sheet date

There have been no events after the reporting date that requires disclosure in these financial statements.

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38. Revenue from contracts with customers

Below table provides disaggregation of the company's revenue from contracts with customers and reconciliation with Statement of profit and loss:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Type of Service		
Service fees (including penalty and safe pay fee)	267.39	234.21
Sales commission (including on mobile insurance)	48.31	28.32
Total	**315.70**	**262.53**
Geographical markets		
India	315.70	262.53
Outside India	-	-
Total	**315.70**	**262.53**
Timing of recognition of revenue		
Performance obligation satisfied at a point in time	315.70	262.53
Performance obligation satisfied over period of time	-	-
Total	**315.70**	**262.53**

Particulars	As at March 31, 2025	As at March 31, 2024
Contract balances:		
Trade receivables	9.41	9.56
	9.41	**9.56**

39. Transfer of financial assets

Transferred financial assets that are not derecognised in their entirety

Securitisation

The company had transferred certain pools of fixed rate loan receivables by entering into securitisation transactions with the Special Purpose Vehicle Trusts ("SPV Trust") sponsored by various parties for consideration received in cash at the inception of the transaction.

The company, being Originator of these loan receivables, also acts as Servicer with a responsibility of collection of receivables from its borrowers and transferring the same to SPV Trust for making scheduled payouts to the investors in Pass Though Certificates (PTCs) issued by the SPV Trust. These securitisation transactions also requires the company to provide for first loss credit enhancement in various forms, such as cash collateral as a credit support in the event of shortfall in collections from underlying loan contracts. By virtue of existence of credit enhancement, the company was exposed to credit risk, being the expected losses that will be incurred on the transferred loan receivables to the extent of the credit enhancement provided.

In view of the above, the company had retained substantially all the risks and rewards of ownership of the financial asset and thereby did not meet the derecognition criteria as set out in Ind AS 109. Consideration received in this transaction is presented as "Associated liabilities in respect of securitization transactions" under Note no.16.

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The following table provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amount of assets at amortised cost	584.76	810.39
Carrying amount of associated liabilities#	304.17	643.44
For those liabilities that have recourse only to the transferred financial assets	-	-
Fair value of transferred assets	527.67	741.01
Fair value of associated liabilities	307.78	650.74
Net position	219.89	90.27

Excludes the amount collected at year end and yet to be paid to borrowers at year end. The same has been disclosed under the head "other financial liabilities". Balance as at March 31, 2025 is ₹ 50.12 crores (March 31, 2024: ₹ 66.33 crores)
Note: The fair value of the transferred assets has been estimated on the basis similar to other assets carried at amortised cost, as the loan portfolio is homogeneous in nature.

40. Financial instruments

a. Financial instruments by category and fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) Recognised and measured at fair value and
(b) Measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
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As at March 31, 2025	Carrying Amount			Fair value		
	FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets						
Cash and cash equivalents*	-	-	369.85	-	-	-
Bank balance other than cash and cash equivalents*	-	-	60.65	-	-	-
Trade receivables*	-	-	28.06	-	-	-
Loans	-	-	5,012.36	-	-	5,002.01
Other financial assets						
Security deposits	-	-	10.51	-	-	11.40
Other than security deposits*	-	-	53.15	-	-	-
	-	-	**5,534.58**	-	-	**5,013.41**
Financial liabilities						
Payables						
(I) Trade payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	115.53	-	-	-
(II) Other payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	0.18	-	-	-
Borrowings (other than debt Securities)	-	-	3,928.46	-	-	3,929.32
Lease liabilities*			32.29	-	-	-
Other financial liabilities*	-	-	149.59	-	-	-
	-	-	**4,226.05**	-	-	**3,929.32**

As at March 31, 2024	Carrying Amount			Fair value		
	FVTPL	FVTOCI	Amortised Cost	Level 1	Level 2	Level 3
Financial assets						
Cash and cash equivalents*	-	-	209.21	-	-	-
Bank balance other than cash and cash equivalents*	-	-	77.49	-	-	-
Trade receivables*	-	-	22.39	-	-	-
Loans	-	-	4,995.51	-	-	5,034.23
Other financial assets						
Security deposits	-	-	9.36	-	-	9.71
Other than security deposits*	-	-	52.25	-	-	-
	-	-	**5,366.21**	-	-	**5,043.94**
Financial liabilities						
Payables						
(I) Trade payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	0.50	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	102.66	-	-	-
(II) Other payables*						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	0.81	-	-	-
Debt Securities	-	-	-	-	-	-
Borrowings (other than debt Securities)	-	-	3,780.83	-	-	3,784.13
Lease liabilities*	-	-	24.36	-	-	-
Other financial liabilities*	-	-	161.66	-	-	-
	-	-	**4,070.82**	-	-	**3,784.13**

*The carrying amount of cash and cash equivalents, bank balance other than cash and cash equivalents, trade receivables, other financial assets, trade payable, other payables, lease liabilities and other financial liabilities approximates the fair value, due to their short-term nature.

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Security Deposits:
The fair value of security deposits has been calculated based on the cash flows discounted using EIR.

Loans:
The fair value of loans are estimated by discounted cash flow models. For fixed rate loans, the fair value represent the discounted value of the expected future cash flows. Fair value is then reduced by unamortised income and expenses and impairment loss allowance on loans which is already calculated incorporating probability of default and loss given defaults.

Debt securities and borrowings (other than debt securities):
Fair value is estimated at portfolio level by a discounted cash flow model incorporating market interest rates and the company's own credit risk or based on market- observable data. For floating rate interest borrowings, the discounted value of expected cash flows represent the carrying amount of the borrowings.

Financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:
Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

b. Valuation framework

The finance department of the company includes personnel that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. These personnel reports directly to the Chief Financial Officer.

Valuation techniques include net present value and discounted cash flow models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates and other premium used in estimating discount rates and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The company uses suitable valuation models to determine the fair value of common and simple financial instruments, that use only observable market data and require little management judgement and estimation.

There were no transfer between the levels during the year.

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41. Risk management framework

41.1 Risk profile and risk mitigation

Risk management structure and company's risk profile

The company's Board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the company's risk management policies. The committee reports regularly to the Board of directors on its activities.
The company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The Board of directors monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the company. The Board of directors is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Board of directors.

41.2 Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's loans, trade receivables, other financial assets, balance and deposits with banks and financial institutions. The carrying amounts of financial assets represent the maximum credit risk exposure.

a) Credit risk management

The company has a comprehensive framework for monitoring credit quality of its loans primarily based on Days past due monitoring at period end. Repayment by individual customers and portfolio is tracked regularly and required steps for recovery are taken through follow ups and legal recourse.

Credit Quality of loans

The following table sets out information about credit quality of loans based on days past due information.

Home Credit India Finance Private Limited
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Loans measured at amortised cost

Particulars	Stages	Gross carrying amount	Weighted average loss rate	Loss allowance	Whether credit -impaired
As at March 31, 2025					
Current (not past due)*	Stage 1	4,873.70	1.40%	68.40	No
1-30 days past due	Stage 1	215.88	21.01%	45.35	No
31-60 days past due	Stage 2	117.28	40.11%	47.04	No
61-90 days past due	Stage 2	82.58	44.45%	36.70	No
More than 90 days past due	Stage 3	276.52	80.51%	222.62	Yes
		5,565.96	**7.55%**	**420.11**	
As at March 31, 2024					
Current (not past due)*	Stage 1	4,854.47	1.75%	84.81	No
1-30 days past due	Stage 1	223.47	17.84%	39.87	No
31-60 days past due	Stage 2	117.26	35.22%	41.30	No
61-90 days past due	Stage 2	82.83	38.28%	31.71	No
More than 90 days past due	Stage 3	256.66	80.28%	206.05	Yes
		5,534.69	**7.29%**	**403.74**	

*Loss Allowance includes ₹ 15.78 Crores (March 31, 2024: ₹ 12.22 Crores) pertaining to provision on undrawn uncommitted credit limit, basis the expected utilisation and ₹0.10 Crores (March 31, 2024: ₹0.26 Crores) towards undrawn commitments.

The company reviews the credit quality of its loans based on the ageing of the loan at the period end. Since the company is into retail lending business, there is no significant credit risk of any individual customer that may impact the company adversely, and hence the company has calculated its impairment loss allowances on a collective basis.

41.2.1 Analysis of risk concentration

The company's concentrations of risk are managed on the basis of client/counterparty and industry sector. The maximum credit exposure to any individual was ₹ 0.05 Crores and ₹ 0.05 Crores as at March 31, 2025 and March 31, 2024, respectively.

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41.2.2 An analysis of changes in gross carrying amount in relation to loans is as follows:

Two Wheeler loans*	Total	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 01, 2023	**0.37**	**0.24**	**0.02**	**0.11**
New financial assets originated	-	-	-	-
New financial assets originated transferred to stage 2 and stage 3	-	-	-	-
Transfer from stage 1 to stage 2 and stage 3	-	-	-	-
Transfer from stage 2 to stage 1 and stage 3	-	-	-	-
Transfer from stage 3 to stage 1 and stage 2	-	0.00	-	(0.00)
Financial assets repaid including write offs	(0.36)	(0.24)	(0.02)	(0.10)
Others	(0.01)	-	-	(0.01)
Gross carrying amount as at March 31, 2024	**0.00**	**0.00**	**-**	**-**
New financial assets originated	-	-	-	-
New financial assets originated transferred to stage 2 and stage 3	-	-	-	-
Transfer from stage 1 to stage 2 and stage 3	-	-	-	-
Transfer from stage 2 to stage 1 and stage 3	-	-	-	-
Transfer from stage 3 to stage 1 and stage 2	-	-	-	-
Financial assets repaid including write offs	(0.00)	(0.00)	-	-
Others	-	-	-	-
Gross carrying amount as at March 31, 2025	**0.00**	**0.00**	**-**	**-**

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2025: ₹ Nil; March 31, 2024: ₹ Nil;

Reconciliation of impairment loss allowance in relation to two wheeler loans is as follows:

Two Wheeler loans	Total	Stage 1	Stage 2	Stage 3
Impairment allowance as at April 1, 2023	0.08	**0.00**	**0.01**	**0.07**
New financial assets originated	-	-	-	-
Change in estimates/assumptions	(0.00)	(0.00)	(0.00)	(0.00)
Transfer from stage 1 to stage 2 and stage 3	-	-	-	-
Transfer from stage 2 to stage 1 and stage 3	-	-	-	-
Transfer from stage 3 to stage 1 and stage 2	-	0.00	-	(0.00)
Financial assets repaid including write offs	(0.08)	(0.00)	(0.01)	(0.07)
Impairment loss allowance as at March 31, 2024	**0.00**	**0.00**	**-**	**-**
New financial assets originated	-	-	-	-
Change in estimates/assumptions	-	-	-	-
Transfer from stage 1 to stage 2 and stage 3	-	-	-	-
Transfer from stage 2 to stage 1 and stage 3	-	-	-	-
Transfer from stage 3 to stage 1 and stage 2	-	-	-	-
Financial assets repaid including write offs	(0.00)	(0.00)	-	-
Impairment loss allowance as at March 31, 2025	**0.00**	**0.00**	**-**	**-**

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Consumer durable loans*	Total	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 1, 2023	**818.64**	**701.96**	**37.97**	**78.71**
New financial assets originated	1,174.24	1,174.24	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(88.06)	42.72	45.34
Transfer from stage 1 to stage 2 and stage 3	-	(0.83)	0.04	0.79
Transfer from stage 2 to stage 1 and stage 3	-	0.00	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	0.01	0.00	(0.01)
Financial assets repaid including write offs	(817.11)	(700.70)	(37.97)	(78.44)
Others	(0.07)	-	-	(0.07)
Gross carrying amount as at March 31, 2024	**1,175.70**	**1,086.62**	**42.76**	**46.32**
New financial assets originated	1,563.09	1,563.09	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(107.64)	50.59	57.05
Transfer from stage 1 to stage 2 and stage 3	-	(3.12)	0.41	2.71
Transfer from stage 2 to stage 1 and stage 3	-	0.00	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	0.00	-	(0.00)
Financial assets repaid including write offs	(1,171.52)	(1,082.63)	(42.76)	(46.13)
Others	0.05	-	-	0.05
Gross carrying amount as at March 31, 2025	**1,567.32**	**1,456.32**	**51.00**	**60.00**

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2025: ₹ 42.49 crores; March 31, 2024: ₹ 34.18

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
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Reconciliation of impairment loss allowance in relation to consumer durables loans is as follows:

Consumer durable loans	Total	Stage 1	Stage 2	Stage 3
Impairment allowance as at April 1, 2023	**99.02**	**26.80**	**15.79**	**56.43**
New financial assets originated	77.08	29.03	15.93	32.12
Change in estimates/assumptions	0.47	(0.03)	0.02	0.48
Transfer from stage 1 to stage 2 and stage 3	-	(0.03)	0.00	0.03
Transfer from stage 2 to stage 1 and stage 3	-	0.00	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	0.00	0.00	(0.00)
Financial assets repaid including write offs	(97.38)	(25.40)	(15.79)	(56.19)
Impairment loss allowance as at March 31, 2024	**79.19**	**30.37**	**15.95**	**32.87**
New financial assets originated	102.41	40.32	22.07	40.02
Change in estimates/assumptions	(9.65)	(11.73)	0.16	1.92
Transfer from stage 1 to stage 2 and stage 3	-	(0.05)	0.01	0.04
Transfer from stage 2 to stage 1 and stage 3	-	0.00	(0.00)	0.00
Transfer from stage 3 to stage 1 and stage 2	-	0.00	-	(0.00)
Financial assets repaid including write offs	(67.19)	(18.55)	(15.95)	(32.69)
Impairment loss allowance as at March 31, 2025	**104.76**	**40.36**	**22.24**	**42.16**

Cash loans*	Total	Stage 1	Stage 2	Stage 3
Gross carrying amount as at April 01, 2023	**4,048.77**	**3,579.14**	**145.78**	**323.85**
New financial assets originated	2,721.01	2,721.01	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(124.90)	65.09	59.81
Transfer from stage 1 to stage 2 and stage 3	-	(226.69)	89.30	137.39
Transfer from stage 2 to stage 1 and stage 3	-	3.44	(7.51)	4.07
Transfer from stage 3 to stage 1 and stage 2	-	4.19	0.52	(4.71)
Financial assets repaid including write offs	(2,402.75)	(1,964.87)	(135.85)	(302.03)
Others	(8.04)	-	-	(8.04)
Gross carrying amount as at March 31, 2024	**4,358.99**	**3,991.32**	**157.33**	**210.34**
New financial assets originated	2,076.74	2,076.74	-	-
New financial assets originated transferred to stage 2 and stage 3	-	(90.28)	46.71	43.57
Transfer from stage 1 to stage 2 and stage 3	-	(257.98)	100.12	157.86
Transfer from stage 2 to stage 1 and stage 3	-	2.06	(7.25)	5.19
Transfer from stage 3 to stage 1 and stage 2	-	0.99	0.23	(1.22)
Financial assets repaid including write offs	(2,437.44)	(2,089.59)	(148.28)	(199.57)
Others	0.35	-	-	0.35
Gross carrying amount as at March 31, 2025	**3,998.64**	**3,633.26**	**148.86**	**216.52**

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2025: ₹ 91.00 crores; March 31, 2024: ₹ 101.26 crores;

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Reconciliation of impairment loss allowance in relation to cash loans is as follows:

Cash loans	Total	Stage 1	Stage 2	Stage 3
Impairment loss allowance as at April 01, 2023	447.50	**123.75**	**56.79**	**266.96**
New financial assets originated	127.79	55.26	23.61	48.92
Change in estimates/assumptions	118.80	(13.72)	28.99	103.53
Transfer from stage 1 to stage 2 and stage 3	-	(7.84)	3.09	4.75
Transfer from stage 2 to stage 1 and stage 3	-	1.34	(2.92)	1.58
Transfer from stage 3 to stage 1 and stage 2	-	3.45	0.43	(3.88)
Financial assets repaid including write offs	(369.54)	(67.93)	(52.93)	(248.68)
Impairment loss allowance as at March 31, 2024	**324.55**	**94.31**	**57.06**	**173.18**
New financial assets acquired/originated	89.05	33.68	19.29	36.08
Change in estimates/assumptions	168.54	(1.11)	39.00	130.65
Transfer from stage 1 to stage 2 and stage 3	-	(6.07)	2.37	3.70
Transfer from stage 2 to stage 1 and stage 3	-	0.75	(2.63)	1.88
Transfer from stage 3 to stage 1 and stage 2	-	0.82	0.19	(1.01)
Financial assets repaid including write offs	(266.79)	(48.99)	(53.78)	(164.02)
Impairment loss allowance as at March 31, 2025	**315.35**	**73.39**	**61.50**	**180.46**

Note 1: There is no loan asset measured at FVTPL/ FVOCI or designated at FVTPL.
Note 2: The contractual amount outstanding of financial assets that has been written off by the company during the year ended March 31, 2025 and that were still subject to enforcement activity was ₹ 890.04 crores (March 31, 2024 ₹ 950.39 crores)

Home Credit India Finance Private Limited
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41.2.3 Concentration of credit risk grouping

The company monitors concentration of credit risk by sector and by geographic location. An analysis of concentration of credit risk (net) from financial assets is shown below.

	As at March 31, 2025	As at March 31, 2024
Loans and advances to customers	**Amount**	**Amount**
per Geographical grouping		
India	5,012.36	4,995.51
Outside India	-	-
Total	**5,012.36**	**4,995.51**
per Region		
North India	3,624.03	3,510.73
South India	596.09	679.54
East India	0.35	3.71
West India	791.89	801.53
Total	**5,012.36**	**4,995.51**

41.3 Liquidity risk

Liquidity risk arises as the company has contractual financial liabilities that is required to be serviced and redeemed as per committed timelines and in the business of lending where money is required for the disbursement and creation of financial assets to address the going concern of company. Liquidity risk management is imperative to company as this allows covering the core expenses, market investment / creation of financial assets, timely repayment of debt commitments and continuing with their operations. The company with the help of Asset and Liability Management Committee (ALCO) and ALM policy, monitors the liquidity risk and uses structural, dynamic liquidity statements and cash flow statements as a mechanism to address this.

The company aims to maintain the level of its cash equivalents, un-utilised borrowing lines and cash inflow at an amount in excess of expected cash outflows on financial liabilities over the next one year.

41.3.1 Contractual maturities of financial instruments

The table below summarises the maturity profile of the undiscounted cash flows of the company's financial assets and liabilities as at March 31, 2025 and March 31, 2024. The below maturities are based on contractual cash flows (without considering provision and impact of effective interest rate method of recognition).

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

	Contractual cash flows				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2025					
Financial assets					
Cash and cash equivalents	369.85	-	-	-	369.85
Bank balance other than cash and cash equivalents	-	0.18	60.74	-	60.92
Trade receivables	-	38.70	-	-	38.70
Loans	-	3,423.78	2,142.18	-	5,565.96
Other financial assets	-	21.54	48.10	-	69.64
Total undiscounted financial assets	**369.85**	**3,484.20**	**2,251.02**	**-**	**6,105.07**
Financial liabilities					
Payables					
(I) Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	115.53	-	-	115.53
(II) Other Payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.18	-	-	0.18
Borrowings (other than debt securities)	-	1,760.99	2,167.67	-	3,928.66
Lease liabilities	-	14.47	21.84	-	36.31
Other financial liabilities	-	149.59	-	-	149.59
Total undiscounted financial liabilities	**-**	**2,040.76**	**2,189.51**	**-**	**4,230.27**
Net undiscounted financial assets/(liabilities)	**369.85**	**1,443.44**	**61.51**	**-**	**1,874.80**

	Contractual cash flows				
	On demand	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2024					
Financial assets					
Cash and cash equivalents	194.70	15.00	-	-	209.70
Bank balance other than cash and cash equivalents	-	0.14	77.87	-	78.01
Trade receivables	-	27.49	-	-	27.49
Loans	-	3,179.57	2,355.12	-	5,534.69
Other financial assets	-	20.26	48.27	-	68.53
Total undiscounted financial assets	**194.70**	**3,242.46**	**2,481.26**	**-**	**5,918.42**
Financial liabilities					
Payables					
(I) Trade payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	0.50	-	-	0.50
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	102.66	-	-	102.66
(II) Other payables					
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.81	-	-	0.81
Debt securities	-	-		-	-
Borrowings (other than debt securities)	-	3,492.37	288.90	-	3,781.27
Lease liabilities	-	16.17	12.20	-	28.37
Other financial liabilities	-	161.66	-	-	161.66
Total undiscounted financial liabilities	**-**	**3,774.17**	**301.10**	**-**	**4,075.27**
Net undiscounted financial assets/(liabilities)*	**194.70**	**(531.71)**	**2,180.16**	**-**	**1,843.15**

	As at March 31, 2025	As at March 31, 2024
Total Undrawn commitments	9.74	25.57

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
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*The expected net cashflows within less than 1 year are appearing negative mainly because of repayments due for External Commercial Borrowings (ECBs). It is expected to be resolved with likely fresh local fundings and/or ECBs renewal/extension closer to the maturity dates of these ECBs. Historically, all the ECBs have been renewed by the Group. company don't foresee any regulatory/administrative challenge in renewal/extension of these ECBs.

41.4 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates, etc. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

41.4.1 Interest rate risk

Interest rate risk is the risk that arises from fluctuations of interest rate in market. It is imperative for the company to measure and assess interest rate risk, as it has financial assets and liabilities at fixed and floating rate of interest, as any movement could negatively and positively affect the value of financial asset and liabilities.
The exposure of company's financial assets and liabilities to interest rate risk is as follows:

Financial assets (loans)*	Floating rate instruments	Fixed rate instruments
March 31, 2025	-	5,565.96
March 31, 2024	-	5,534.69
Financial liabilities (borrowings)*		
March 31, 2025	3,303.33	625.33
March 31, 2024	283.67	3,497.60

* before adjustment of impairment loss allowance and unamortised income & expenses

As disclosed above, the company's financial instruments (loans and borrowings) are primarily fixed interest rate bearing, accordingly, they are not exposed to significant interest risk.
The table below illustrates the impact of 1% movement in interest rates on interest expense on borrowings (floating rate instruments) assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date.

Movement in interest rates	Effect on profit before tax	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Increase (1.00%)	31.85	0.77
Decrease (1.00%)	(31.85)	(0.77)

Home Credit India Finance Private Limited
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41.4.2 Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Foreign currency risk arise majorly on account of foreign currency trade payables and trade receivables.

The table below indicates the currencies to which the company had significant exposure at the end of the reported periods. The analysis calculates the effect of a reasonably possible movement of the currency rate against the Rupees (all other variables being constant) on the statement of profit and loss (due to the fair value of currency sensitive non–trading monetary assets and liabilities). A negative amount in the table reflects a potential net reduction in the statement of profit and loss or equity, while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the Rupees would have resulted in an equivalent but opposite impact.

Currency	Change in currency rate in %	Effect on profit before tax	Change in currency rate in %	Effect on profit before tax
	Year ended March 31, 2025	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2024
EUR	+5%	(0.25)	+5%	(0.80)

41.5 In terms of the requirement as per RBI notification no. RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on implementation of Indian Accounting Standards, Non-Banking Financial Companies ("NBFCs") are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and income recognition asset classification and provisioning ("IRACP") norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2025 and accordingly, no amount is required to be transferred to impairment reserve.

42 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.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

Particulas	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	369.85	-	369.85	209.21	-	209.21
Bank balance other than cash and cash equivalents	0.16	60.49	60.65	0.14	77.35	77.49
Trade receivables	28.06	-	28.06	22.39	-	22.39
Loans	3,210.46	1,801.90	5,012.36	2,869.83	2,125.68	4,995.51
Other financial assets	20.18	43.48	63.66	17.90	43.71	61.61
Total financial assets	**3,628.71**	**1,905.87**	**5,534.58**	**3,119.47**	**2,246.74**	**5,366.21**
Non-financial assets						
Current tax assets (net)	-	17.26	17.26	-	15.98	15.98
Deferred tax assets (net)	-	213.23	213.23	-	725.64	725.64
Property, plant and equipment	-	27.93	27.93	-	10.97	10.97
Right-of-use assets	-	32.05	32.05	-	24.39	24.39
Intangible assets under development	-	13.02	13.02	-	18.84	18.84
Other intangible assets	-	96.65	96.65	-	111.31	111.31
Other non-financial assets	35.66	0.16	35.82	26.76	0.06	26.82
Total non-financial assets	**35.66**	**400.30**	**435.96**	**26.76**	**907.19**	**933.95**
Total assets	**3,664.37**	**2,306.17**	**5,970.54**	**3,146.23**	**3,153.93**	**6,300.16**

Particulas	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Liabilities						
Financial liabilities						
Payables						
(I) Trade payables						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	0.50	-	0.50
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	115.53	-	115.53	102.66	-	102.66
(II) Other Payables						
(i) Total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.18	-	0.18	0.81	-	0.81
Borrowings (other than debt securities)	1,760.79	2,167.67	3,928.46	3,492.34	288.49	3,780.83
Lease liabilities	12.42	19.87	32.29	14.06	10.30	24.36
Other financial liabilities	149.59	-	149.59	161.66	-	161.66
Total financial liabilities	**2,038.51**	**2,187.54**	**4,226.05**	**3,772.03**	**298.79**	**4,070.82**
Non-financial liabilities						
Provisions	81.72	52.08	133.80	61.19	70.65	131.84
Other non-financial liabilities	25.41	-	25.41	36.24	-	36.24
Total non-financial liabilities	**107.13**	**52.08**	**159.21**	**97.43**	**70.65**	**168.08**
Total liabilities	**2,145.64**	**2,239.62**	**4,385.26**	**3,869.46**	**369.43**	**4,238.90**
Net	**1,518.73**	**66.55**	**1,585.28**	**(723.23)**	**2,784.50**	**2,061.25**

Changes in liabilities arising from financing activities

Particulars	As at April 1, 2024	Cash flows	Interest expense	Others*	As at March 31, 2025
Borrowings (other than debt securities)**	3,843.86	129.36	-	3.59	3,976.81
Lease liabilities	24.36	(21.69)	3.76	25.86	32.29
Total liabilities from financing activities	**3,868.22**	**107.67**	**3.76**	**29.45**	**4,009.10**

Particulars	As at April 1, 2023	Cash flows	Interest expense	Others*	As at March 31, 2024
Debt securities	11.17	(11.31)	-	0.14	-
Borrowings (other than debt securities)**	3,208.28	634.25	-	1.33	3,843.86
Lease liabilities	41.11	(21.26)	4.17	0.34	24.36
Total liabilities from financing activities	**3,260.56**	**601.68**	**4.17**	**1.81**	**3,868.22**

*includes amortised expense of loan processing charges and non cash addition/deletion for right-of-use assets.
**including principal amount of payable for securitisation transaction as included in 'Payable towards securitisation / assignment transactions' as disclosed under 'Other financial liabilities'.
The amounts are after adjusting unamortised expenses and income and impairment loss allowance.

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43. Terms of borrowings

Following are the details of certain significant terms and conditions of the borrowings for the year ended March 31, 2025 and year ended March 31, 2024:

Note no. (i) Secured term loans^

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Borrowing Start date	Borrowings Maturity date
Kisetsu Saison Finance (India) Private Limited	-	12.50	-	2	Quarterly	21-Sep-23	15-Sep-24
Kisetsu Saison Finance (India) Private Limited	-	8.75	-	1	Quarterly	28-Jun-23	15-Jun-24
Kisetsu Saison Finance (India) Private Limited	-	25.00	-	4	Quarterly	23-Jan-24	15-Jan-25
Northern Arc Capital Limited	-	37.50	-	2	Quarterly	21-Aug-23	25-Aug-24
Northern Arc Capital Limited	-	50.00	-	4	Quarterly	17-Jan-24	27-Jan-25
DCB Bank	-	1.67	-	1	Monthly	12-May-23	30-Apr-24
Deutsche Bank*	-	44.00	-	1	On Maturity	28-Dec-23	27-Dec-24
Incred Financial Services Limited	3.75	15.00	1	4	Quarterly	29-Mar-24	10-Apr-25
Deutsche Bank	3,000.00	-	3	-	3 Installments	30-Jan-25	30-Jul-26
DCB Bank	3.33	-	2	-	Monthly	11-Jun-24	31-May-25
Kisetsu Saison Finance (India) Private Limited	25.00	-	2	-	Quarterly	30-Aug-24	15-Aug-25
Northern Arc Capital Limited	25.00	-	2	-	Quarterly	9-Sep-24	5-Sep-25
Piramal Enterprises Limited	40.83	-	7	-	Monthly	30-Sep-24	29-Sep-25
Shriram Finance Limited	19.04	-	9	-	Monthly	4-Dec-24	5-Dec-25
Kisetsu Saison Finance (India) Private Limited	37.50	-	3	-	Quarterly	23-Dec-24	15-Dec-25
Federal Bank	150.00	-	21	-	Monthly	29-Mar-25	29-Mar-27
Total (As per contractual terms) (A)	**3,304.46**	**194.42**					
Less: Unamortised finance cost **(B)**	0.17	0.03					
Total (A)-(B)	**3,304.29**	**194.39**					

^Secured term loans are secured by first pari-passu charge on all receivables of the Company. As at March 31, 2025: Rate of interest varies from 8.75% to 13.30% per annum (March 31, 2024: Rate of interest varies from 10.17% to 13.35% per annum).
* As at March 31, 2024, Secured by Corporate Guarantee given by Home Credit N.V.

Note no. (ii) Secured working capital demand loans and overdraft from banks#

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Start date	Maturity date
Axis Bank	-	18.00	-	1	On Maturity	28-Nov-23	21-May-24
Axis Bank	48.00		1	-	On Maturity	26-Dec-24	24-Jun-25
Axis Bank	52.00	-	1	-	On Maturity	7-Feb-25	5-Aug-25
HDFC Bank	50.00	-	1	-	On Maturity	5-Feb-25	5-May-25
Total (As per contractual terms) (A)	**150.00**	**18.00**					
Less: Unamortised finance cost **(B)**	-	-					
Total (A)-(B)	**150.00**	**18.00**					

working capital demand loans from banks are secured by first pari-passu charge on all receivables of the company. As at March 31, 2024, working capital demand loans were secured by Corporate Guarantee given by Home Credit N.V. As at March 31, 2025: Rate of interest varies from 8.75% to 10.45% per annum (March 31, 2024: 11% per annum.)

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Note no. (iii) External commercial borrowings from related party *

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Start date	Maturity date#
PPF CO3 B.V.	-	300.00	-	1	On Maturity	3-Sep-19	19-Sep-24
PPF CO3 B.V.	-	440.00	-	1	On Maturity	13-Dec-19	28-Jan-25
PPF CO3 B.V.	-	500.00	-	1	On Maturity	3-Oct-19	18-Oct-24
AB 4 B.V.	-	350.00	-	1	On Maturity	26-Jul-19	10-Aug-24
AB 4 B.V.	-	300.00	-	1	On Maturity	24-Sep-19	10-Oct-24
AB 4 B.V.	-	550.00	-	1	On Maturity	30-Oct-19	14-Nov-24
Total (As per contractual terms) (A)	**-**	**2,440.00**					
Less: Unamortised finance cost **(B)**	-	-					
Total (A)-(B)	**-**	**2,440.00**					

* As at March 31, 2024, external commercial borrowings from related party were secured by first pari-passu charge on consumer finance portfolio of the company. Rate of interest on these outstanding borrowings as on March 31, 2024 varied from 10.34% to 10.94% per annum.
# The External commercial borrowing were renewed during the year ended March 31, 2025 and have been repaid.

Note no. (iv) Associated liabilities in respect of securitization transactions

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Start date	Maturity date#
Nimbus CL Dhan 2022 (2)	-	3.50	-	2	Monthly	28-Mar-23	15-Jun-24
Aditya Birla Ganesha Trust 2023 (3)	-	59.13	-	9	Monthly	30-Jun-23	15-Jan-25
Aditya Birla Ganesha Trust 2023 (4)	3.37	105.41	1	13	Monthly	25-Oct-23	15-May-25
Aditya Birla Ganesha Trust 2023 (5)	24.66	111.90	8	17	Monthly	27-Feb-24	15-Dec-25
Aditya Birla Ganesha Trust 2023 (6)	68.90	-	19	-	Monthly	28-May-24	15-Nov-26
Nimbus CL Dhan 2023 (3)	3.09	35.14	3	13	Monthly	27-Sep-23	15-Jul-25
Nimbus 2023 Shiva-A1	-	39.12	-	11	Monthly	29-Sep-23	17-Apr-25
Nimbus 2023 Shiva-A2	1.02	1.03	1	1	On Maturity	29-Sep-23	17-Apr-25
Kuber 01- Trust 2024	124.98	180.17	15	32	Monthly	25-Jan-24	15-Jul-26
Kuber 02- Trust 2024	78.17	108.45	17	35	Monthly	26-Mar-24	15-Sep-26
Total (As per contractual terms) (A)	**304.20**	**643.85**					
Less: Unamortised finance cost **(B)**	0.03	0.41					
Total (A)-(B)	**304.17**	**643.44**					

As on March 31, 2025, rate of interest on securitization transactions varies from 11.00% to 13.00% per annum. (March 31, 2024 Rate of interest:11.00% to 13.00% per annum).
Maturity dates with respect to Associated liabilities in respect of securitization transactions has been considered basis the latest repayment schedule agreed with the party.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

Note no. (v) Unsecured working capital demand loans from banks $

Particulars	Amount outstanding As at March 31, 2025	Amount outstanding As at March 31, 2024	Repayment terms				
			Instalments March 31, 2025	Instalments March 31, 2024	Periodicity	Start date	Maturity date
CITI Bank	-	30.00	-	1	On Maturity	1-Nov-23	24-Apr-24
CITI Bank	-	40.00	-	1	On Maturity	16-Nov-23	9-May-24
CITI Bank	-	20.00	-	1	On Maturity	21-Nov-23	14-May-24
CITI Bank	-	20.00	-	1	On Maturity	28-Nov-23	26-Apr-24
CITI Bank	-	35.00	-	1	On Maturity	28-Dec-23	26-Apr-24
CITI Bank	-	20.00	-	1	On Maturity	28-Dec-23	19-Jun-24
CITI Bank	-	15.00	-	1	On Maturity	12-Jan-24	4-Jul-24
CITI Bank	-	15.00	-	1	On Maturity	15-Jan-24	5-Jul-24
CITI Bank	-	35.00	-	1	On Maturity	12-Mar-24	3-Sep-24
CITI Bank	-	15.00	-	1	On Maturity	12-Mar-24	3-Sep-24
CITI Bank	-	50.00	-	1	On Maturity	27-Mar-24	18-Sep-24
Deutsche Bank	-	60.00	-	1	On Maturity	15-Mar-24	30-Aug-24
Deutsche Bank	-	40.00	-	1	On Maturity	22-Dec-23	14-Jun-24
Deutsche Bank	-	40.00	-	1	On Maturity	18-Dec-23	16-Apr-24
Deutsche Bank	-	50.00	-	1	On Maturity	9-Nov-23	7-May-24
CITI Bank	75.00		1	-	On Maturity	21-Feb-25	22-May-25
CITI Bank	95.00		1	-	On Maturity	27-Feb-25	28-May-25
Total	**170.00**	**485.00**					

$ Interest rate on these loans as on March 31, 2025 varies from 9.00% to 9.25% per annum. (March 31, 2024: 9.31% to 10.29% per annum). As at March 31, 2024, working capital demand loans were secured by Corporate Guarantee given by Home Credit N.V..

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
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44 Additional Disclosures of Schedule III

i) Quarterly returns or statements of current assets filed by the company with Banks or financial institutions are in agreement with the books of accounts.

ii) (a) 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 to or on behalf of the Ultimate Beneficiaries.

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

iii) No proceedings have been initiated or pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

iv) The company has not surrendered or disclosed any transaction during the period and / or previous year, in the tax assessments under the Income Tax Act, 1961 that is not recorded in the books of accounts.

v) The company has not traded or invested in Crypto currency or Virtual currency anytime during the current and previous year.

vi) 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.

vii) The title deeds, comprising all the immovable properties which are freehold, are held in the name of the company as at the balance sheet date.

viii) The company does not have any transaction during the year or investment, receivable from, payable to or its Shares held by or any other outstanding with Struck off companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, except the following:

Name of the struck off company	Nature of transactions with struck off company	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at March 31, 2025	Balance outstanding as at March 31, 2024
MXTECH PRO (OPC) Private Limited.	Payables	NA	-	0.02

ix) All charges or satisfaction are registered with the ROC within the statutory period for the year ended March 31, 2025 and March 31, 2024. No charges or satisfactions are yet to be registered with the ROC beyond the statutory period.

x) Clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, pertaining to restriction on number of layers, is not applicable on the company for the year ended March 31, 2025 and March 31, 2024 as the company does not have any investments.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

xi) Ratios for the current and previous years are as follows along with reason for variance if more than 25%:

Ratio	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	% Variance	Reason for variance (if above 25% variance)
Capital to risk-weighted assets Ratio (CRAR)	1,146.42	5,963.10	19.23%	18.70%	2.83%	Not Applicable
Tier I CRAR	1,139.99	5,963.10	19.12%	18.70%	2.26%	Not Applicable
Tier II CRAR	6.43	5,963.10	0.11%	-	100.00%	As on March 31, 2024, Tier II capital has been absorbed by the credit loss enhancement on securitization.
Liquidity Coverage Ratio	325.84	140.20	232.41%	172.25%	34.92%	Increase in HQLA

xii) The company has not revalued any of its property, plant and equipment during the year ended March 31, 2025 and year ended March 31, 2024. Hence, the amount of change in gross and net carrying amount due to revaluation is nil.

xiii) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender in the year ended March 31, 2025 and year ended March 31, 2024.

xiv) No loans or advances in the nature of loans have been granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
(a) Repayable on demand or
(b) Without specifying any terms or period of repayment

xv) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
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45 With effect from April 1, 2018, as per the roadmap issued by the Ministry of Corporate Affairs for Non-Banking Finance Companies vide notification no. G.S.R 365(E) dated March 30, 2016, for financial reporting purposes, the company has followed the Accounting Standards as specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 (Ind AS). Accordingly, the information given below is disclosed by the company based on Ind AS financial statements and other records maintained by the company for the year ended March 31, 2025. For the purpose of these disclosures "Non- performing assets (NPA)" represents Stage 3 loans and "Standard assets" represents "Stage 1" and "Stage 2" as defined in Ind AS financial statements.
Following information is disclosed in terms of the Master Direction – Reserve Bank of India (Non-Banking Financial company – Scale Based Regulation) Directions, 2023.

i) Capital funds, risk assets/ exposure and risk asset ratio (CRAR)*

Items	As at March 31, 2025	As at March 31, 2024
CRAR (%)#	19.23%	18.70%
CRAR - Tier I capital (%)	19.12%	18.70%
CRAR - Tier II capital (%)	0.11%	-
Amount of subordinated debt raised as Tier-II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

balance of acquisition cost capitalized on loans and borrowings has been adjusted while computing net owned fund for the purpose of capital adequacy ratio.

*Capital adequacy ratio is calculated in compliance with the circular issued on implementation of Ind AS vide circular number RBI/2019-20/170 DOR (NBFC).CC.PD.No.109 /22.10.106/2019-20 dated March 13, 2020.

ii) Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Value of investments		
Gross value of investments		
(a) In India	-	-
(b) Outside India	-	-
Provisions for depreciation		
(a) In India	-	-
(b) Outside India	-	-
Net value of investments		
(a) In India	-	-
(b) Outside India	-	-
Movement of provisions held towards depreciation on Investment		
(a) Opening balance	-	-
(b) Add : Provisions made during the year	-	-
(c) Less : Write-off / write-back of excess provisions during the	-	-
(d) Closing balance	-	-

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

iii) Disclosure on Derivatives (Forward Rate Agreement / Interest Rate Swap/Exchange Traded Interest Rate (IR) Derivatives)

The company has not entered into any derivative contracts during the year and previous year.

iv) Details of financing of parent company products

There is no financing of parent company's product during the year ended March 31, 2025 and March 31, 2024.

v) Details of single borrower limit/ group borrower limit exceeded

The company has not exceeded the prudential exposure limit in respect of single borrower or group borrower .

vi) Unsecured advances

Gross loans and advances includes unsecured advances ₹ 5,565.96 Crores (March 31, 2024: ₹ 5,534.69 Crores). There are no advances secured against intangible assets.

vii) Net profit or loss for the period, prior period items and changes in accounting policies

There are no prior period items. Further, there are no changes in accounting policies also.

viii) Provisions and contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	As at March 31, 2025	As at March 31, 2024
Impairment allowance towards Stage 3 assets	16.37	(110.72)
Impairment allowance towards Stage 1 and Stage 2 assets	(0.21)	(25.45)
Impairment allowance towards other financial assets	3.84	(0.60)
Provision made towards income tax	51.48	-
Provision made towards employee benefits*	34.71	63.71
Provision for incentives to customers	144.25	48.85
Provision for contingent liabilities (taxes)	4.43	(34.85)
Others	(0.10)	1.01
Total	**254.77**	**(58.05)**

*Excluding amount of remeasurement (losses)/gains on defined benefit plans.

ix) Draw down from reserves

There has been no draw down from reserves during the financial year ended March 31, 2025 and March 31, 2024.

x) Statement on Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31, 2025 and March 31, 2024:

Particulars	0 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months and upto 6 months	Over 6 months and upto 1 year	Over 1 year and upto 3 years	Over 3 years and upto 5 years	Over 5 years	Total
Deposits (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Deposits (March 31, 2024)	-	-	-	-	-	-	-	-	-	-	-
Advances* (March 31, 2025)	204.92	139.35	295.41	451.90	397.55	941.30	993.36	1,771.38	370.33	0.46	5,565.96
Advances* (March 31, 2024)	154.81	108.23	247.87	384.80	350.86	823.23	962.32	1,639.18	863.39	-	5,534.69
Investments (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Investments (March 31, 2024)	-	-	-	-	-	-	-	-	-	-	-
Borrowings** (March 31, 2025)	7.86	3.75	2.69	49.85	57.64	157.84	1,481.36	2,167.67	-	-	3,928.66
Borrowings** (March 31, 2024)	-	-	20.42	55.80	50.35	802.01	2,563.80	288.89	-	-	3,781.27
Foreign currency assets (March 31, 2025)	-	-	-	-	-	-	-	-	-	-	-
Foreign currency assets (March 31, 2024)	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities (March 31, 2025)	-	-	0.26	4.84	-	-	-	-	-	-	5.10
Foreign currency liabilities (March 31, 2024)	-	-	6.87	9.03	-	-	-	-	-	-	15.90

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

xi) Concentration of Deposits, Advances, Exposures and Stage 3 assets*

a. Concentration of Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total advances to twenty largest borrowers	1.02	1.00
Percentage of advances to twenty largest borrowers to total advances of the company	0.02%	0.02%

b. Concentration of Exposures

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to twenty largest borrowers/ customers	1.02	1.00
Percentage of exposures to twenty largest borrowers / customers to total exposure of the company on borrowers / customers	0.02%	0.02%

c. Concentration of Stage 3 assets

Particulars	As at March 31, 2025	As at March 31, 2024
Total exposure to top four Stage 3 assets	0.21	0.21

Before adjustment of unamortised loan origination income/ cost and impairment allowance on loans.

xii) Ratings assigned by credit rating agencies during the year ended March 31, 2025

S. No.	Ratings	Rating Agency	Nature of securities
1	BBB+/Rating Watch with Developing Implications	INDIA RATINGS	Non Convertible Debentures
2	AA-/ Stable	CARE	Lines from Financial Institutions
3	BBB+/Rating Watch with Developing Implications	INDIA RATINGS	Lines from Financial Institutions
4	A2+/Rating Watch with Developing Implications	INDIA RATINGS	Short Term Debt

Ratings assigned by credit rating agencies during the year ended March 31, 2024

S. No.	Ratings	Rating Agency	Nature of securities
1	BBB+ /Positive	INDIA RATINGS	Non Convertible Debentures
2	BBB+/ Stable	CARE	Bank Lines
3	BBB+ /Positive	INDIA RATINGS	Bank Lines
4	A2+	INDIA RATINGS	Short Term Debt

46. Sector-wise Stage 3 assets*

S. No.	Sector	Percentage of Stage 3 assets to Total Advances in that sector	
		As at March 31, 2025	As at March 31, 2024
1	Agriculture and allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans #	4.97%	4.64%
6	Auto loans	-	-
7	Other personal loans	-	-

* Before adjustment of unamortised income/ cost on loans.
# includes cash loans and consumer durable loans

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

47. Movement of Stage 3 assets*

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(i)	Net Stage 3 assets to Net Advances (%)	1.05%	0.99%
(ii)	Movement of Stage 3 assets (Gross)		
	(a) Opening balance	256.66	402.67
	(b) Additions during the year	986.68	855.09
	(c) Reductions during the year #	966.82	1,001.10
	(d) Closing balance	276.52	256.66
(iii)	Movement of net Stage 3 assets		
	(a) Opening balance	50.61	79.21
	(b) Additions during the year	276.20	221.03
	(c) Reductions during the year #	272.91	249.63
	(d) Closing balance	53.90	50.61
(iv)	Movement of provisions for Stage 3 assets		
	(a) Opening balance	206.05	323.46
	(b) Provision made during the year	710.48	634.06
	(c) Write off/write-back of excess provisions	693.91	751.47
	(d) Closing balance	222.62	206.05

Before adjustment of unamortised loan acquisition costs and related income.
Reduction includes write-offs and recoveries.

48. Registration obtained from other financial sector regulators

The company is not registered with any other financial sector regulators.

49. Related party transactions

Please refer note no 35 for related party transactions.

50. Remuneration of directors

During the year ended March 31, 2025, the company has paid sitting fees of ₹ 0.23 Crores (previous year: ₹ 0.15 Crores) and professional fee of ₹ 1.22 Crores (previous year ₹1.24 Crores) to the independent directors and non-executive directors of the company. Apart from that, there was no pecuniary relationship or transaction with independent directors and non-executive directors.

51. Revenue recognition

For revenue recognition please refer accounting policies in note no 3.

52. During the year, certain instances of fraud have been identified as below:

Fraud amounting to ₹ 0.30 Crores (previous year ₹ 0.56 Crores) was reported during the year, with ₹ 0.27 Crores (previous year ₹ 0.56 Crores) related to retail loans obtained by customers using forged documents and ₹ 0.03 Crores (March 31, 2024: Nil) related to unauthorized settlement practices by an employee. Additionally, during the year ended March 31, 24, certain instances of fraud have been reported where there is no loss to the company.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

53. Unhedged foreign currency exposure

The company's exposure in respect of foreign currency denominated trade payables and payable for purchase of capital goods not hedged as at March 31, 2025 by derivative instruments or otherwise are Euro 0.53 million (₹ 4.92 Crores) [previous year Euro 1.73 million (₹ 15.62 Crores)] and Euro 0.02 million (₹ 0.18 Crores) [previous year Euro 0.03 million (₹ 0.28 Crores)] respectively. The company's exposure to all other currencies is not material.

The company does not have exposure in respect of foreign currency denominated trade receivables as at March 31, 2025 (previous year: Nil).

54. Disclosure of customer complaints

S. No.	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(a)	Number of complaints pending at the beginning of the year	52	61
(b)	Number of complaints received during the year	1,666	4,635
(c)	Number of complaints redressed during the year	1,681	4,644
(d)	Number of complaints pending at the end of the year	37	52

The customer care department of the company maintains a database of all customer complaints received and addressed. The above mentioned information has been sourced from such database.

55. Schedule to the Balance sheet of a Non- Banking Finance Company as required under Master Direction – Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 in terms of Annexure viii of the Master Direction:

	Particulars	As at March 31, 2025		As at March 31, 2024	
	Liabilities side#:				
1	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	(a) Debentures:				
	Secured	-	-	-	-
	Unsecured	-	-	-	-
	(Other than falling within the meaning of public deposits)				
	(b) Deferred credits	-	-	-	-
	(c) Term loan	3,304.29	-	194.39	-
	(d) External commercial borrowings	-	-	2,440.00	-
	(e) Inter corporate loans and borrowings	-	-	-	-
	(f) Commercial paper	-	-	-	-
	(g) Public Deposits	-	-	-	-
	(h) Other loans				
	- Working capital loans and bank overdraft	320.00	-	503.00	-
	- Associated liabilities in respect of securitization transactions	304.17	-	643.44	-
	Total	**3,928.46**	**-**	**3,780.83**	**-**
2	Break-up of (1)(g) 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	-	-	-	-

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
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Interest accrued but not due on borrowings amounting to ₹ 3.38 Crores (March 31, 2024: ₹ 4.37 Crores) has not been included as part of borrowings above. The same has been shown under other financial liabilities. Refer note no. 18

The figures are after adjusting unamortised origination expenses of ₹ 0.20 Crores (previous year ₹ 0.44 Crores).

	Particulars	As at March 31, 2025	As at March 31, 2024
3	**Assets side:**		
	Break-up of loans and advances including bills receivables {other than those included in (4) below}:		
	(a) Secured	0.00	0.00
	(b) Unsecured	5,565.96	5,534.69
	Total	**5,565.96**	**5,534.69**
4	Break-up of leased assets and stock on hire and other assets counting towards asset finance activities	**As at March 31, 2025**	**As at March 31, 2024**
(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 stock	-	-
(iii)	Other Loans counting towards asset finance activities:		
	(a) Loans where assets have been repossessed	-	-
	(b) Loans other than (a) above	-	-
	Total	-	-
5	**Break-up of investments**	**As at March 31, 2025**	**As at March 31, 2024**
	Current investments:		
	1. Quoted:		
	(i) Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	Long term investments:		
	1. Quoted:		
	(i) Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	2. Unquoted:		
	(i) Shares:		
	(a) Equity	-	-
	(b) Preference	-	-
	(ii) Debentures and bonds	-	-
	(iii) Units of mutual funds	-	-
	(iv) Government securities	-	-
	(v) Others	-	-
	Total	-	-

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

6	Borrower group wise classification of all assets financed as in (3) and (4) above :						
	Category	**Gross Amount As at March 31, 2025**			**Gross Amount As at March 31, 2024**		
		Secured	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
	1. Related Parties:						
	(a) Subsidiaries	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
	2. Other than related parties	0.00	5,565.96	5,565.96	0.00	5,534.69	5,534.69
	Total	**0.00**	**5,565.96**	**5,565.96**	**0.00**	**5,534.69**	**5,534.69**

7	Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
	Category	**As at March 31, 2025**		**As at March 31, 2024**	
		Market value/ Break-up or Fair value or NAV	Book Value (Net of Provisions)	Market value/ Break-up or Fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties:				
	(a) Subsidiaries	-	-	-	-
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
	2. Other than related parties	-	-	-	-
	Total	-	-	-	-

8	**Other Information**	**As at March 31, 2025**	**As at March 31, 2024**
	(i) Gross Stage 3 assets*		
	(a) Related parties	-	-
	(b) Other than related parties	276.52	256.66
	(ii) Net Stage 3 assets		
	(a) Related parties	-	-
	(b) Other than related parties	53.90	50.61
	(iii) Assets acquired in satisfaction of debts (net of provisions)	-	-

* Before adjustment of unamortised loan acquisition costs and related income.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

56. Disclosures relating to securitisation

56.1 Details of securitization transaction entered

S. No.	Particulars	Number/ Amount as at March 31, 2025	Number/ Amount as at March 31, 2024
1	No of SPVs sponsored by the applicable NBFC for securitisation transactions*	7.00	8.00
2	Total amount of securitised assets as per books of the SPVs sponsored	584.76	810.39
3	Total amount of exposures retained by the applicable NBFC to comply with MRR as on the date of balance sheet (First loss and Minimum retention requirement)	136.22	150.22
	a) Off-balance sheet exposures		
	First loss		
	Others		
	b) On-balance sheet exposures		
	First loss	94.49	101.51
	Others (Minimum retention requirement)	41.73	48.71
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations	-	-
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-
5	Sale consideration received for the securitised assets	327.83	930.90
	Gain/loss on sale on account of securitisation	-	-
6	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.**	1.95	1.12
	** The company has assumed Role of Servicer for all outstanding securitisation transactions. Servicing fee received during the financial year is disclosed.		
7	Performance of facility provided		
	Credit enhancement		
	(a) Amount paid	18.93	141.23
	(b) Repayment received	32.93	41.28
	(c) Outstanding amount	136.22	150.22
8	Average default rate of portfolio observed in the past		
	a) Unsecured personal loans#	4.97%	4.64%
	#% of NPA to total advances to that assets class		
9	Amount and number of additional/top up loan given on same underlying asset.	-	-
10	Investor complaints		
	(a) Directly/Indirectly received	-	-
	(b) Complaints outstanding	-	-

*Only the SPVs relating to outstanding securitisation transactions are reported

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The securitised loans disclosed in the above notes do not qualify for de-recognition under Ind AS. Nevertheless, the information in the notes is presented to ensure compliance with the RBI disclosure requirements.

56.2 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

56.3 Details of assignment transaction undertaken

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

56.4 Details of Stage 3 assets purchased

The company has not purchased or sold any Stage 3 financial assets during the year ended March 31, 2025 (previous year: Nil)

57. Disclosure as required under Guidelines on Resolution Framework for COVID-19-related Stress issued by RBI vide notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020

During the year ended March 31, 2021, the company has restructured loan accounts vide Reserve Bank of India circulars on Resolution framework for COVID- 19 related stress and restructuring of advances dated August 6, 2020. The company has considered these accounts as 'restructured' in accordance with Ind-AS 109, and basis such significant increase in credit risk has recognized incremental provision on such restructured accounts in accordance with its Expected Credit Loss Policy.

Disclosure as per prescribed format for the year ended 31 March 2025

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March 2024 (A)	Of (A), aggregate debt that slipped into NPA during the year ended 31 March 2025	Of (A) amount written off during the year ended 31 March 2025	Of (A) amount paid by the borrowers during the year ended 31 March 2025	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at 31 March 2025
Personal loans	0.77	0.02	0.15	0.44	0.16
Corporate Loans*	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	
Total	0.77	0.02	0.15	0.44	0.16

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

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As per above guidelines, total restructuring of advance as on March 31, 2025 is ₹ 0.19 Crores (March 31, 2024 ₹ 0.87 Crores) and provision there on March 31, 2025 is ₹ 0.03 Crores (March 31, 2024 ₹ 0.33 crores)

58. (a) Disclosure pursuant to RBI notification no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May, 2021

Description	Individual Borrowers		Small Business
	Personal Loans	Other Loans	
(A) Number of requests received for invoking resolution process under Part A	49,883	294	-
(B) Number of accounts where resolution plan has been implemented under this window	49,883	294	-
(C) Exposure to accounts mentioned at (B) before implementation of plan (As on 30.09.2021)	386.35	0.72	-
(D) of (C), aggregate amount of Debt that was converted into other securities	-	-	-
(E) Additional funding sanction if any, including between invocation of the plan and implementation	-	-	-
(F) Increase in provision on account of the implementation of the resolution plan	34.86	-	-

Exposure to accounts as on 31st March 2025 where resolution plan has been implemented under above notification is ₹ 0.22 Crores (March 31, 2024: ₹ 1.38 Crores) & provision is ₹ 0.22 Crores (March 31, 2024: ₹ 1.33 Crores)

(b) Disclosures pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions,2021 in terms of RBI circular RBI/DOR/2021-22 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:

S.No	Particulars	During the year ended March 31, 2025
1	Details of loans not in default that are transferred or acquired	Nil
2	Details of stressed loans transferred or acquired	Nil

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59. Schedule as per direction received from RBI vide circular number RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

As at March 31, 2025							
S.No.	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)	(6)	(7) = (4)-(6)
1	Performing Assets						
	Standard	Stage 1	5,089.58	97.87	4,991.71	20.36	77.51
		Stage 2	199.86	83.74	116.12	0.80	82.94
	Sub-total		**5,289.44**	**181.61**	**5,107.83**	**21.16**	**160.45**
2	Non-Performing Assets (NPA)						
	Substandard	Stage 3	276.52	222.62	53.90	27.65	194.97
	Doubtful - up to 1 year	Stage 3	-	-	-	-	-
	1 to 3 years	Stage 3	-	-	-	-	-
	More than 3 years	Stage 3	-	-	-	-	-
	Sub-total for doubtful		-	-	-	-	-
	Loss	Stage 3	-	-	-	-	-
	Sub-total for NPA		**276.52**	**222.62**	**53.90**	**27.65**	**194.97**
3	Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	9.74	15.88	(6.14)	-	15.88
		Stage 2	-	-	-	-	-
		Stage 3	-	-	-	-	-
	Sub-total		**9.74**	**15.88**	**(6.14)**	**-**	**15.88**
	Total	**Stage 1****	5,099.32	113.75	4,985.57	20.36	93.39
		Stage 2	199.86	83.74	116.12	0.80	82.94
		Stage 3	276.52	222.62	53.90	27.65	194.97
		Total	**5,575.70**	**420.11**	**5,155.59**	**48.81**	**371.30**

Note 1: The company has not extended asset classification benefit as per IRAC norms, hence no additional provision is required to be created by the company. Further, the company is carrying provision more than 5% as at March 31, 2025 on the loans.
*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2025: ₹ 133.49 Crores.
**Including undrawn commitment of ₹ 9.74 Crores in gross carrying amount and ₹15.88 Crores as provision against undrawn commitment and uncommitted credit limit, in loss allowance.
Amount of ₹ 15.88 Crores includes ₹ 15.78 Crores pertaining to provision on undrawn uncommitted credit limit, basis the expected utilisation.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
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As at March 31, 2024							
S.No.	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)	(6)	(7) = (4)-(6)
1	Performing Assets						
	Standard	Stage 1	5,077.94	112.20	4,965.74	20.31	91.89
		Stage 2	200.09	73.01	127.08	0.80	72.21
	Sub-total		**5,278.03**	**185.21**	**5,092.82**	**21.11**	**164.10**
2	Non-Performing Assets (NPA)						
	Substandard	Stage 3	256.66	206.05	50.61	25.67	180.38
	Doubtful - up to 1 year	Stage 3	-	-	-	-	-
	1 to 3 years	Stage 3	-	-	-	-	-
	More than 3 years	Stage 3	-	-	-	-	-
	Sub-total for doubtful		-	-	-	-	-
	Loss	Stage 3	-	-	-	-	-
	Sub-total for NPA		**256.66**	**206.05**	**50.61**	**25.67**	**180.38**
3	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	25.57	12.48	13.09	-	12.48
		Stage 2	-	-	-	-	-
		Stage 3	-	-	-	-	-
	Sub-total		**25.57**	**12.48**	**13.09**	**-**	**12.48**
	Total	**Stage 1****	5,103.51	124.68	4,978.83	20.31	104.37
		Stage 2	200.09	73.01	127.08	0.80	72.21
		Stage 3	256.66	206.05	50.61	25.67	180.38
		Total	**5,560.26**	**403.74**	**5,156.52**	**46.78**	**356.96**

Note 1: The company has not extended asset classification benefit as per IRAC norms, hence no additional provision is required to be created by the company. Further, the company is carrying provision more than 5% as at March 31, 2024 on the loans.

*Before adjustment of loan acquisition costs and related income to arrive at EIR method for March 31, 2024: ₹ 135.44 Crores.
**Including undrawn commitment of ₹ 25.57 Crores in gross carrying amount and ₹12.48 Crores as provision against undrawn commitment and uncommitted credit limit, in loss allowance.
Amount of ₹ 12.48 Crores includes ₹ 12.22 Crores pertaining to provision on undrawn uncommitted credit limit, basis the expected utilisation.

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Notes forming part of the financial statements for the year ended March 31, 2025
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60 Disclosure on liquidity coverage ratio as per direction received from RBI vide circular number RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019.

A) Public disclosure on liquidity risk

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

As at March 31, 2025

S. No.	Type of Instruments	Number of significant counterparties	Amount*	% of Total Deposit	% of total Liabilities
1	Deposits	-	-	-	-
2	Borrowings	8	3,832.58		87.40%

As at March 31, 2024

S. No.	Type of Instruments	Number of significant counterparties	Amount*	% of Total Deposit	% of total Liabilities
1	Deposits	-	-	-	-
2	Borrowings	8	3,668.57	-	86.55%

ii) Top 20 large deposits

No depositors as the company is a non-deposit taking NBFC.

iii) Top 10 borrowings

As at March 31, 2025

Description	Amount*	% of total borrowings
Total of Top 10 borrowings	3,899.44	99.26%

As at March 31, 2024

Description	Amount*	% of total borrowings
Total of Top 10 borrowings	3,747.86	99.13%

iv) Funding Concentration based on significant Instrument/Product:

S. No.	Name of the Instrument/Product	As at March 31, 2025		As at March 31, 2024	
		Amount	% of total Liabilities	Amount	% of total Liabilities
1	External Commercial Borrowings	-	-	2,440.00	57.56%
2	Bank Borrowings**	3,473.27	79.20%	548.67	12.94%
3	Non Convertible Debentures (NCDs)	-	-	-	-
4	Securitization	304.17	6.94%	643.44	15.18%
5	Term Loans	151.02	3.44%	148.72	3.51%
	Total	**3,928.46**	**89.58%**	**3,780.83**	**89.19%**

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v) Stock Ratios

As at March 31, 2025

S. No.	Name of the instrument/product	Amount*	% of total public funds	% of total Liabilities	% of total assets
1	NCDs (original maturity less than one year)	-	-	-	-
2	Commercial papers	-	-	-	-
3	Other short-term liabilities	451.67	-	10.30%	7.56%

As at March 31, 2024

S. No.	Name of the instrument/product	Amount*	% of total public funds	% of total Liabilities	% of total assets
1	NCDs (original maturity less than one year)	-	-	-	-
2	Commercial papers	-	-	-	-
3	Other short-term liabilities	594.92	-	14.03%	9.44%

* All these amounts are gross amounts without the impact of EIR
** Bank borrowings consists of WCDL and Term Loans

vi) Institutional set-up for Liquidity Risk Management:

The company has in place organizational set up as directed in RBI policy to decide the strategy, policies and procedures of the company to manage liquidity risk in accordance with the liquidity risk tolerance/limits decided by it. The set up includes the following bodies:

a. Board of Directors shall decide the strategy, policies and procedures to manage liquidity risk in accordance with the liquidity risk tolerance/limits as may be decided.
b. Integrated Risk Management Committee (IRMC) shall evaluate the overall risks faced by the company including liquidity risk.
c. Assets Liability and Management Committee (ALCO) shall ensure adherence to the risk tolerance/limits as set by the Board as well as implement the liquidity risk management strategy of the company.
d. Assets Liability Management (ALM) Support Group shall analyze, monitor and report the liquidity risk profile to the ALCO.
e. The company also has a Liquidity Contingency Framework in place which serves as a blueprint for meeting the funding requirement at a reasonable cost during the liquidity crisis. The Liquidity Contingency Plan (LCP) defines the internal communication flow during any liquidity triggers and the activation and closure of LCP.

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Disclosure on liquidity coverage ratio as per direction received from RBI vide circular number RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019.

A) Public disclosure on liquidity risk (Continued):
Definition of terms as used in the table above:

a) Significant counterparty
A “Significant counterparty” is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities

b) Significant instrument/product
A "significant instrument/product" is defined as a single instrument/product or group of similar instruments/products which in aggregate amount to more than 1% of the NBFC's total liabilities.

c) Total Liabilities
Total Liabilities include all external liabilities (other than equity)

d) Other short-term liabilities
All short term borrowings other than commercial papers and NCDs with original maturity of less than 12 months.

e) Public funds
The company is a non-deposit taking systemically important NBFC, therefore only information related to borrowings have been disclosed above and no information related to deposits is available.

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Disclosure on liquidity coverage ratio as per direction received from RBI vide circular number RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019.

B) As per the RBI guidelines DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 04, 2019 and Master Directions for NBFCs vide RBI/DNBR/2016-17/45 dated February 17, 2020, the LCR requirement shall be binding on all non-deposit taking systemically important NBFCs with asset size of ₹ 5,000 Crore and above but less than ₹ 10,000 Crore shall also maintain the required level of LCR starting December 1, 2020, as per the time-line given below:

From	December 01, 2022	December 01, 2023	December 01, 2024
Minimum LCR	60%	85%	100%

(i) Main LCR drivers and evolution of the contribution of inputs in LCR calculation over time
The numerator of LCR is driven by the quantum and composition of High Quality Liquid Assets (HQLA). The denominator of LCR is driven by various components of the stressed cash flows.

(a) Composition of HQLA
HQLAs comprise of Cash and cash equivalents*, excluding any fixed deposit.
* Cash and cash equivalent would mean cash in hand and balances with scheduled commercial banks.

(b) Unsecured and secured wholesale funding
Borrowing maturities falling due in the next 30 days form a major component of cash outflows. WCDL form the major portion of unsecured funding. ECBs, term loans and associated liabilities in respect of securitization transactions form the majority of secured wholesale funding maturities.

(c) Outflows related to derivative exposures and other collateral requirements
During the reporting period, the company did not have any derivative exposure.

(d) Other contractual funding obligations
Other contractual funding obligations are taken from other financial liabilities that includes payable for securitization borrowing, loan pending disbursments, Trade Payable; and Other non-financial liabilities that includes statutory dues payable shown in the Balance Sheet which are expected to be paid in the next 30 days.

(e) Currently undrawn Credit and Liquid facilities
Undrawn committed credit lines loans form a part of currently undrawn credit and liquid facilities

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(f) Secured lending

There is no secured lending transaction backed by HQLA during the reporting period and margin lending backed by all other collateral is included in the fully performing exposures.

(g) Inflows from fully performing exposures

Principal inflows from advances with no overdues are taken.

(h) Other inflows

For the LCR calculation, under other inflows, the major components are trade receivables, balance with tax authorities which includes tax input credit and receivables from collection agencies and channel partners maturing in next 30 days.

(ii) Intra period changes and changes over time

The company endeavors to maintain a healthy level of LCR at all points of time. The LCR table shows the movement of changes in each component over the reporting period. The average LCR moved from 151.50% for the quarter ended March 31, 2024 to 232.41% for the quarter ended March 31, 2025.

(iii) Concentration of funding sources

The Liquidity Risk Management framework of the company is governed by its Liquidity Risk Management Policy and Procedures approved by the Board. The Asset Liability Management Committee of the Board (ALCO) oversee the implementation of liquidity risk management strategy of the company and ensure adherence to the risk tolerance/limits set by the Board. The company maintains a robust funding profile, which is periodically monitored and reviewed by ALCO.

The company has a diversified funding profile in the form of Bank term loans, associated liabilities in respect of securitization transactions which are long-term in nature. Also, the company has availed Working Capital Demand loan (WCDL) from various Banks. The company is a non-deposit taking NBFC and hence, reporting nil deposits. The company has a wide array of investors / bankers who have funded the company through various funding instruments.

(iv) Derivative exposures and collateral calls

The company did not indulge in derivative trading activities and hence was not exposed to derivative and collateral call risk during the reporting period.

(v) Currency mismatches

The company was not exposed to any major currency risk during the reporting period.

Liquidity Coverage Ratio

S. No	Particulars		As at June 30, 2024		As at September 30, 2024		As at December 31, 2024		As at March 31, 2025	
		Factor Multiplier (%)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
	High Quality Liquid Assets									
1	Total High Quality Liquid Assets (HQLA)	100%	193.71	193.71	214.38	214.38	199.27	199.27	325.84	325.84
	CASH OUTFLOWS									
2	Deposits (for deposit taking companies)	115%	-	-	-	-	-	-	-	-
3	Unsecured wholesale funding	115%	27.80	31.97	114.08	131.19	90.82	104.44	147.92	170.11
4	Secured wholesale funding	115%	140.77	161.89	81.56	93.79	90.68	104.28	73.86	84.93
5	Additional requirements, of which									
(i)	Outflows related to derivative exposures and other collateral requirements	115%	-	-	-	-	-	-	-	-
(ii)	Outflows related to loss of funding on debt	115%	-	-	-	-	-	-	-	-
(iii)	Credit and liquidity facilities	115%	-	-	-	-	-	-	-	-
(iv)	Currently undrawn credit and liquid facilities	115%	68.91	79.24	59.54	68.47	60.93	70.06	56.00	64.40
6	Other contractual funding obligations	115%	-	-	-	-	-	-	-	-
7	Other contingent funding obligations	115%	142.12	163.44	141.58	162.82	156.77	180.29	209.89	241.37
8	**TOTAL CASH OUTFLOWS (A)**		**379.60**	**436.54**	**396.76**	**456.27**	**399.20**	**459.07**	**487.67**	**560.81**
	CASH INFLOWS									
9	Secured lending	75%	-	-	-	-	-	-	-	-
10	Inflows from fully performing exposures	75%	464.32	348.24	498.20	373.65	535.01	401.25	530.98	398.23
11	Other cash inflows	75%	41.42	31.06	79.81	59.86	88.13	66.10	61.12	45.84
12	**TOTAL CASH INFLOWS (B)**		**505.74**	**379.30**	**578.01**	**433.51**	**623.14**	**467.35**	**592.10**	**444.07**
13	**TOTAL HQLA (C)**			193.71		214.38		199.27		325.84
14	**TOTAL NET CASH OUTFLOWS (D) (refer note 3 below)**			109.13		114.07		114.77		140.20
15	**LIQUIDITY COVERAGE RATIO (%) (C/D)**			177.50%		187.94%		173.63%		232.41%

Notes:

1. The components of LCR is arrived at by taking a stock approach whereby from the month end outstanding of each component (as financial records), the portion expected to be paid in the next 30 days is considered.
2. Interest accrued but not due to be paid for the subsequent month is considered.
3. Total net cash outflows = Weighted value of total cash outflows - Minimum of (weighted value of total cash inflows, 75% of weighted value of total cash outflows)
4. The average weighted and unweighted amounts are calculated taking simple average based on daily observation for each quarter.

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61. Expenditure on Corporate Social Responsibility

Pursuant to section 135 of the Companies Act, 2013, CSR is applicable on the company and is required to incur expenditure on CSR activities. During the previous year, the company was not required to incur expenditure on CSR activities due to non availability of adequate profits in preceeding three years.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Gross amount required to be spent by the company during the year	1.52	-
(b) Amount approved by the Board to be spent during the year	1.52	-
(c) Amount spent during the year on		
- Construction/acquisition of any asset	-	-
- On purposes other than (i) above		
- In cash	1.52	-
- Yet to be paid in cash	-	-
Total	**1.52**	**-**
(d) Excess/ (Shortfall) during the year	0.00	-
(e) Total of previous years excess/ (shortfall)	-	-
(f) Reason for shortfall	N.A.	N.A.
(g) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	-	-

(h) The company has made a contribution to Srinivasan Services Trust for an amount of ₹ 1.52 Crores towards CSR expenditure during the financial year ended March 31, 2025 (March 31, 2024: ₹ Nil)

62. Leases

The company has entered into leasing arrangements for premises, computers and vehicles. Majority of the leases are cancellable by the company.

I. Lease disclosures under Ind-AS 116 for the year ended March 31, 2025

i) Amounts recognised in Balance Sheet

S.No.	Particulars	As at March 31, 2025	As at March 31, 2024
a)	**Right-of-use assets (net)**		
	(i) Leasehold Buildings	30.25	23.47
	(ii) Computers	-	-
	(iii) Vehicles	1.80	0.92
	Total Right-of-use assets (net)	**32.05**	**24.39**
b)	**Lease Liabilities**		
	(i) Current	12.42	14.06
	(ii) Non Current	19.87	10.30
	Total lease liabilities	**32.29**	**24.36**
		For the year ended March 31, 2025	**For the year ended March 31, 2024**
c)	**Additions to right-of-use assets**		
	(i) Leasehold Buildings	25.72	1.09
	(ii) Computers	-	0.15
	(iii) Vehicles	1.86	0.39
	Total	**27.58**	**1.63**

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

ii) Amounts recognised in Statement of profit and loss

S.No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a)	Depreciation charge for right-of-use assets		
	(i) Leasehold Buildings	18.86	17.48
	(ii) Computers	-	0.79
	(iii) Vehicles	0.98	0.86
	Total Depreciation charge for right-of-use assets	**19.84**	**19.13**
b)	Interest expense (included in finance cost)	3.76	4.17
c)	Expense related to short term leases	1.58	1.23

iii) Cash Flows

S.No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
a)	Total cash outflow of leases	21.69	21.26

iv) Maturity analysis of undiscounted lease liability

S.No.	Particulars	As at March 31, 2025	As at March 31, 2024
a)	Not later than 1 year	14.47	16.17
b)	Later than 1 year and not later than five years	21.84	12.20
c)	Later than 5 years	-	-

63. Reclassification of comparative information

The company has made following reclassifications in the comparative information of the Statement of Cash Flows, for better presentation of the nature of such items as detailed below:

Particulars	Amount	Nature of Reclassifications
(i) Cash flow from operating activities	(43.40)	Principal amount payable for securitisation (classified as other financial liabilities in the financial statement) was inadvertently treated as repayment of borrowings in the Cash Flow Statemet for the year ended March 31, 2024. Since the same is not repayment of borrowings, hence the comparative figure has been reclassified for better presentation of cash flow statement.
(ii) Cash flow from financing activities	43.40	

Note: There is no impact of above reclassification on the opening retained earnings as at April 01, 2024 and as at April 01, 2023 in the financial statements.

64 (A) Disclosure of Restructured Accounts other than the disclosure as required under Guidelines on Resolution Framework for COVID-19-related Stress issued by RBI vide notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 and RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 and disclosure pursuant to RBI notification no. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May, 2021.

S. No	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others				
	Asset Classification Details		A	B	C	D	Total	A	B	C	D	Total	A	B	C	D	Total
			#	#	#	#		#	#	#	#		#	#	#	#	
1	Restructured accounts as on April 1, 2024	No. of borrowers	-	-	-	-	-	-	-	-	-	-	3,785	187	-	-	3,972
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	2.02	0.35	-	-	2.37
		Provision thereon	-	-	-	-	-	-	-	-	-	-	1.44	0.34	-	-	1.78
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	1	(1)	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	0.00	(0.00)	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.00	(0.00)	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(12)	12	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(0.03)	0.03	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(0.03)	0.03	-	-	-
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(47)	(38)	-	-	(85)
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(0.15)	(0.17)	-	-	(0.32)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Adjustment for Payments	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(3,610)	(141)	-	-	(3,751)
		Amount outstanding											(1.67)	(0.17)			(1.84)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(1.28)	(0.33)	-	-	(1.61)
8	Restructured Accounts as on March 31, 2025	No. of borrowers	-	-	-	-	-	-	-	-	-	-	117	19	-	-	136
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	0.17	0.04	-	-	0.21
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.13	0.04	-	-	0.17

A: Standard assets B: Sub-standard assets C: Doubtful assets D: Loss assets

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Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

S. No	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others				
	Asset Classification Details		A	B	C	D	Total	A	B	C	D	Total	A	B	C	D	Total
			#	#	#	#		#	#	#	#		#	#	#	#	
1	Restructured accounts as on April 1, 2023	No. of borrowers	-	-	-	-	-	-	-	-	-	-	3,937	488	-	-	4,425
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	7.95	2.25	-	-	10.20
		Provision thereon	-	-	-	-	-	-	-	-	-	-	4.74	1.90	-	-	6.64
2	Fresh restructuring during the year	No. of borrowers				-	-	-	-	-	-	-	2	-	-	-	2
		Amount outstanding				-	-	-	-	-	-	-	0.01	-	-	-	0.01
		Provision thereon				-	-	-	-	-	-	-	0.01	-	-	-	0.01
3	Upgradations to restructured standard category during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	105	(105)	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	0.21	(0.21)	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	0.17	(0.17)	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(82)	82	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(0.47)	0.47	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(0.29)	0.29	-	-	-
6	Write-offs of restructured accounts during the FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	(177)	(278)	-	-	(455)
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	(1.11)	(1.95)	-	-	(3.06)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(0.70)	(1.64)	-	-	(2.34)
7	Adjustment for Payments	Amount outstanding	-	-	-	-	-	-	-	-	-	-	(4.57)	(0.21)	-	-	(4.78)
		Provision thereon	-	-	-	-	-	-	-	-	-	-	(2.49)	(0.04)	-	-	(2.53)
8	Restructured Accounts as on March 31, 2024	No. of borrowers	-	-	-	-	-	-	-	-	-	-	3,785	187	-	-	3,972
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	2.02	0.35	-	-	2.37
		Provision thereon	-	-	-	-	-	-	-	-	-	-	1.44	0.34	-	-	1.78

A: Standard assets B: Sub-standard assets C: Doubtful assets D: Loss assets

64 (B) Disclosure of details as required by RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23-Disclosures in financial statements- NoteS to accounts of NBFCs dated April 19, 2022

Section I
A) Exposure

1. The company does not have any exposure to real estate sector as at March 31, 2025 and March 31, 2024.

2. The company does not have any exposure to capital market as at March 31, 2025 and March 31, 2024.

3. Sectoral Exposure

Sectors	March 31, 2025			March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Crores)	Gross NPAs (₹ Crores)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ Crores)	Gross NPAs (₹ Crores)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i…Two wheeler loans	0.00	-	-	0.00	-	-
ii…Consumer durable loans	1,567.32	60.00	3.83%	1,175.70	46.32	3.94%
*iii…Cash loans**	4,008.38	216.52	5.40%	4,384.56	210.34	4.80%
Total of Personal Loans (i+ii+iii)	**5,575.70**	**276.52**	4.96%	**5,560.26**	**256.66**	**4.62%**
5. Others	-	-	-	-	-	-

* Includes off balance sheet exposure of ₹ 9.74 crores (March 31, 2024 ₹ 25.57 crores) where the contracts have been signed with the customers but the amount has not been disbursed as on balance sheet date

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4. The company does not have any inter-group exposures as at March 31, 2025 and March 31, 2024.

5. For unhedged foreign currency exposure refer note 53

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

B) For related party disclosure refer note 35

C) Disclosure of complaints

a) Summary information on complaints received by the company from customers and from the offices of Ombudsman

S.No.	Particulars	March 31, 2025	March 31, 2024
	Complaints received by the company from its customers		
1	Number of complaints pending at beginning of the year	52	61
2	Number of complaints received during the year	1666	4635
3	Number of complaints disposed during the year	1681	4644
3.1	Out of s.no 3 , number of complaints rejected by the NBFC	701	2479
4	Number of complaints pending at the end of the year	37	52
	Maintainable complaints received by the company from Office of Ombudsman		
5	Number of maintainable complaints received by the company from Office of Ombudsman	711	842
5.1	Of 5, number of complaints resolved in favour of the company by Office of Ombudsman	693	827
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	18	15
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the company	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

b) Top five grounds of complaints received by the NBFCs from customers.

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Year ended March 31, 2025					
Difficulty in operation of accounts	37	900	-67.40%	12	1
Non-observance of fair practices code	6	140	-5.41%	7	1
Recovery Agents	5	177	-7.81%	9	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	123	-40.29%	-	-
Staff behaviour	1	4	-20.00%	-	-
Miss-selling	-	181	-66.67%	2	-
Others	3	141	-81.92%	7	-
Total	**52**	**1666**	**-64.06%**	**37**	**2**
Year ended March 31, 2024					
Difficulty in operation of accounts	9	2761	-12%	37	11
Non-observance of fair practices code	21	148	-88%	6	4
Recovery Agents	1	192	-33%	5	-
Levy of charges without prior notice/ excessive charges/ foreclosure charges	1	206	-43%	-	-
Staff behaviour	-	5	0%	1	-
Miss-selling	-	543	596%	-	-
Others	29	780	-14%	3	-
Total	**61**	**4635**	**-22.30%**	**52**	**15**

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

1. Corporate Governance

a. Composition of the Board and details of meeting held: Section II

S. No	Name of Director	Director Since	Capacity (i.e. Executive/ Non-Executive/ Chairman/ Promoter/ nominee/ Independent)	DIN	Number of Board Meetings		No. of Directorships in other Companies	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation#	Sitting Fee	Commission/ Professional fees	
1	Ondrej Kubik*	August 28, 2018	Whole Time Director/ Executive Director	08194580	10	8	Nil		N.A	N.A	Nil
2	Esha Pruthi*	November 24, 2023	Whole Time Director/ Executive Director	10392980	10	8	Nil		N.A	N.A	Nil
3	Jean Pascal Pierre A. Duvieusart*	May 25, 2023	Non-Executive Director	10167605	10	6	2		N.A	N.A	Nil
4	Rakesh Kapoor*	January 16, 2020	Independent Director	00015358	10	9	Nil		0.08	N.A	Nil
5	Jean Lafontaine*	May 22, 2020	Non-Executive Director	08740353	10	6	Nil		N.A	N.A	Nil
6	Sarpreet Singh Benipal*	April 20, 2021	Non-Executive Director	08430748	10	8	1		N.A	1.22	Nil
7	Anirban Majumder*	May 22, 2020	Whole Time Director/ Executive Director	08741217	10	9	Nil		N.A	N.A	Nil
8	Jagdish Prasad*	February 11, 2022	Independent Director	01653669	10	9	Nil		0.11	N.A	Nil
9	Pavel Rozehnal*	August 30, 2013	Non-Executive Director	06683247	10	4	12		N.A	N.A	Nil
10	K Gopala Desikan	February 3, 2025	Non-Executive Director	00067107	10	-	21		N.A	N.A	Nil
11	Balasubramanyam Sriram	February 3, 2025	Independent Director	02993708	10	2	8		0.01	N.A	Nil
12	Dr. Deepali Pant Joshi	February 3, 2025	Independent Director	07139051	10	2	9		0.01	N.A	Nil
13	Kunnawalkam Elayavalli Ranganathan	February 3, 2025	Independent Director	00058990	10	2	6		0.02	N.A	Nil

Salary and other compensation to Whole Time Directors ₹ 45.97 crores
*Resigned with effect from February 03, 2025 and accordingly the no. of directorships in other companies have been disclosed for the stated date.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

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

S. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
		For the year ended March 31, 2025		
1	Ondrej Kubik	Whole Time Director/ Executive Director	Re-appointment subject to approval of shareholders.	August 27, 2024
2	Esha Pruthi	Whole Time Director/ Executive Director	Appointment regularization by Shareholders	September 09, 2024
3	Ondrej Kubik	Whole Time Director/ Executive Director	Re-appointment regularization by Shareholders	September 09, 2024
4	K Gopala Desikan*	Additional Non - Executive Director	Appointment subject to approval of shareholders	February 03, 2025
5	Balasubramanyam Sriram*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
6	Dr. Deepali Pant Joshi*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
7	Kunnawalkam Elayavalli Ranganathan*	Additional Independent Director	Appointment subject to approval of shareholders	February 03, 2025
8	K Gopala Desikan*	Non-Executive Director	Appointment regularization by shareholders.	February 03, 2025
9	Balasubramanyam Sriram*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
10	Dr. Deepali Pant Joshi*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
11	Kunnawalkam Elayavalli Ranganathan*	Independent Director	Appointment regularization by shareholders.	February 03, 2025
12	Ondrej Kubik*	Whole Time Director/ Executive Director	Resignation	February 03, 2025
13	Anirban Majumder*	Whole Time Director/ Executive Director	Resignation	February 03, 2025
14	Esha Pruthi*	Whole Time Director/ Executive Director	Resignation	February 03, 2025
15	Rakesh Kapoor*	Independent Director	Resignation	February 03, 2025
16	Jagdish Prasad*	Independent Director	Resignation	February 03, 2025
17	Jean Lafontaine*	Non-Executive Director	Resignation	February 03, 2025
18	Jean Pascal Pierre A. Duvieusart*	Non-Executive Director	Resignation	February 03, 2025
19	Pavel Rozehnal*	Non-Executive Director	Resignation	February 03, 2025
20	Sarpreet Singh Benipal*	Non-Executive Director	Resignation	February 03, 2025

* Appointment and Resignation pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024.

Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure:
Pursuant to the reconstitution of Board on account of acquisition of shareholding / control and change in management and RBI approval letter dated November 29, 2024, Mr. Rakesh Kapoor and Mr. Jagdish Prasad, Independent Directors of the company have resigned from the directorship w.e.f. February 03, 2025

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

S. No.	Name of Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (resignation, appointment)	Effective date
For the year ended March 31, 2024				
1	Sarpreet Singh Benipal	Non-Executive Director	Re-appointment as Non-Executive Director by Board subject to shareholders approval	April 20, 2023
2	Anirban Majumder	Whole Time Director/ Executive Director	Re-appointment as Whole-time Director by Board subject to shareholders approval	May 22, 2023
3	Jean Pascal Pierre A. Duvieusart	Non-Executive Director	Appointment as Additional Non-Executive Director by Board subject to shareholders approval	May 25, 2023
4	Sarpreet Singh Benipal	Non-Executive Director	Re-appointment approval by shareholders in AGM	September 29, 2023
5	Anirban Majumder	Whole Time Director/ Executive Director	Re-appointment approval by shareholders in AGM	September 29, 2023
6	Jean Pascal Pierre A. Duvieusart	Non-Executive Director	Appointment Regularization by shareholders in AGM	September 29, 2023
7	Vijay Dhingra	Whole Time Director/ Executive Director	Resignation	October 13, 2023
8	Esha Pruthi	Whole Time Director/ Executive Director	Appointment as Whole- Time Director by Board subject to shareholders approval	November 24, 2023

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

b. Committees of the Board and their composition

(i) Audit Committee:
Composition of the Audit Committee and details of meeting held for the year ended March 31, 2025:

S. 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 NBFC
				Held	Attended	
1	Mr. Ondrej Kubik*	October 16, 2018	Whole-time Director/ Executive Director	6	5	Nil
2	Mr. Pavel Rozehnal #	November 12, 2021	Non- Executive Director	6	-	Nil
3	Mr. Jean Lafontaine*	November 12, 2021	Non- Executive Director	6	5	Nil
4	Mr. Rakesh Kapoor*	March 06, 2020	Independent Director	6	5	Nil
5	Mr. Jagdish Prasad*	February 11, 2022	Independent Director	6	5	Nil
6	Mr. Jean Pascal Duvieusart*	September 26, 2024	Non- Executive Director	6	2	Nil
7	Mr. Balasubramanyam Sriram	February 03, 2025	Independent Director	6	1	Nil
8	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	6	-	Nil
9	Mr. Kunnawalkam Elayavalli Ranganathan	February 03, 2025	Independent Director	6	1	Nil

* Ceased to be the member of the Committee with effect from February 03, 2025.
# Ceased to be the member of the Committee with effect from September 26, 2024

(ii) Nomination and Remuneration Committee:
Composition of the Nomination and Remuneration Committee and details of meeting held for the year ended March 31, 2025:

S. 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 NBFC
				Held	Attended	
1	Mr. Jean Lafontaine*	June 25, 2020	Non- Executive Director	2	2	Nil
2	Mr. Pavel Rozehnal#	June 25, 2020	Non- Executive Director	2	-	Nil
3	Mr. Rakesh Kapoor*	February 16, 2020	Independent Director	2	2	Nil
4	Mr. Jagdish Prasad*	September 20, 2022	Independent Director	2	2	Nil
5	Mr. Jean Pascal Duvieusart*	September 26, 2024	Non- Executive Director	2	-	Nil
6	Dr. Deepali Pant Joshi	February 03, 2025	Independent Director	2	-	Nil
7	Mr. Balasubramanyam Sriram	February 03, 2025	Independent Director	2	-	Nil
8	Mr. K Gopala Desikan	February 03, 2025	Non- Executive Director	2	-	Nil

• Ceased to be the member of the Committee with effect from February 03, 2025.
Ceased to be the member of the Committee with effect from September 26, 2024.

Home Credit India Finance Private Limited
Notes forming part of the financial statements for the year ended March 31, 2025
(All amounts are in ₹ Crores, except share data and unless otherwise stated)

c. General Body Meetings.

S. No.	Type of Meeting (Annual/ Extraordinary)	Date and Place	Special resolutions passed
1	Annual General Meeting	September 09, 2024 Registered Office (Delhi, India)	1. To approve issuance of non – convertible debentures on private placement basis
2	Extraordinary General Meeting	February 03, 2025 Audio Visual Mode	1. To consider and approve creation of security interest under section 180(1)(a) of the Companies Act, 2013 2. To consider and approve the borrowing limit of the Company as per Section 180(1)(c) of the Companies Act, 2013.
3	Extraordinary General Meeting	March 27, 2025 Registered Office (Delhi, India)	1. To consider and approve adoption of restated Mieles of Association. 2. To issue Equity Shares on Private Placement / Preferential Basis

2. For exceptional items, refer note 30.

3. There were no instances of default or breaches of covenant in respect of loan availed or debt securities issued during the financial years ended March 31, 2025 and March 31, 2024.

4. The RBI has neither assessed any additional provisioning requirements in excess of 5% of the reported profits before tax and impairment loss on financial instruments for the financial year ended March 31, 2023, latest assessed period, nor identified any additional Gross NPAs in excess of 5% of the reported Gross NPAs for the said period.

Home Credit India Finance Private Limited
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(All amounts are in ₹ Crores, except share data and unless otherwise stated)

65. Disclosure pursuant to RBI notification DNBS.CO.PD.no.356/03.10.01/2013-14 dated September 16, 2013 pertaining to gold loans.
No gold loans have been given during the year ended March 31, 2025 and March 31, 2024.

66. Disclosure of penalties imposed by RBI and other regulators
No penalty has been imposed by any regulator during the year ended March 31, 2025 (previous year: Nil).

67. Details of overseas assets
There are no overseas assets of the company.

68. Off- balance sheet SPVs sponsored
There are no off-balance sheet SPVs sponsored by the company.

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

K. Gopala Desikan
Director
DIN: 00067107

Deepali Pant Joshi
Director
DIN: 07139051

Vivek Singh
Chief Executive Officer

Anirban Majumder
Chief Financial Officer

Neha Gupta
Company Secretary
M.No. A28625