



**UMMEED**

HOUSING FINANCE

We bring your dreams to life

# ANNUAL REPORT

**2023-2024**

**Empowering Women,  
Building the Future.**



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## *Chairman's Speech*

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Dear Valued Stakeholders,

I am honoured to present to you the 9th Annual Report and Financial Statements of Ummeed Housing Finance Private Limited ("Ummeed") for the financial year 2023-24. This year has been a testament to our resilience, strategic growth, and unwavering commitment to excellence.

### **Performance Highlights**

We have concluded the fiscal year on 31<sup>st</sup> March 2024 with an impressive AUM of Rs.1724 Crore, marking a remarkable 51% growth. Our Gross Disbursal peaked at Rs.943 Crore, reflecting a 47% increase over the previous year. Ummeed has expanded its reach, crossing 100 hubs across 7 states in India. At the end of the last fiscal year, home loans accounted for 65.1% and non-home loans represented 34.9% of the company's total loan assets, while maintaining an exceptionally low GNPA ratio of 0.50%.

### **Strategic Initiatives and Innovations**

Our unique hub and spoke branch model, now spread across 100 hubs as of March 31, 2024, underscores our commitment to in-house sourcing and maintaining a robust distribution network. We adhere to a meticulous credit underwriting process, ensuring a thorough assessment of the credit history of the informal customer segment.

### **Awards and Recognitions**

We are proud to be recognized as a **Great Place to Work** by an esteemed international organization. This certification acknowledges the open, respectful, performance-oriented, and inclusive culture we have cultivated. I extend my heartfelt thanks to each of our valued employees for making this possible in our first year of participation. Additionally, we were honoured with the ET BFSI Best Brand 2024 award and achieved recertification of ISO/IEC27001:2013, certifying our Information Security Management System.

### **Technological Advancements**

As in previous years, we prioritized technological advancements, seamlessly transitioning to a more secure cloud data centre (AWS) and upgrading our Sales Customer Relationship Management (CRM) and Loan Origination System (LOS). We also initiated several new automation and technology upgrades, which will enhance our risk management, governance, and operational efficiency. Our unwavering dedication to tech-enablement, combined with our excellence in credit underwriting, continues to strengthen our lending practices.

### **Funding and Financial Partnerships**

Recently, we have successfully raised an equity round of Rs.580 Crore, with Rs.300 Crore as primary and Rs.280 Crore as secondary, providing a partial exit to an existing investor and welcoming two new investors, along with significant participation from another existing equity partner.

Diversification remains key to our funding strategy. We have established partnerships with leading public sector banks, private banks, and globally acclaimed financial institutions, helping us better

manage the Assets & Liabilities on our Balance Sheet. We are delighted to share that US DFC, the US Government's Nodal Development Finance Institution, has granted us a debt funding facility, a landmark achievement for Ummeed.

### **Commitment to ESG and Social Responsibility**

We staunchly adhere to ESG best practices, meticulously comply with applicable labour laws and IFC's Performance Standards and promote gender inclusivity by ensuring woman is a borrower or co-borrower in every customer relationship. Our commitment to social responsibility is evident through our CSR initiatives. This year, under Ummeed's Education CSR Program, we funded the education of 24 underprivileged senior school students from Vidya School, Gurgaon and supported a family-like caring program in SOS Village, Bhimtal, Uttarakhand. Additionally, we funded 11 learning centres managed by IIMPACT, providing quality primary education to 329 girls in rural areas.

### **Employee Well-being and Compliance**

The well-being of our employees is paramount. We provide wages that exceed the government's prescribed minimum, along with a comprehensive benefits package that includes retiral benefits, group personal accident insurance, health insurance, and round-the-clock access to medical professionals. We have a robust grievance redressal mechanism in place to promptly address concerns raised by both our customers and employees. Additionally, we have launched an HR Help Desk for all employees to resolve their queries and provide full support quickly within the predetermined TAT.

At Ummeed, we emphasize maintaining a culture of compliance and risk management throughout our organization, meticulously adhering to all labour laws and other regulatory frameworks as applicable to HFCs.

### **Looking Ahead**

United in our mission and core values, we will persist in our pursuit of excellence across all facets of our operations. I have full faith in our collective strength to navigate challenges and embrace new opportunities, driving Ummeed towards a future filled with promise and prosperity. I extend my deepest gratitude to our dedicated employees, supportive shareholders, loyal customers, and trusted partners. Their invaluable contributions are the cornerstone of Ummeed's success.

Thank you.

Ashutosh Sharma  
Founder and Managing Director  
Ummeed Housing Finance Private Limited

**Director's Report**  
**Financial Year 2023-24**

Dear Shareholders,

We are pleased to present the 9<sup>th</sup> (Ninth) Annual Report of Ummeed Housing Finance Private Limited ("the Company" or "Ummeed") for the year ended 31<sup>st</sup> March 2024. This Report includes the Audited Financial Statements, Management Discussion and Analysis Report, Corporate Governance Report, CSR Annual Report and other annexures, which form an integral part of this Report. It aims to provide stakeholders with a comprehensive insight into the company's financial position and operational area, thereby enabling a clear understanding of its business and operational status.

## 1. Financials

The performance of the Company for the financial year ended 31<sup>st</sup> March 2024, is summarized below:

*(Amount in Rs. Lakhs unless stated otherwise)*

PARTICULARS	For the year ended 31 <sup>st</sup> March 2024 (In INR)	For the year ended 31 <sup>st</sup> March 2023 (In INR)
Total revenue from operations	24,145.97	15,863.58
Other Income	124.23	183.54
<b>Total Income</b>	<b>24,270.20</b>	<b>16,047.12</b>
<b>Profit/(Loss) before Interest, Depreciation &amp; Tax</b>	<b>14,340.61</b>	<b>9,070.30</b>
<i>Less: a. Interest</i>	7,181.71	4,223.36
<i>    b. Depreciation &amp; Amortization</i>	358.84	332.92
<b>Profit before Tax</b>	<b>6,800.06</b>	<b>4,514.02</b>
<i>Less: a. Current tax</i>	1,158.27	860.11
<i>    b. Current tax expense relating to prior years</i>	0	17.92
<i>    c. Deferred tax charge</i>	368.40	176.20
<b>Net Profit/(Loss) after Tax</b>	<b>5,273.39</b>	<b>3,459.79</b>
<i>EPS (Basic)</i>	10.35	6.85
<i>EPS (Diluted)</i>	10.01	6.62

The Company concluded the fiscal year 2024 with an AUM, including off-book, of Rs. 1724.19 Crores. Furthermore, the Company achieved a revenue of Rs. 242.70 Crores, representing a significant increase compared to the previous financial year's revenue of Rs. 160.47 Crores. This indicates a year-on-year revenue growth of 51.24%. Consequently, the PAT also witnessed an increase, reaching Rs. 52.73 Crores with an increase of 52.4%, in contrast to the previous year's figure of Rs. 34.60 Crores.

## 2. IndAS

In compliance with Paragraph 7 of the Reserve Bank's Directions on Housing Finance Companies (HFCs), the Company has prepared its financial statements in accordance with the applicable Indian Accounting Standards (IndAS). The Ministry of Corporate Affairs has notified these standards under Section 133 of the Companies Act, 2013, along with the Companies (Indian Accounting Standards) Rules, 2015. The financial statements for the year have been prepared adhering to Schedule III of the Companies Act, 2013.

## 3. Reserves

As per Section 29C of the National Housing Bank Act, 1987, the Company is obliged to transfer a minimum of 20% of its net profit each year to a reserve before declaring any dividends. Accordingly, the Company has transferred Rs.10.55 Crores to the Statutory Reserve under Section 29C of NHB Act, 1987, totalling to Rs.25.20 Crores, as stipulated under the said section, in conjunction with Section 36(1)(viii) of the Income Tax Act, 1961. Consequently, an amount of Rs. 25.20 Crores is proposed to be carried over to the Balance Sheet.

#### 4. Dividend

The Board of Directors of the Company has not recommended any dividend for the year under review.

#### 5. Company Affairs

The Company, incorporated on 27<sup>th</sup> January 2016, operates as a registered housing finance company under the provisions of the National Housing Bank Act, 1987. It is presently supervised by the National Housing Bank (NHB) and regulated by the Reserve Bank of India (RBI). Our team consists of experienced professionals who share a common goal of providing financial services to underserved lower and middle-income families residing in urban and semi-urban areas. Our primary objective is to fulfil their financing requirements for constructing or purchasing their own homes. Ummeed is dedicated to implementing various initiatives aimed at extending financing facilities to individuals with informal incomes, who face limited access to organized finance. This segment constitutes a significant portion of the Indian population.

#### *Operational Highlights*

Particulars	March 31, 2024	March 31, 2023
Number of Branches	100	70
Number of Borrowers	24,997	16,615
Amount Sanctioned (Rs. in Crore)	986.49	673.31
Amount Gross Disbursed (Rs. in Crore)	943.24	642.17
Amount Outstanding / AUM (Rs. in Crore)	1,724.19	1,143.04

Additionally, within the Management Discussion and Analysis Report (MDA Report), you can find a thorough examination of the company's financial performance and operations. This MDA report not only sheds light on macro-economic and geo-political factors but also addresses housing finance sector-specific aspects and other company-specific information that influence our business and the market in which we operate. For your convenience, the MDA report is included as **Annexure "VI"** to this document. It offers comprehensive insights into our financial performance and provides a deeper understanding of our operations.

#### *Borrowings/ Direct Assignments & Securitisation Transactions*

In the last fiscal year, we raised a total of Rs 513.02 Crores through various sources, resulting in a 53.64 % increase in borrowing from lenders compared to the previous year's outstanding debt of Rs. 589.13 Crores. Our strong relationships with 30 lenders led to an outstanding debt exposure of Rs 905.63 Crores at the end of the financial year. This exposure comprises Private sector Banks, 35.48% from Securitization, 2.18% from NHB, 21.97% from PSU Banks, 21.88% from Foreign Institutions through ECB & NCDs, 13.52% from NCD, and 4.98% from NBFCs. Additionally, during the year, we successfully carried out a Direct Assignment / Securitization Transaction of Rs.144.84 Crores. These financial activities have played a crucial role in meeting our funding requirements and reflect our ability to access diverse funding sources, contributing to the growth and stability of our operations.

#### *Compliance of Principal Business Criteria (PBC)*

Your Company adheres to the Principal Business Criteria (PBC) for Housing Finance Companies (HFCs) as specified under Para 4.1.17 of the Master Directions – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, and as updated from time to time. Details are provided in sub-note no. 34 of Note No. 62 of the Audited Financial Statements, titled "Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021." These disclosures have been prepared in compliance with Indian Accounting Standards (Ind AS) and in accordance with the Notification No. RBI/2022-23/26, DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022, issued by the Reserve Bank of India.

## *Regulatory Compliance & Updates*

The Company has diligently complied with the guidelines, circulars, and directions issued by RBI, NHB, and other regulatory bodies. We have also adopted all recommended policies as advised by regulatory authorities. This section provides an overview of significant regulatory developments in the housing finance sector during the review period. We have closely monitored these regulatory developments and implemented them wherever applicable.

- ***Board-approved Policy for Compromise Settlements and Technical Write-offs***

The RBI, via its circular dated June 8, 2023, mandated NBFCs and HFCs to create a policy for borrower compromise settlements and technical write-offs. The Company created and the Board approved this policy on September 22, 2023. We have been complying with all relevant provisions under this circular.

- ***Fair Lending Practice - Penal Charges in Loan Accounts***

The RBI issued a circular on August 18, 2023, regarding Fair Lending Practice - Penal Charges in Loan Accounts, imposing several obligations. These include communicating the possible impact of changes in the benchmark interest rate on the loan, leading to changes in EMI and/or tenure or both; disclosing all applicable charges for switching loans from floating to fixed rate in the sanction letter and any other service charges/administrative costs; providing borrowers with a quarterly statement detailing the principal and interest recovered to date, EMI amount, number of EMIs left, and the annualized rate of interest/ APR for the entire loan tenure; and communicating applicable penal charges to the borrower whenever reminders for non-compliance with material loan terms are sent. Any instance of penal charges and the reason must also be communicated. Your Company formulated a board-approved policy as advised in this circular and has been complying with its provisions.

- ***Release of property documents***

On September 13, 2023, the RBI issued a circular on Responsible Lending Conduct for Personal Loans and the release of property documents. The Company is complying with these guidelines.

- ***Dematerialization of Securities***

The MCA, via its circular dated October 27, 2023, inserted Rule 9B in the Companies (Prospectus and Allotment of Securities) Rules, 2014, instructing every private company, other than a small company, to issue securities only in dematerialized form and facilitate the dematerialization of all securities by September 30, 2024. The Company is complying with these guidelines and has started taking ISIN of pending securities to facilitate the dematerialization of all securities of the Company. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's securities are:

S. No.	ISIN	Series Type/ Description
1	INE870W01012	Equity Shares
2	INE870W03018	Series A CCPS
3	INE870W03026	Series B CCPS
4	INE870W03034	Series C CCPS
5	INE870W03042	Series D CCPS
6	INE870W03059	Series E CCPS
7	INE870W03067	Series F CCPS Tranche 1
8	INE870W03075	Series F CCPS Tranche 2 <sup>1</sup>
9	IN9870W03016	2024 OCRPS <sup>2</sup>

<sup>1</sup> ISIN for Series F CCPS Tranche 2 allotted on April 26, 2024.

<sup>2</sup> ISIN for 2024 OCRPS allotted on April 25, 2024.

- ***Properties Possessed Under SARFAESI Act***

The RBI, through its circular dated September 25, 2023, mandated HFCs to display information of borrowers whose security assets (properties) have been taken into possession under the SARFAESI Act. The directive specified that the first list of borrowers and secured assets should be displayed on the organization's website within six months, with subsequent monthly updates. The Company has diligently adhered to the provisions outlined in the circular, ensuring that the required details are readily available on the website for stakeholders' reference.

- ***Strengthening of customer service rendered by CIC's and CI's & Framework for compensation to customers for delayed updation/ rectification of credit information***

The RBI issued another circular on October 26, 2023, focusing on strengthening customer service rendered by CICs and CIs and establishing a framework for compensating customers for delayed updation or rectification of credit information. The circular imposes obligations on HFCs, including sending alerts to customers regarding default/ DPDs in existing credit facilities, appointing a dedicated nodal point/official for CICs to address customer grievances, conducting RCA of customer grievances at least semi-annually regarding records or data updation with CICs, updating credit information within a maximum of thirty (30) days from the receipt of a complaint by CICs and CIs, paying compensation (₹100 per calendar day) to the complainant if the CI fails to send updated credit information within twenty-one (21) days, and enabling complainants to submit contact details, email ID, and bank account details/UPI ID for crediting the compensation amount. The Company has been complying with the provisions of this circular.

- ***Increase in Risk Weight***

The RBI, through its circular dated November 16, 2023, implemented measures regarding consumer credit exposure of NBFCs, resulting in a revision of the risk weightage on consumer credit exposure of NBFCs categorized as retail loans. This revision excludes housing loans, educational loans, vehicle loans, loans against gold jewelry, and microfinance/SHG loans, which now attract a risk weight of 125%. The Company has duly revised the risk weightage in accordance with the circular, wherever applicable.

- ***Reserve Bank of India (Outsourcing of Information Technology Services) Directions, 2023 and Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices***

Effective from October 1, 2023, guidelines on IT outsourcing emphasize HFCs' responsibility for outsourced activities through critical IT applications, including compliance with standards, avoiding interested directors/control conflicts, and assessing risks. The board, senior management, and IT function play crucial roles in overseeing outsourced activities. The Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices issued on November 7, 2023, and coming into effect from April 1, 2024, your company has undertaken all necessary measures to comply with the new directions with respect to IT governance and risk practices as per timeline prescribed by RBI.

## **6. Change in Nature of Business**

There were no changes in the nature of the Company's business during the financial year ending on March 31, 2024.

## **7. Material Changes and Commitments, If Any**

There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

## 8. Change in Share Capital

During the year under review, following changes have been made in the Share Capital of the Company:

### *Authorized Share Capital*

The Authorized Share Capital of the Company was revised twice in the financial year. In the Extraordinary General Meeting held on October 31, 2023, it was increased from INR 879,280,000/- to INR 901,280,000/-. This comprises of 17,300,000 equity shares of face value INR 10/- each, 34,563,000 Compulsorily Convertible Preference Shares (CCPS) of face value INR 20/- each, and 3,702,000 Optionally Convertible Non-Cumulative Redeemable Preference Shares (OCNCRPS) of face value INR 10/- each. Subsequently, in the Extraordinary General Meeting held on February 23, 2024, the Authorized Share Capital was further increased to INR 1,072,020,000/-, which comprises of 17,300,000 equity shares of face value INR 10/- each, 43,100,000 CCPS of face value INR 20/- each, and 3,702,000 OCNCRPS of face value INR 10/- each.

### *Issued and Subscribed Share Capital*

As of March 31, 2024, the issued and subscribed share capital of the Company stands as follows: (i) 16,776,071 Equity Shares of face value INR 10/- each, (ii) 42,802,453 CCPS of face value INR 20/- each, (iii) 3,344,470 OCNCRPS of face value INR 10/- each.

### *Paid Up Share Capital*

As of March 31, 2024, the paid-up share capital of the Company is comprised of 16,776,071 Equity Shares fully paid-up at Rs. 10/- each, 37,241,955 CCPS fully paid-up at Rs. 20/- each, and 1,842,756 OCNCRPS partly paid-up at Rs. 1/- each.

## 9. Non-Issuance of Sweat Equity Shares and Shares with Differential Rights

In the year under review, the Company confirms that no sweat equity shares were issued. Therefore, in compliance with Section 54(1)(d) of the Companies Act, 2013 read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014, no information regarding sweat equity shares is provided in this report. Furthermore, the Company declares that no shares with differential rights were issued during the financial year under review. Consequently, in accordance with Section 43(a)(ii) read with Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014, no information pertaining to shares with differential rights is furnished in this report.

## 10. Non-Convertible Debentures

During the financial year under review, the Company redeemed the following listed Non-Convertible Debentures (NCDs) upon their maturity on April 21, 2023:

Dates of Issue; and Allotment	Allottees	No. of Securities	Mode of issuance	Issue price (Rs.) per NCD in Lakhs	Coupon rate	Maturity date	Amount raised. (Rs.) in Crores
June 16, 2020	Bandhan Bank	34 (Outstanding as on March 31, 2023)	Private Placement	10.00	11.90% payable quarterly	34 months and 5 days from the deemed date of allotment (being June 16, 2020)	10.00



The details of the NCDs outstanding as on March 31, 2024, are as follows:

Dates of Issue; and Allotment	Allottees	No. of Securities	Mode of issuance	Issue price (Rs.) per NCD in Lakhs	Coupon rate	Maturity date	Amount raised (Rs.) in Crores
July 26, 2022; and August 01, 2022	Global Access Fund LP	320	Private Placement	10.00	8.80% payable quarterly	February 01, 2028	32.00
December 21, 2022; and December 30, 2022	Global Access Fund LP	206	Private Placement	10.00	8.90% payable half-yearly	December 30, 2027	20.60

### Statutory Disclosure:

(i)	The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance company after the date on which the non-convertible debentures became due for redemption.	<b>None</b>
(ii)	The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date as aforesaid.	<b>Nil</b>

### 11. Revision in Financial Statements or Board Report, If Any

The Company has not revised its financial Statement or Board Report in respect of any of the previous financial years either voluntarily or pursuant to the order of the judicial Authority.

### 12. Rating Updates

Both Care Ratings Limited and Acuité Ratings & Research Limited have rated the long-term bank facilities and NCDs of the Company. Care Ratings has assigned a long-term rating of CARE A-; Stable (Single A Minus; Outlook: Stable), while Acuité Ratings has assigned a long-term rating of ACUITE A- (read as ACUITE A Minus).

The full reports from both rating agencies can be accessed on the company's website at <https://ummeedhfc.com/en/regulatory-disclosures> and the respective rating agencies' websites.

During the year under review, the Company's long-term instruments were assigned/reaffirmed ratings by the rating agencies. The details of the ratings assigned and any migration during the year are as follows:

Rating Agency	Rating FY24	Rating FY23	Rating Letter Dates FY24	Nature of Securities/Borrowing
CARE Ratings Limited	CARE A-; Outlook: Stable	CARE A-; Outlook: Stable	February 27, 2024 March 4, 2024	Long Term Bank Loan Facilities; and Non-Convertible Debentures
Acuité Ratings & Research Limited	ACUITE A-; Outlook: Stable	ACUITE A-; Outlook: Stable	July 20, 2023	

### 13. Investor Education and Protection Fund

There is no dividend declared since inception of the Company, therefore the provisions of Section 125 of the Companies Act, 2013, do not apply.

## 14. Corporate Governance

During the review period, the Company has diligently followed all internal guidelines on corporate governance, aligning with the Housing Finance Company (Reserve Bank) Directions, 2021. We have developed comprehensive internal guidelines on Corporate Governance, which are accessible on our website at <https://ummeedhfc.com/en/regulatory-disclosures>.

Furthermore, we have prepared a separate report on Corporate Governance (CG Report), which includes details regarding the composition of the Board, committees of the Board and their composition, general body meetings, any instances of non-compliance with the requirements of the Companies Act, 2013, as well as information on penalties and strictures as specified in the RBI Circular dated April 19, 2022, on "Disclosures in Financial Statements - Notes to Accounts of NBFCs," in conjunction with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The CG Report is enclosed as **Annexure "I"** to this Report.

## 15. Composition of Board of Directors/ Key Managerial Personnel

The composition of the Board and its Committee is in accordance with Section 149 of the Companies Act, 2013, read with Chapter IX: Corporate Governance under RBI' Master Directions on HFCs and Scale Based Regulation Framework with an appropriate combination of Executive, Non-executive and Independent Directors.

During the year under review, following changes occurred in Directors or Key Managerial Personnel (KMP):

- Mr. Vishal Pandit was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from December 5, 2023;
- Mr. Inderjit Walia retired<sup>3</sup> from the position of Non-Executive Independent Director with effect from March 22, 2024;
- Mr. Gautam Mago was appointed as a Non-Executive Nominee Director with effect from March 30, 2024;
- Mr. Kartik Srivatsa resigned from the position of Non-Executive Nominee Director with effect from March 30, 2024;
- Ms. Geeta Mathur was reappointed as an Independent Director of the Company for a second term of further five years w.e.f. February 27, 2024, till February 26, 2029, by the way of Special Resolution passed on February 23, 2024; and
- Mr. Nitin Kumar Agrahari was designated as Chief Compliance Officer (CCO) of the Company for a period of three years from October 1, 2023, to September 30, 2026.

A list of Directors and KMPs as of March 31, 2024, is provided below:

Name	Designation	DIN/PAN	Date of Appointment
Mr. Ashutosh Sharma	Managing Director	02582205	27-01-2016
Mr. Sachin Grover	Whole Time Director	07387359	27-01-2016
Ms. Geeta Mathur	Independent & Woman Director	02139552	27-02-2019
Mr. Vinayak Prabhakar Shenvi	Non-Executive Director (Nominee)	00694217	29-12-2020
Mr. Nirav Vinod Mehta	Non-Executive Director (Nominee)	07504945	26-02-2020
Mr. Gautam Mago	Non-Executive Director (Nominee)	03568682	30-02-2024
Mr. Vishal Pandit	Additional Director (Independent)	00121297	05-12-2023
Mr. Rajiv Yashwant Inamdar	Non-Executive Director	01295880	10-07-2019
Mr. Bikash Kumar Mishra	Chief Financial Officer	ASAPM5138R	14-08-2020
Mr. Nitin Kumar Agrahari	Company Secretary & Chief Compliance Officer	AXIPA3334J	11-06-2020

### Fit and Proper Criteria

<sup>3</sup> Retirement on account of completion of second term of five consecutive years as an Independent Director pursuant to provisions of the Companies Act, 2013.

Pursuant to the 'Fit and Proper' Policy adopted by the Company under the RBI Master Direction for HFCs, 2021, all the Directors have executed Deeds of Covenants with the Company in the format prescribed under master directions, and the Company has been receiving the 'Fit and Proper' declarations every year from each of Directors along with other annual disclosures, including independency declarations from Independent Directors. Based on the declarations and confirmations received in terms of the provisions of Section 164 of the Companies Act, 2013 and the RBI Directions, none of the Directors on the Board of your Company are disqualified from being appointed/continue to hold directorship in the company.

### Board Meetings

The Company had 7 (Seven) Board meetings during the financial year. The Company held a minimum of one board meeting in every quarter with a gap of not exceeding 120 days between two consecutive board meetings.

The Corporate Governance Report, provided as **Annexure "I"** to this Board Report, includes details regarding Directors, the number and dates of Board, Committee and Annual General Meetings, they have attended during the year.

### 16. General Meetings

Type of Meeting	Date of Meeting	Total Numbers of Members entitled to attend Meeting	Attendance	
			Numbers of Members Attended	% of Total Shareholding
8 <sup>th</sup> Annual General Meeting	27/06/2023	14	6	78.92%
1 <sup>st</sup> Extra-ordinary General Meeting for FY 2023-24	31/10/2023	14	7	95.38%
2 <sup>nd</sup> Extra-ordinary General Meeting for FY 2023-24	11/01/2024	14	6	78.92%
3 <sup>rd</sup> Extra-ordinary General Meeting for FY 2023-24	23/02/2024	14	6	78.92%
4 <sup>th</sup> Extra-ordinary General Meeting for FY 2023-24	13/03/2024	14	6	78.92%

### 17. Committees of the Board

Our Board of Directors has established several committees, including the Audit Committee, Nomination & Remuneration Committee, and CSR Committee, to enhance focus and attention on the Company's affairs. Regular reviews are conducted by the Board to ensure that these committees adhere to corporate governance standards, including their composition, terms of reference, meeting frequency, and compliance with their respective functions. The minutes of committee meetings, along with updates, are presented to the Board during its subsequent meetings. Detailed information regarding the composition and terms of reference of each committee, the Company's Policy on Directors' appointment and remuneration, and the criteria for determining qualifications, positive attributes, and independence of Directors are provided in the Corporate Governance Report, attached as **Annexure "I"** to this Report.

### 18. Declaration of Independent Directors

Both Independent Directors of the Company have provided the necessary declaration confirming their independence in accordance with Section 149(6) of the Companies Act, 2013. They have also affirmed compliance with Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, certifying their eligibility as Independent Directors and confirming that they are not disqualified from continuing in their roles.

### 19. Separate Meetings of Independent Directors

During the year under review on February 17, 2024, the Independent Directors held a separate meeting in accordance with Clause VII of Schedule IV to the Companies Act, 2013. This meeting allowed for a comprehensive review and evaluation of the performance of non-independent directors, the Chairman, and the Board as a whole.

## **20. Board Evaluation**

The Nomination & Remuneration Committee conducted an annual evaluation of the Board's performance, as well as the performance of individual Directors and Committees. The evaluation was carried out as per the terms of reference of the Nomination and Remuneration Committee and the Board Evaluation Policy, in line with the provisions of Section 178 of the Companies Act, 2013. The findings and ratings of the evaluation were shared with the Board of Directors during a meeting, presented by the Chairman of the Nomination Committee.

## **21. Directors Responsibility Statement**

Pursuant to the provisions of Section 134(5) of the Companies Act 2013, Directors of your Company state and confirm that:

- a) In preparation of the annual financial statements for the financial year ending 31<sup>st</sup> March 2024, the applicable accounting standards had been followed along with the proper explanation relating to the material departures and in compliance with the provisions of the Companies Act 2013;
- b) The directors had adopted appropriate accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as of 31<sup>st</sup> March 2024 and of the profit or loss of the company for that period;
- c) 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 have prepared the annual accounts on a 'going concern' basis;
- e) The directors have laid down internal financial controls in the Company that are adequate and are operating effectively<sup>4</sup>; and
- f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **22. Internal Financial Controls / Systems**

A comprehensive disclosure regarding the Internal Financial Controls and Systems is provided in the section on Internal Control Systems and their adequacy, which can be found in the Management Discussion and Analysis Report attached as **Annexure "VI"** to this Report.

## **23. Public Deposits**

Your Company has received a Certificate of Registration from the National Housing Bank under Section 29A of The National Housing Bank Act, 1987, allowing it to operate as a housing finance company without accepting public deposits. Consequently, the Company neither accepts nor has accepted any public deposits during the year under review. A Board Resolution regarding this matter was also passed by the Board of Directors during their meeting held on May 18, 2023, in accordance with the Master Direction.

## **24. Particulars of Loans, Guarantees or Investments**

As per Section 186(11) of the Companies Act, 2013, details regarding loans made, guarantee given, or security provided by a housing finance company in the ordinary course of its business, are exempted from disclosure in the Annual Report. The details of loans and investment made by the Company are provided in Note No. 8 & 9 to the financial statements of the Company for the year ending 31<sup>st</sup> March 2024.

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<sup>4</sup> This statement is required to be provided for listed companies.

## 25. Employees Stock Options Plan (ESOP)

The ESOP 2017 was approved by shareholders on May 25, 2017, authorizing the grant of a total of 20,60,658 Employee Stock Options to eligible employees. Each option allows employees to acquire one fully paid-up Equity Share, in accordance with ESOP 2017 and relevant regulations. The purpose of this plan is to attract and retain talent by incentivizing employee performance for the growth of the company.

During the financial year ending on March 31, 2024, amendments to the ESOP 2017 were approved by the shareholders during their meetings held on January 11, 2024. The purpose of this amendment was to expand the ESOP Pool from 2,060,658 Employee Stock Options to 2,560,658 (Two million five hundred sixty thousand six hundred fifty-eight) Employee Stock Options, fulfilling essential purposes like issuing new ESOP to eligible employees, extending ESOP to new joiners, implementing performance-linked ESOP allocations, and facilitating long-term performance ESOP allocations. It is important to note that no instances of non-exercising of voting rights in relation to shares purchased directly by employees under a scheme were recorded during the year.

For further information, please refer to the attached **Annexure “III”** to this Report, which provides details regarding the employee stock options under Ummeed's Employees Stock Option Plan 2017 ("ESOP 2017" or "Plan"), as per the provisions of Rule 12(9) and 16(4) of the Companies (Share Capital and Debentures) Rules, 2014, as of March 31, 2024.

## 26. Human Resource, Particulars of Employees and Related Disclosures

As of March 31, 2024, our company employed 1245 individuals, with a commitment to gender-agnostic recruitment, prioritizing gender diversity in leadership, adhering to social and environmental laws, providing fair compensation, and ensuring a safe work environment. For further details on human resources and industrial relations, including additional employment figures, please refer to the Management Discussion and Analysis Report attached as **Annexure “VI”** to this Report.

## 27. Directors' Remuneration

As a private limited company, the Company is not required to disclose particulars under Section 197 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Details of all pecuniary relationships or transactions, including remuneration and sitting fees paid to Non-Executive Directors, Key Managerial Personnel (KMP), and Executive Directors, can be found in the Corporate Governance Report enclosed as **Annexure “I”** to this report, in the annual return in Form MGT-7 available on the Company's website at <https://ummeedhfc.com/en/regulatory-disclosures>, and in the financial statements enclosed with this report.

## 28. Related Party Transactions

The Company has a Related Party Transactions Policy in accordance with applicable laws and regulatory directions. The policy can be found in **Annexure “IV”** and on the Company's website at <https://ummeedhfc.com/en/regulatory-disclosures>, as required by the Reserve Bank's Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021. The transactions with related parties during the year were conducted in an ordinary course of business and at arm's length prices, as per the provisions of Section 2(76) read with Section 188 of the Companies Act, 2013. Relevant details can be found in the notes forming part of the financial statements enclosed with this report.

## 29. Subsidiaries, Joint Ventures and Associate Companies

Your Company does not have any joint venture, associate company or subsidiary company as on March 31, 2024.

### 30. ESG Activities and Reporting

Ummeed integrates Environmental, Social, and Governance (ESG) principles deeply into its core operations, embedding them across all facets of our business rather than treating them as standalone practices. Our overarching ESG principles guide our approach, ensuring adherence to high standards of sustainability and ethical practices. We have established an Environmental and Social Management System (ESMS) to systematically assess, manage, and monitor ESG risks and opportunities. This framework ensures alignment with regulatory requirements and stakeholder expectations, fostering transparency and accountability throughout our operations. During the reporting period, we prioritized ESG considerations and compliances, focusing on environmental stewardship, social responsibility, and robust governance. Our ESG initiatives are aligned with the IFC Performance Standards on Environmental and Social Sustainability. Our ESMS Support Group, comprising the CHRO, CFO, and CCO, spearheads the implementation of the Environmental and Social Management System (ESMS), reporting directly to the CSR Committee.

#### Key ESG Impacts

We play a pivotal role for our customers by providing long-term home loans, improving water and sanitation access, helping first-time home buyers avail government subsidies, and enhancing their quality of life. Our financing primarily involves housing loans, which carry minimal environmental and social risks. However, improving access to water and sanitation positively impacts our customers' lives. For housing loans, we obtain legal, technical, and valuation reports from independent third parties to ensure clear legal titles and compliance with construction regulations. We enforce clauses against forced or child labour in our loan agreements with customers.

#### Employee Satisfaction, Feedback, and Labor Compliance

Our employees receive remuneration above the daily wage rates set by the government, along with incentives, bonuses, and retirement benefits such as PF and health insurance. We ensure compliance with labour laws through expert consultants and technical solutions. Key initiatives include:

- Implementation of a policy to address employee grievances, supported by an AI-based tool, “Amber,” for continuous feedback to senior executives.
- A dedicated help desk and email for reporting serious concerns.
- Policies to report misconduct, with regular training sessions.

#### Woman Empowerment and Social Initiatives

We are dedicated to promoting gender equality in homeownership. To achieve this, we ensure that women are included as co-homeowners. As a result of our efforts, over 98% of our customers have women involved as either the main applicant or a co-applicant. Additionally, more than 52% of our customers have female property owners. A significant portion of our customers has experienced improved water and sanitation facilities.

Through our CSR activities, we have promoted primary education for girls through Community-Based Learning Centres and provided school education for underprivileged children up to the 12<sup>th</sup> grade through Vidya School, Gurugram. We also support family home sponsorship for one home covering eight orphaned children in Bhimtal Village, Uttarakhand. Additionally, through Project Prakash in partnership with Rotary and Dr. Shroff Charitable Eye Hospital (SCEH), we work to prevent vision impairments and blindness. Furthermore, we promote financial literacy, welfare for disadvantaged children and women, and conduct medical camps in rural areas in Hyderabad, Telangana.

#### Customer Feedback and Grievance Redressal

Our customer satisfaction index is around 80 percentiles, based on independent surveys. The Board regularly reviews compliance with the Fair Practice Code. We have implemented a CRM system by Synoriq for tracking and resolving customer queries. Our grievance redressal mechanism ensures timely resolution of complaints, with an escalation matrix monitored by a dedicated Team Leader. In conclusion, our commitment to ESG principles is reflected in our comprehensive strategies and initiatives that promote sustainability, social responsibility, and ethical governance, ensuring a positive impact on our customers, employees, and the broader community.

### 31. Corporate Social Responsibility

We have implemented a CSR Policy in compliance with section 135(1) of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy, approved by the Board, focuses on quality education, healthcare infrastructure, sports promotion, and environmental protection. Details of the CSR Committee can be found in the Corporate Governance Report annexed to this report. The complete CSR Policy is available on our website at <https://www.ummeedhfc.com/company-policies>. For a comprehensive overview of the CSR activities undertaken during the year, please refer to the annual report on CSR activities as annexed with this report at **Annexure “II”**.

### 32. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

**Conservation of Energy:** Information on Conservation of energy as prescribed under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is not applicable, since your Company is engaged in the business of providing home loans and do not engage in any kind of manufacturing or producing activities hence no annexure forms part of this report.

**Technology Absorption:** The management of our company actively keeps pace with technological advancements in the housing finance industry. We have adopted state-of-the-art transaction, billing, and accounting systems, as well as robust risk management solutions. In the past year, we have successfully implemented various technological enhancements to improve the customer experience and streamline our processes. These include launch of the customer mobile app, which enable customers to conveniently access and manage their loan details, make overdue payments, and generate service requests; development of a mobile app for our Distribution Partners; establishment of a robust disaster recovery (DR) setup and implementation of the IT service management (ITSM) tool and the IT asset management module developed by Zoho.

Additionally, we have embraced technology in our HR practices, such as the implementation of an improved HRMS platform (PeopleStrong), the development of a comprehensive Learning Management System (LMS) platform with a digital Library to foster a culture of continues self-learning and professional growth, and the launch of Amber, an AI-based employee conversational bot, aims to facilitate fair and real-time feedback from all our employees.

**Foreign Exchange Earnings and Outgo:** Foreign exchange Earnings and Outgo for the period under review was as follows:

- a) Earnings: Nil
- b) Outgo: INR 10.31 Lakhs

### 33. Risk Management

At Ummeed, effective risk management is ingrained in our operations and serves as a fundamental pillar of our business strategy. Our Risk Management Committee (RMC), consisting of two Executive Directors and CXO-level staff, played a pivotal role during FY24, while holding regular monthly meetings with senior management to address emerging risks and ensure robust risk governance.

RMC reports directly to the Board, and during FY24, the management had provided comprehensive disclosures on our progressive risk management systems periodically to the Board, as mandated by Paragraph 53.1.a of RBI's

Master Directions on HFCs, 2021. In addition to a broad focus on risk management, the RMC placed specific emphasis on liquidity risk management. They diligently oversaw our resources to ensure the prudent fulfilment of obligations. Our unwavering commitment to effective risk management safeguards our business and protects the interests of our stakeholders. We continuously enhance our practices to mitigate risks and drive sustainable growth. For a more detailed insight into our risk management approach, kindly refer to the attached Management Discussion and Analysis Report at **Annexure “VI”**.

### **34. Vigil Mechanism/ Whistle Blower Policy**

In accordance with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, along with Section 177(10) of the Companies Act, 2013, and the provisions of RBI's Master Directions on HFCs, 2021, your Company implemented a Whistleblower Policy ("the Policy"). This Policy serves as a vigilant mechanism for employees to raise concerns regarding violations of the Code of Conduct, legal or regulatory requirements, and incorrect or misrepresented financial statements and reports.

The Audit Committee monitors the effective functioning of the vigil mechanism, and all employees have direct access to the committee. To ensure transparency, the Policy is available on the company website at <https://www.ummeedhfc.com/company-policies>.

### **35. Significant and Material Orders Passed**

During the year under review and till the date of this report, there were no significant and/or material orders passed by the regulators, courts or tribunals, impacting the going concern status and future operations of your Company.

### **36. Penalty levied by NHB/RBI or other Regulators**

There was no penalty levied or strictures imposed on the Company by the RBI, NHB, SEBI, Stock Exchanges, or any statutory authority, on any matter related to capital markets, during the last three financial years.

### **37. Audit & Auditors**

#### **a) Statutory Audit**

M/s. Agiwal & Associates, Chartered Accountants (Firm registration no.: 000181N), has been appointed as the Statutory Auditor of the Company in compliance with Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and RBI's Guidelines for Appointment of Statutory Auditors dated April 27, 2021 (RBI Guidelines). The shareholders approved their appointment at the Annual General Meeting for a consecutive term of three financial years, ending on March 31, 2024. During FY 2024, M/s. Agiwal & Associates conducted the statutory audit and issued an unmodified opinion in the Auditors' Report for the audited financial results of the quarter and year ended March 31, 2024. The audit report and financial statements are enclosed with this report. The Statutory Auditors had confirmed their independence as required by the Companies Act, 2013, and provided the eligibility certificate in Form B, along with the necessary information, for conducting the statutory audit for FY2024.

As the tenure of the current statutory auditors concludes at the upcoming annual general meeting, the Board recommends the appointment of a new chartered accountant firm eligible under RBI Guidelines to the shareholders of the Company.

#### **b) Statutory Auditor's Report**

The Statutory Auditors' Report, along with the accompanying notes to the accounts, is self-explanatory and requires no further comments or elaborations under Section 134 of the Companies Act, 2013. The Statutory Auditors have not issued any adverse comments, modifications, qualifications, reservations, or adverse remarks, in their report on the financial statements for FY2024.



#### **c) Fraud Reporting**

The Statutory Auditors have not reported any instances of fraud to the Audit Committee or the Board of Directors under Section 143(12) of the Companies Act, 2013, in accordance with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

During the financial year 2023-24, the Company identified a total of 10 loan accounts of borrowers with a collective loan balance of INR 1.43 crore, outstanding as of March 31, 2024, as 'fraud' and promptly reported to the NHB within the regulatory timeline in accordance with paragraph 3.1.9 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, dated February 17, 2021, along with Chapter VI of RBI's Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016, dated September 29, 2016.

#### **d) Cost Records and Cost Audit**

The Company being a housing finance company, is not required to maintain cost records or undergo cost audit as per the provisions of Section 148(1) of the Companies Act, 2013, as it is not applicable to its business activities.

#### **e) Secretarial Audit**

M/s. Navneet K Arora & Co. LLP, Practicing Company Secretary, has been appointed as the Secretarial Auditor in compliance with Section 204 of the Companies Act, 2013. The Secretarial Auditor's report, attached as **Annexure "V"**, contains no qualifications, reservations, or adverse remarks.

#### **f) Internal Audit**

The Company has a well-aligned internal audit system, tailored to its size and business needs, with a defined scope, functioning, periodicity, and methodology approved by the Audit Committee. The board-appointed Internal Auditor conducts comprehensive audits of our operations and records. Regular reports, including management's actions to address identified deficiencies, are submitted to the Audit Committee. Detailed disclosure on the Internal Audit can be found in the Management Discussion and Analysis Report, provided as **Annexure "VI"** to this Report.

### **38. Secretarial Standards**

The Company has complied with the relevant provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

### **39. Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016**

During the year under review, there was no application filed by or against the Company for corporate insolvency process under IBC before the NCLT.

### **40. One-Time Settlement with any Bank or Financial Institution**

No instances of one-time settlements with any bank or financial institution were recorded.

### **41. Annual Return**

In compliance with Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2024, is accessible on the Company's website and can be found at <https://ummeedhfc.com/en/regulatory-disclosures>.

#### 42. Regulatory and Statutory Compliances

The Company operates under the supervision and regulation of various statutory bodies, such as the MCA, RBI, NHB, and IRDAI. To ensure compliance, the Board of Directors received regular updates on circulars, notifications, guidelines, and directions issued by these regulatory authorities. The Company has diligently followed all applicable circulars, notifications, and guidelines. Furthermore, your Company is fully compliant with the relevant provisions of the Companies Act, 2013, and the corresponding rules, including Secretarial Standards, as well as other applicable statutory requirements.

#### 43. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder

Ummeed maintains a zero-tolerance policy towards sexual harassment in the workplace and strictly adheres to the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 ("POSH") and its rules. We have established an Internal Complaints Committee (ICC) comprising members as required by law to oversee compliance with POSH and related regulations. The names and contact details of ICC members are prominently displayed on notice boards at all our offices/branches. Regarding statutory disclosures under POSH, we are pleased to share the following details:

- Number of cases reported during the year: Nil
- Number of cases closed during the year: Nil
- Numbers of cases open as on March 31, 2024: Nil

#### 44. Disclosures under NHB Act, 1987, RBI Master Directions, 2021 and Scale Based Regulatory Framework

- Our Company is fully compliant with all the applicable provisions under Directions, Guidelines, and Circulars issued by RBI/ NHB, as well as of the NHB Act, 1987.
- As a Non-Deposit taking HFC, we have passed a Board Resolution to not to hold or accept Public Deposits, and therefore, we are not required to make disclosures as per Para 44.1 and 44.2 of the Housing Finance Company (Reserve Bank) Directions, 2021.
- We have provided relevant disclosures as required under Paragraph 16 of the HFC (Reserve Bank) Directions, 2021, as well as per circulars issued under the Scale based Regulatory Framework of the Reserve Bank of India, in the attached financial statements.
- The Board of Directors regularly reviews compliance under all the applicable provisions under Directions, Guidelines, and Circulars issued by RBI/ NHB, including the Fair Practices Code, Corporate Governance, Progressive Risk Management System, and the functioning of the grievance redressal mechanism at different management levels.
- Management Discussion and Analysis Report forming part of the Annual Report to the Shareholders, has been attached as part of this report as **Annexure "VI"**.

#### 45. Listing with Stock Exchange

The Company complied with all listing obligations and disclosure requirements prescribed under SEBI LODR, 2015, as well as those mandated by BSE, where its only debentures were listed, and redeemed in the first month of the preceding fiscal year. Furthermore, the Company diligently fulfilled all its obligations by promptly paying annual listing fees, thereby ensuring continued adherence to regulatory mandates.

#### 46. Acknowledgement

The Board of Directors acknowledges the invaluable support and contributions rendered by all stakeholders, encompassing shareholders, customers, lenders, bankers, and employees, throughout the Company's successful



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journey. Additionally, the Board expresses sincere appreciation for the cooperation and assistance extended by supervisory and regulatory bodies, Debenture Trustees, and Rating Agencies. The Board of Directors also places on record its sincere appreciation for the commitment and hard work put in by the Management and the employees of the Company for an excellent year of performance.

**For and on behalf of the Board of Directors of  
Ummeed Housing Finance Private Limited**

**Sd/-  
Ashutosh Sharma  
Managing Director  
(DIN: 02582205)**

**Sd/-  
Sachin Grover  
Executive Director  
(DIN: 07387359)**

**Date: June 05, 2024  
Place: Gurugram, Haryana**

## Corporate Governance Report

### Financial Year 2023-24

Corporate Governance is the system through which companies are governed and controlled by management under the direction and supervision of the Board, with the best interests of all stakeholders in mind. It encompasses more than mere compliance with laws, rules, and regulations. It involves the application of best management practices and adherence to the highest ethical principles in all business dealings, with the aim of achieving the company's objectives, enhancing stakeholder value, and fulfilling social responsibilities.

At Ummeed, our Board provides strategic input on basic governance issues and carries out supervision through its committees, to maintain proper controls, strengthen accountability and integrity, with greater emphasis on transparency. Further, in accordance with Para 53.1.b of RBI's Master Direction on HFCs, the Board of Directors receives periodic updates regarding compliance with corporate governance standards. These updates also include detailed information on the composition of various committees, their roles and functions, the duration of meetings, and the coverage of compliance review functions. The purpose of providing this information is to ensure that the Board has a comprehensive understanding of our adherence to corporate governance practices. It allows for regular review and oversight, enabling the Board to make informed decisions in line with regulatory requirements and best practices.

In compliance with the RBI Circular dated April 19, 2022, on "Disclosures in Financial Statements - Notes to Accounts of NBFCs," and with the objective of meeting the specified disclosure requirements outlined in Paragraph C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable to our company, we present the following report on Corporate Governance:

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Our corporate governance philosophy is rooted in ethics, transparency, and accountability. We prioritize the best interests of all stakeholders and adhere to the highest standards to create sustainable value. Our Board of Directors provides strategic guidance and oversight, and we evaluate performance to ensure an effective governance structure. We emphasize avoiding conflicts of interest, appointing auditors with integrity, and maintaining a comprehensive Code of Conduct. Transparency, compliance, and continuous improvement are central to our approach. At Ummeed, we believe strong corporate governance is crucial for our success, stakeholder trust, and long-term value creation.

## 1. BOARD

### Composition of Board

The Board consists of total 8 (eight) Directors, which comprises of 2 (two) Executive Directors, 4 (four) Non-Executive Directors and 2 (two) Independent Directors including 1 (one) Woman Independent Director. They all have with them considerable experience in their respective fields. The Chairman of the Board is an Executive Director.

The composition, category, remuneration, etc. of Directors on the Board, are as follows:



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S. No.	Name of Director	Director Since	Capacity/ Category (i.e., Executive/ Non-Executive/ Chairman/ Promoter Nominee/ Independent)	DIN	No. of other Directorships	Number of Board Meetings		Remuneration (Rs. in Lakhs)			No. of shares held in, and convertible instruments held in the NBFC
						Held	Attended	Salary and other Compensation	Sitting Fee	Commission	
1	Mr. Ashutosh Sharma	27-01-2016	Managing /Executive Director; & Chairman	02582205	-	7	6	238.83	-	-	89,92,172 Equity Shares, 16,24,475 OCRPS and 72,014 CCPS
2	Mr. Sachin Grover	27-01-2016	Whole Time / Executive Director	07387359	-	7	7	147.82	-	-	2,54,183 Equity Shares and 1,78,965 OCRPS
3	Mr. Vishal Pandit	05-12-2023	Additional Director (Independent)	00121297	-	4	4	-	3.00	-	-
4	Ms. Geeta Mathur	27-02-2019	Independent & Woman Director	02139552	12	7	7	-	14.00	-	-
5	Mr. Vinayak Prabhakar Shenvi	29-12-2020	Non-Executive Director (Nominee of CX AIF & Thyme, Equity Investor)	00694217	1	7	6	-	-	-	-
6	Mr. Gautam Mago	30-03-2024	Non-Executive Director (Nominee of A91 Emerging Fund II LLP, Equity Investor)	03568682	3	-	-	-	-	-	-
7	Mr. Nirav Vinod Mehta	26-02-2020	Non-Executive Director (Nominee of NHPEA, Equity Investor)	07504945	4	7	4	-	-	-	-
8	Mr. Rajiv Yashwant Inamdar	10-07-2019	Non-Executive Director	01295880	-	7	7	-	5.75	-	-

9	Mr. Inderjit Walia <sup>5</sup>	23-03-2018	Independent Director	01812849	1	7	7	-	16.55	-	-
10	Mr. Kartik Srivatsa <sup>6</sup>	27-02-2019	Nominee Director (Nominee of LightRock, Equity Investor)	03559152	11	7	3	-	-	-	-

Details of change in composition of the Board during the current (up to the date of this report) 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
1	Mr. Vishal Pandit	Additional Director (Independent)	Appointment <sup>7</sup>	December 5, 2023
2	Mr. Inderjit Walia	Independent Director	Cessation <sup>8</sup>	March 22, 2024
3	Mr. Gautam Mago	Non-Executive Nominee Director	Appointment <sup>9</sup>	March 30, 2024
4	Mr. Kartik Srivatsa	Non-Executive Nominee Director	Resignation <sup>10</sup>	March 30, 2024
5	Ms. Geeta Mathur	Independent Director	Reappointment <sup>11</sup>	February 27, 2024

No Independent Director resigned before the expiry of their term, and none of the directors of the company have any inter-se relationships or are related to each other.

### Board Meetings:

The Board conducts regular meetings to discuss and make decisions regarding business strategies, policies, and review the Company's financial performance. Prior to each Board Meeting, a notice is provided to all Directors. The agenda, along with relevant notes and other necessary information, is shared in advance with each Director. In exceptional cases, these materials may be presented at the meeting, ensuring the Board is equipped with timely and informed information to make effective decisions.

<sup>5</sup> Cessation of office of Mr. Inderjit Walia of Non-Executive Independent Director with effect from March 22, 2024, due to completion of his second term of five consecutive years pursuant to provisions of the Companies Act, 2013.

<sup>6</sup> Mr. Kartik Srivatsa resigned from the position of Non-Executive Nominee Director with effect from March 30, 2024.

<sup>7</sup> Mr. Vishal Pandit was appointed as an Additional Director in the category of Non-Executive Independent Director with effect from December 5, 2023.

<sup>8</sup> Cessation of office of Mr. Inderjit Walia of Non-Executive Independent Director with effect from March 22, 2024, due to completion of his second term of five consecutive years pursuant to provisions of the Companies Act, 2013.

<sup>9</sup> Mr. Gautam Mago was appointed as a Non-Executive Nominee Director with effect from March 30, 2024, nominated by A91 Emerging Fund II LLP.

<sup>10</sup> Mr. Kartik Srivatsa resigned from the position of Non-Executive Nominee Director with effect from March 30, 2024.

<sup>11</sup> Ms. Geeta Mathur was reappointed as an Independent Director of the Company for a second term of further five years w.e.f. February 27, 2024, till February 26, 2029, by the way of Special Resolution passed on February 23, 2024.

In FY2023-24, the Board held a total of 7 meetings. The Company ensured that a minimum of one Board Meeting took place in each quarter, with no more than 120 days between consecutive meetings. Details of the meetings, including the number and dates of the meetings, are as follows:

S. No. of Meeting	Date of meeting	Total No. of Directors on the Date of Meeting	Attendance	
			No. of Directors attended	% Of Attendance
01/2023-24	18/05/2023	8	7	87.5%
02/2023-24	23/06/2023	8	7	87.5%
03/2023-24	22/09/2023	8	7	87.5%
04/2023-24	05/12/2023	9	9	100%
05/2023-24	19/02/2024	9	7	77.77%
06/2023-24	11/03/2024	9	6	66.66%
07/2023-24	15/03/2024	9	8	88.88%

The details of attendance of the Directors at Board Meetings and at the last AGM held during FY 2023-24 are given below:

Name of the Directors	Board Meetings			AGM
	No. of Meetings which director was entitled to attend	No. of Meetings Attended	% Of Attendance	Attendance
Mr. Ashutosh Sharma	7	6	85.71%	Yes
Mr. Sachin Grover	7	7	100.00%	Yes
Mr. Inderjit Walia	7	7	100.00%	Yes
Ms. Geeta Mathur	7	7	100.00%	-
Mr. Vinayak Prabhakar Shenvi	7	6	85.71%	-
Mr. Kartik Srivatsa	7	3	42.86%	-
Mr. Nirav Vinod Mehta	7	4	57.14%	-
Mr. Rajiv Yashwant Inamdar	7	7	100.00%	-
Mr. Vishal Pandit	4	4	100.00%	-
Mr. Gautam Mago	0	0	0.00%	-

Below table is providing attendance of Director in each meeting:

Name of Director	Board Meeting No.						
	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>	6 <sup>th</sup>	7 <sup>th</sup>
Mr. Ashutosh Sharma	Y	Y	Y	Y	Y	-	Y
Mr. Sachin Grover	Y	Y	Y	Y	Y	Y	Y
Mr. Inderjit Walia	Y	Y	Y	Y	Y	Y	Y
Ms. Geeta Mathur	Y	Y	Y	Y	Y	Y	Y
Mr. Vinayak Prabhakar Shenvi	Y	Y	Y	Y	-	Y	Y
Mr. Kartik Srivatsa	Y	-	Y	Y	-	-	-
Mr. Nirav Vinod Mehta	-	Y	-	Y	Y	-	Y
Mr. Rajiv Yashwant Inamdar	Y	Y	Y	Y	Y	Y	Y
Mr Vishal Pandit	NEA	NEA	NEA	Y	Y	Y	Y
Mr. Gautam Mago	NEA	NEA	NEA	NEA	NEA	NEA	NEA

\*NEA- Not entitled to attend as appointed on a later date.

It is important to note that there is no relationship between the Directors of the Company. They function independently and make decisions based on their individual expertise and responsibilities. As of the date of this report, none of the Non-Executive Directors hold any shares or convertible instruments in

the Company. They do not have any direct financial interest other than receiving sitting fee wherever applicable.

## 2. AUDIT COMMITTEE

Audit Committee is constituted with desired composition, powers, functions and duties as laid down in Section 177 of the Companies Act, 2013. Audit Committee meets at least on a quarterly basis. The Audit Committee of the Board operates in strict adherence to the relevant provisions of applicable regulatory frameworks, directions, and the specified terms of reference established by the Board. The committee holds the responsibility of overseeing all types of audits, including statutory, secretarial, internal, and information security audits, as well as any other audits required by regulatory directions or guidelines.

As part of its mandate, the committee regularly conducts comprehensive reviews and examinations of various reports and processes. This includes thorough assessments of audit and inspection reports, compliance reports, borrowing covenant compliance reports, and investment concentration. These reviews are conducted to ensure strict adherence to established standards and regulations in these areas. Additionally, the committee actively monitors and oversees compliance reporting, internal audit reports, and engages in discussions with the Statutory Auditors on a quarterly basis regarding statutory audit observations.

Furthermore, the committee evaluates the sufficiency and effectiveness of systems required for internal control, including financial reporting and financial controls. It ensures that critical and significant internal systems and processes undergo an Information System Audit conducted by a Certified Information System Auditor (CISA) at least once every two years. This audit aims to assess operational risks faced by the company and ensure the robustness of its internal control systems.

The Audit Committee meets regularly, and not less than one meeting is held every quarter. The Audit Committee met 5 (Five) times during FY 2023-24 i.e., on 18/05/2023, 22/06/2023, 21/09/2023, 04/12/2023 and 14/03/2024.

The attendance status of the Members at these meetings is provided in the table given below. Presently, the Audit Committee of the Company comprises of following members:

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 HFC
				Held	Attended	
1	Ms. Geeta Mathur	27/02/2019	Chairperson <sup>12</sup>	5	5	-
2	Mr. Inderjit Walia	15/05/2018	Independent	5	5	-
3	Mr. Kartik Srivatsa	27/02/2019	Independent	5	4	-

All recommendations made by the Committee during the year were accepted by the Board.

## 3. NOMINATION AND REMUNERATION COMMITTEE

<sup>12</sup> Chairman/Chairperson of the Audit Committee is being elected every time during the meeting.



The Nomination and Remuneration Committee (NRC) plays a pivotal role in supporting the Board of Directors in fulfilling their governance and supervisory responsibilities concerning human resource management and compensation. The committee's primary function is to review and provide recommendations, as necessary, to the Board on matters such as human resource policies, incentive plans for employees, performance evaluations, feedback mechanisms, employee satisfaction, and development initiatives.

Additionally, the NRC assists in managing the nomination and remuneration processes for Board members, including Independent Directors. When evaluating the appointment or reappointment of a director, the committee ensures several important considerations are taken into account.

Firstly, it verifies that there are no conflicts of interest that could compromise the independence of the Director. This is crucial to safeguard their objectivity and protect against potential threats to their independence. Secondly, the committee ensures that the proposed appointee meets the "fit and proper" standards, which involve assessing their qualifications, experience, and integrity. Lastly, the committee confirms that the proposed appointee is not disqualified, according to the relevant laws or regulatory directives, from serving as a director of the company.

In summary, the NRC provides invaluable assistance to the Board by reviewing and recommending human resource policies, compensation plans, and performance evaluation processes including board evaluation process. The committee also oversees the nomination and remuneration of Board members, ensuring their independence, compliance, and suitability for the role.

During the year under review, NRC met 3 (three) times on 14/06/2023, 11/09/2023 and 19/02/2024. All recommendations made by the Committee to the Board during the year were accepted by the Board of Directors. This Committee presently comprises of following members:

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 HFC
				Held	Attended	
1	Mr. Inderjit Walia	15/05/2018	Chairman	3	3	-
2	Ms. Geeta Mathur	27/02/2019	Member	3	2	-
3	Mr. Nirav Mehta	11/03/2020	Member	3	3	-
4	Mr. Ashutosh Sharma	15-05-2018	Member	3	3	89,92,172 Equity, 16,24,475 OCRPS and 72,014 CCPS

Our company has formulated a Nomination and Remuneration (NRC) Policy, which has been approved by the Board in accordance with the provisions of Section 178 of the Companies Act, 2013. The policy takes into consideration the applicable rules, including the Reserve Bank's Master Directions of 2021 for HFCs issued on February 17, 2021, and RBI's Circular dated April 29, 2022, on Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs ("RBI Guidelines").

During the year under review, the Company amended the Nomination and Remuneration (NRC) Policy, to incorporate provisions related to malus, clawback, retention period and risk alignment of

compensation, in line with the RBI “Guidelines on Compensation of Key Managerial Personnel (KMP) and Senior Management in NBFCs” (“RBI Guidelines”) under the Scale Based Regulatory (SBR) framework, which took effect on April 01, 2023.

The salient features of the NRC Policy are as follows:

- The policy adheres to the Companies Act, 2013, RBI Directions and Guidelines, and applicable rules.
- It aims for reasonable and transparent remuneration, performance-based rewards, alignment with company interests, diverse leadership, and appropriate pay structures.
- The policy covers Directors, Key Managerial Personnel, Senior Management, and other identified employees.
- The NRC oversees hiring, compensation, policy formulation, and avoiding conflicts of interest.
- The NRC selects candidates based on integrity, qualifications, and fit and proper criteria, and ensures succession planning.
- Remuneration is tied to performance, with fixed and variable components, including salary, perquisites, incentives, and bonuses. Malus and Clawback related provisions are also there.
- Providing Malus/clawback provisions

The Nomination & Remuneration Policy of the Company is hosted on Company’s website at <https://ummeedhfc.com/en/company-policies>.

#### **4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

The company's commitment to making a positive impact on society is reflected in its CSR initiatives. It has formulated a CSR Policy in compliance with the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014. This policy serves as a guide for the company to fulfil its responsibility as a good corporate citizen and outlines the guidelines and mechanisms for implementing socially beneficial programs that contribute to the welfare and sustainable development of the community.

The Board had constituted the Corporate Social Responsibility (CSR) Committee with the following terms of references:

- Formulating and recommending a CSR Policy that outlines the specific activities to be undertaken by the company, as mandated in Schedule VII of the Companies Act, 2013.
- Recommending CSR expenditure to the Board.
- Monitoring the implementation, reviewing and reassessing of CSR Policy.
- Establishing a transparent monitoring system to track the progress and implementation of CSR programs, or activities undertaken by the company.
- The committee collaborates with external agencies or entities to execute CSR programs in line with the CSR Policy and reviews their performance periodically.
- The committee may delegate specific responsibilities to subcommittees or individuals when appropriate and necessary.
- The committee provides regular reports to the Board, updating them on the progress, initiatives, and outcomes of CSR activities.

During FY 2023-24, the CSR Committee held its meetings on 14/06/2023 and 25/08/2023, and all the recommendations made by the Committee to the Board during the year were accepted by the Board of Directors. This Committee presently comprises of the following members:

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 HFC
				Held	Attended	
1	Mr. Rajiv Yashwant Inamdar	14/08/2020	Chairman	2	2	-
2	Mr. Inderjit Walia	14/08/2020	Member	2	2	-
3	Mr. Ashutosh Sharma	14-08-2020	Member	2	2	89,92,172 Equity, 16,24,475 OCRPS and 72,014 CCPS

The CSR policy of the Company may be accessed on the Company's website at <https://ummeedhfc.com/en/company-policies>.

## 5. OTHER COMMITTEES

The Company has constituted various Committees as per the requirement under Reserve Bank' Master Directions of 2021 on HFCs, as amended from time to time. These Committees meet time to time as per requirement and predefined periodicity, minimum number of meetings or prescribed frequency as per applicable laws or RBI Directions / Guidelines.

The list of the Committees and their members as on 31<sup>st</sup> March 2024 as follows:

Committee	Composition	Terms of References	Periodicity of meetings	Compliance with coverage and review function
Risk Management Committee (RMC)	(a) Mr. Ashutosh Sharma, MD & Chairman (b) Mr. Sachin Grover, WTD (c) Mr. Bikash Kumar Mishra, CFO (d) Mr. Mahesh Adhikari, National Credit Head (e) Mr. Alok Prasad, Senior Consultant	RMC is responsible for evaluating and managing the overall risks faced by the Company, including liquidity risk.	Monthly	The committee discusses and recommends various ways to manage integrated risks on a monthly basis and reviews action plans submitted by management.
Asset Liability Management Committee (ALCO)	(a) Mr. Ashutosh Sharma, MD & Chairman (b) Mr. Sachin Grover, WTD (c) Mr. Alok Prasad, Senior Consultant (d) Mr. Bikash Kumar Mishra, CFO	The ALCO ensures adherence to the risk tolerance/limits set by the Board and implements the liquidity risk management strategy.	Monthly	Members of ALCO meet monthly to review debt position, strategy, liquidity risk management, and ALM positioning.
Internal Complaint Committee	(a) Ms. Vineeta Kaur, Presiding Officer (Head – Treasury) (b) Ms. Geeta Mathur, Independent Director	The Company has instituted the Internal Complaints	Event based	No incidents requiring reporting to the committee were recorded so far. The

	<ul style="list-style-type: none"> <li>(c) Ms. Sonia Gaba, Executive Assistant and Office Manager</li> <li>(d) Mr. Shariq Khan, Head - Product</li> <li>(e) Mr. Bikash Kumar Mishra, CFO</li> <li>(f) Mr. Vikas Khandelwal, State Business Head</li> <li>(g) Mr. Suraj PS Bhandari, State Business Head</li> <li>(h) Mr. Salamrit Virk, External Member</li> </ul>	Committee for redressal of sexual harassment complaints and ensuring timely treatment of such complaints.		ICC monitors employee training and compliance with the Sexual Harassment of Women at Workplace Act, 2013.
Customer Service and Grievance Redressal Committee	<ul style="list-style-type: none"> <li>(a) Mr. Sachin Grover, WTD &amp; Chairman</li> <li>(b) Mr. Sandeep Verma, Grievance Redressal Officer and Head – Operations</li> <li>(c) Mr. Shariq Khan, Head – Product</li> <li>(d) Ms. Veena Mishra, Lead – Customer Service</li> </ul>	The committee monitors and reviews the company's processes on customer service and grievance redressal.	Monthly	The committee meets monthly to review customer complaints, service requests, and escalations to regulatory or judicial authorities.
Wilful Defaulter Identification Committee	<ul style="list-style-type: none"> <li>(a) Mr. Sachin Grover, WTD &amp; Chairman</li> <li>(b) Mr. Shariq Khan, Head – Product</li> <li>(c) Mr. Sandeep Verma, Grievance Redressal Officer and Head – Operations</li> </ul>	The identification committee examines and concludes cases of wilful default and issues Show Cause Notices to concerned borrowers.	Event based	The committee meets periodically, at least once a quarter, to review cases that may qualify as wilful default.
Wilful Defaulter Review Committee	<ul style="list-style-type: none"> <li>(a) Mr. Ashutosh Sharma, MD &amp; Chairman</li> <li>(b) Mr. Rajiv Yashwant Inamdar, Non-Executive Director</li> <li>(c) Mr. Inderjit Walia, Independent Director</li> </ul>	The review committee, headed by the MD and comprising one independent director and one non-executive director, reviews and confirms the orders of the identification committee.	Event based	As no wilful default cases have been identified so far, therefore, no review of such orders has taken place
IT Strategy Committee	<ul style="list-style-type: none"> <li>(a) Mr. Inderjit Walia, Independent Director &amp; Chairman</li> <li>(b) Mr. Ashutosh Sharma, MD</li> <li>(c) Mr. Harvinder Gandhi, IT Consultant</li> <li>(d) Mr. Madan Singh, CTO &amp; CIO</li> <li>(e) Mr. Indrajit Lahiri, Senior Consultant</li> <li>(f) Chief Information Security Officer (CISO)</li> </ul>	The IT Strategy Committee reviews and amends the company's IT strategies, cyber security arrangements, and other IT governance matters.	Half yearly	The committee meets at least twice a year to approve and recommend IT policies, oversee IT investments, and review IT projects and strategy.

Human Resource Matters Committee	(a) Mr. Inderjit Walia, Independent Director & Chairman (b) Mr. Rajiv Yashwant Inamdar, Non-Executive Director (c) Mr. Ashutosh Sharma, MD (d) Mr. Sachin Grover, WTD (e) Mr. Shekhar Gupta, Head - Human Resources	The HR Matters Committee ensures the adoption of best practices related to employees and creates an attractive work environment.	Periodically	The committee meets periodically to provide guidance on HR strategies, review HR projects and plans, and support Ummeed's HRD.
Executive Committee on Fraud Reporting	(a) Mr. Sachin Grover, WTD & Chairman (b) Mr. Bikash Mishra, CFO (c) Mr. Afzal Ahmed, RCU Head (d) Mr. Nitin Agrahari, CS & CCO	The executive committee discusses high-risk RCU cases, classifies them as fraud accounts, and submits returns to the RBI/NHB.	Quarterly	The committee meets quarterly to discuss high-risk RCU cases, classify them as fraud accounts, and ensure compliance with reporting requirements.
Borrowing & Banking Committee	(a) Mr. Ashutosh Sharma, MD & Chairman (b) Mr. Sachin Grover, WTD (c) Mr. Bikash Kumar Mishra, CFO	The committee examines debt proposals, borrowing limits, and approves management's proposals related to bank accounts.	Periodically	Committee members meet periodically to discuss and review proposals from banks. Committee minutes are shared with the board for review and monitoring purposes.

## 6. REMUNERATION TO DIRECTORS

The Non-Executive Directors receive sitting fees in accordance with the provisions of the Companies Act, 2013. The amount of sitting fees is determined by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.

The remuneration of the Managing Director and Whole Time Director is determined by resolutions passed by the Nomination and Remuneration Committee and the Board of Directors. These resolutions cover the terms of their appointment and the payment of their remuneration.

Apart from the above, there are no other financial relationships or transactions with the Company. A detailed breakdown of the remuneration, including sitting fees paid to Directors, can be found in Section 1 of this Corporate Governance Report.

## 7. GENERAL BODY MEETINGS

a. Details of last three AGM of the Company are given below:

Financial Year	Date of Meeting	Location	Special Resolution Passed
2023-24	June 27, 2023	Corporate Office	Approval for Private Placement of Non-Convertible Debentures and/or Other Debt Instruments
2022-23	July 25, 2022	Corporate Office	-
2021-22	September 30, 2021	Corporate Office	-

- b. Details of all extraordinary general meetings held during the financial year ending March 31, 2024:

Financial Year	Date of Meeting	Location	Special Resolution Passed
2023-24	October 31, 2023	Corporate Office	-
2023-24	January 11, 2024	Corporate Office	Amendment in Ummeed Employee Stock Option Plan 2017
2023-24	February 23, 2024	Corporate Office	Reappointment of Ms. Geeta Mathur (DIN: 02139552) for her second term of five years.
2023-24	March 13, 2024	Corporate Office	<ol style="list-style-type: none"> <li>1. To approve issuance of Optionally Convertible Non-Cumulative Redeemable Preference Shares (“2024 OCRPS”)</li> <li>2. To approve issuance of Series F Compulsorily Convertible Non-Cumulative Preference Shares (“Series F CCPS”)</li> </ol>

- a. During the financial year 2023-24, no resolution was passed by way of Postal Ballot.  
b. At the forthcoming AGM, no resolution is to be passed through Postal Ballot.

## 8. DETAILS OF NON-COMPLIANCE WITH REQUIREMENTS OF COMPANIES ACT, 2013

During the year there were no defaults in compliance with the requirements of Companies Act, 2013, including with respect to compliance with accounting & secretarial standards.

## 9. MEANS OF COMMUNICATION

All material information, including Financial Results, Board Meeting outcomes, General Meeting details, and SEBI (LODR) disclosure documents, were communicated through the respective Stock Exchanges' websites and the Company's own website at <https://ummeedhfc.com/en/regulatory-disclosures>. The Audit Committee thoroughly examined all financial results before submission to the Board and other stakeholders. In FY24, the Company shared information and documents, such as general meeting notices, audited financial statements, directors' reports, auditors' reports, etc., to members' registered email/ addresses. Besides these channels, no official news or announcements were released during the year under review, and no presentations were made to Institutional investors or Analysts that were published.

## 10. REGISTRAR AND SHARE TRANSFER AGENT

M/s Skyline Financial Service Private Limited, New Delhi is the Registrar and Share Transfer Agent (RTA) of the Company for handling the share transfer work both in physical and electronic form. All the correspondences relating to share transfer, transmission, dematerialization, rematerialization etc. can be made at the following address:

<p>Skyline Financial Service Private Limited Address: D-153A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110 020 Tel: 9999589742 Email: <a href="mailto:info@skylinerta.com">info@skylinerta.com</a> Contact Person: Mr. Virender Kumar Rana, Director</p>
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## 11. DEMATERIALIZATION OF SECURITIES

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's securities are:

S. No.	ISIN	Securities Type/ Description
1	INE870W01012	Equity Shares
2	INE870W03018	SERIES A CCPS
3	INE870W03026	SERIES B CCPS
4	INE870W03034	SERIES C CCPS
5	INE870W03042	SERIES D CCPS
6	INE870W03059	SERIES E CCPS
7	INE870W07035	11.90 NCD FV Rs 10,00,000 <sup>13</sup>
8	INE870W07068	8.80 LOA 01FB28 FVRS 10 LAC
9	INE870W07076	8.90 LOA 30DC27 FVRS 10 LAC
10	INE870W03067	SERIES F CCPS TRANCHE 1
11	INE870W03075	SERIES F CCPS TRANCHE 2 <sup>14</sup>
12	IN9870W03016	2024 OCRPS <sup>15</sup>

Your Company is maintaining connectivity with both the Depositories i.e., NSDL and CDSL. The members are requested to dematerialize their physical holding in view of various advantages in dematerialized form. The details of the Shares of the Company dematerialized as on March 31, 2024, are given hereunder:

Particulars	As on March 31, 2024	
	No. of Shares	% age
No. of Shares Dematerialized	4,42,15,846	79.15%
-NSDL	4,42,14,690	79.15%
-CDSL	1,156	0.00%
No. of Shares in Physical Form	1,16,44,936	20.85%
<b>Total</b>	<b>5,58,60,782</b>	<b>100.00%</b>

## 12. Details of penalties and strictures

No penalties or stricture were imposed on the Company by the Reserve Bank or any other statutory authority or regulator during the financial year 2022-23 and 2023-24,

**For and on behalf of the Board of Directors of  
Ummeed Housing Finance Private Limited**

Sd/-  
**Ashutosh Sharma**  
Managing Director  
(DIN: 02582205)

Sd/-  
**Sachin Grover**  
Executive Director  
(DIN: 07387359)

**Date: June 05, 2023**  
**Place: Gurugram, Haryana**

<sup>13</sup> Redeemed on April 21, 2023, on its maturity.

<sup>14</sup> ISIN for Series F CCPS Tranche 2 allotted on April 26, 2024.

<sup>15</sup> ISIN for 2024 OCRPS allotted on April 25, 2024.

**The Annual Report on CSR Activities**  
**Financial Year 2023-24**

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

The company's CSR Policy has been adopted by the Board following the recommendation of the CSR Committee. This policy aligns with Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, and Schedule VII of the Companies Act, 2013 ("the Act").

At Ummeed, we believe in the power of collective effort to drive meaningful change and are committed to making a lasting difference in society. Our CSR initiatives are diverse and align with Schedule VII of the Companies Act, 2013, ensuring our efforts address crucial areas of need. We are passionate about:

- **Eradicating Hunger, Poverty, and Malnutrition:** Providing nourishment and support to those in need.
- **Promoting Healthcare:** Including preventive measures to enhance community well-being.
- **Supporting Education:** Especially for children, women, the elderly, and individuals with disabilities, fostering a brighter future for all.
- **Facilitating Vocational Skills Development:** Empowering individuals with the skills they need to succeed.
- **Promoting Sports:** Including rural sports, nationally recognized sports, Paralympic sports, and Olympic sports, nurturing talent and encouraging physical activity.
- **Contributing to Public-Funded Universities and Institutions:** Supporting academic excellence and innovation.
- **Undertaking Rural Development Projects and Slum Area Development:** Enhancing living conditions and fostering community growth.

In accordance with the requirements, the Company undertakes Corporate Social Responsibility (CSR) activities in alignment with its CSR policy, focusing on various projects, programs, or activities as approved by the CSR Committee. These initiatives are executed through registered trusts, societies, or companies established under Section 8 of the Companies Act, 2013.

While there is no upper limit for CSR expenditure, the Company is mandated by Section 135 of the Companies Act, 2013, to expend a minimum of 2% of the average net profits made during the three immediately preceding financial years on CSR activities annually. The Board of Directors, based on the recommendations of the CSR Committee, approves the annual budget for the Company's CSR initiatives. The Board determines the allocation of funds to specific projects and programs.

To ensure accountability and track progress, the Company monitors various CSR activities, projects, and programs. Regular progress reports are submitted to the CSR Committee of the Board at periodic intervals, as required by the Committee.



2. **Composition of CSR Committee:**

Name of Director	Designation / Nature of Directorship	Number of Meetings entitled to attend during the reporting year	Number of meetings attended during the reporting year
Mr. Rajiv Yashwant Inamdar	Non-executive Director and Chairman	2	2
Mr. Inderjit Walia <sup>16</sup>	Independent Director	2	2
Mr. Ashutosh Sharma	Managing Director	2	2
Mr. Vishal Pandit <sup>17</sup>	Independent Director	-	-

3. **Web-link for composition of CSR Committee, CSR Policy and CSR Projects listed on the website:**

The Composition of CSR Committee, CSR Policy and CSR Projects approved are available on the website of the Company at the following links:

<https://ummeedhfc.com/sites/default/files/Composition-of-various-committee.pdf>;

<https://www.ummeedhfc.com/company-policies>; and

<https://ummeedhfc.com/en/regulatory-disclosures>.

4. **Details 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 Section 135(5):** Rs. 2,797.5 Lakhs

(b) **Two percent of average net profit of the Company as per section 135(5):** Rs. 55.95 Lakhs

(c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** Nil

(d) **Amount required to be set off for the financial year, if any:** Nil

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** Rs. Rs. 55.95 Lakhs

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**

Rs. 55.98 Lakhs

(b) **Amount spent in Administrative Overheads:** Nil

(c) **Amount spent on Impact Assessment, if applicable:** Nil

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** Rs. 55.98 Lakhs

(e) **CSR amount spent or unspent for the Financial Year:** Refer below table-

Total Amount Spent for the Financial Year. (Rs.) in Lakhs	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer.
55.98	NA	NA	NA	NA	NA

<sup>16</sup> Mr. Inderjit Walia vacated the office as Independent Director of the Company, on account of conclusion of his second term under the provisions of the Companies Act, 2013 with effect from March 22, 2024.

<sup>17</sup> Mr. Vishal Pandit inducted in the Committee vide a Circular Resolution passed on May 17, 2024.

**(f) Excess amount for set off, if any:**

<b>S. No.</b>	<b>Particular</b>	<b>Amount (in Rs.) in Lakhs</b>
1	Two percent of average net profit of the company as per section 135(5)	55.95
2	Total amount spent for the Financial Year	55.98
3	Excess amount spent for the financial year [(ii)-(i)]	0.03
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.03*

\*Board/ Committee has not resolved any amount to be carried forward for set-off in succeeding financial years.

7. **Details of unspent CSR amount for the preceding three financial years:** 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 Section 135(5):** Not Applicable

**For and on behalf of the Board of Directors of  
Ummeed Housing Finance Private Limited**

**Sd/-  
Mr. Ashutosh Sharma  
Managing Director  
(DIN: 02582205)**

**Sd/-  
Mr. Rajiv Yashwant Inamdar  
Chairman- CSR Committee  
(DIN: 01295880)**

**Place: Gurugram, Haryana  
Date: 31.05.2024**

**Employees Stock Options Plan (ESOP)**

**Financial Year 2023-24**

The details of the employee stock option pursuant to the provisions of Rule 12(9) and 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 as on March 31<sup>st</sup>, 2024, under Ummeed' Employees Stock Option Plan 2017 ("ESOP 2017" or "Plan") to are given below:

	<b>Details</b>	<b>ESOP 2017<sup>18</sup></b>		
(a)	Options granted during the year	4,81,577		
(b)	Options vested during the year	71,510		
(c)	Options exercised during the year	87,877		
(d)	The total number of shares (Equity Shares) arising as a result of exercise of option	87,877		
(e)	Options lapsed during the year	3,68,830		
(f)	The exercise price(s) of options issued during the year (Rs.)	28.50, 129.44, 225.00		
(g)	Variation of terms of options	During the financial year ending on March 31, 2024, there were no variations to the terms of options. However, amendment to the ESOP 2017 were approved by shareholders during an extra-ordinary general meeting held on January 11, 2024, to increase the ESOP Pool from 2,060,658 to 2,560,658 Employee Stock Options, to issue new ESOPs to eligible employees, extend ESOPs to new joiners, implement performance-linked ESOP allocations, and facilitate long-term performance-based ESOP allocations.		
(h)	Money realized by exercise of options	During the financial year ending on March 31, 2024, the Company received a total of Rs. 24,27,331/-, which includes Rs. 8,78,770/- as Share Capital and Rs. 15,48,561/- as Share Premium.		
(i)	Total number of options in force	16,61,755 (outstanding as on March 31, 2024)		
(j)	<b>Employee wise details of options granted during the financial year ended March 31, 2024, to:</b>			
i.	Key Managerial Personnel	<b>KMPs</b>	<b>Designation</b>	<b>Total Options Granted during March 31, 2024</b>
		Sachin Grover	Whole Time Director	-
		Bikash Mishra	Chief Financial Officer	-
		Nitin Agrahari	Company Secretary & Chief Compliance Officer	5,000
ii.	Any other employee who receives a grant of options in any one year of option amounting to five percent or more of options granted during that year	Name of employees have been granted options amounting to 5% or more options granted during the year.		<b>Total Options Granted</b>
		<b>Employees</b>	<b>Designation</b>	
		Aditi Paliwal	Chief Operating Officer	1,00,000
		Shekhar Gupta	Chief Human Resource Officer	40,000
iii.	Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	Nil		

<sup>18</sup> Ummeed Stock Option Plan 2017- became effective from May 25, 2018, as per the terms of the scheme.

Details of voting rights which are not exercised directly by the employees in respect of shares under ESOP 2017 as per Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014, are as follows:

	<b>Details</b>	<b>Disclosure</b>
(a)	the names of the employees who have not exercised the voting rights directly	Not Applicable*
(b)	the reasons for not voting directly	Not Applicable*
(c)	the name of the person who is exercising such voting rights	Not Applicable*
(d)	the number of shares held by or in favour of, such employees and the percentage of such shares to the total paid up share capital of the company	Not Applicable*
(e)	the date of the general meeting in which such voting power was exercised	Not Applicable*
(f)	the resolutions on which votes have been cast by persons holding such voting power	Not Applicable*
(g)	the percentage of such voting power to the total voting power on each resolution	Not Applicable*
(h)	whether the votes were cast in favour of or against the resolution	Not Applicable*

*\*During the financial year ending on March 31, 2024, shareholders approved amendments to the ESOP 2017. Consequently, on April 17, 2023, the Company established the Ummeed Employee Welfare Trust ("Trust") to administer the plan for the benefit of employees. Notably, there were no instances of non-exercising of voting rights for shares directly purchased by employees under the scheme.*

## **Related Party Transaction Policy**

### **1. BACKGROUND**

Ummeed Housing Finance Private Limited (hereinafter referred to as "the Company" or "HFC" or "Ummeed") is a Private Limited Company incorporated under the provisions of the Companies Act, 2013 ("Act") and registered as a Housing Finance Company ("HFC") with the National Housing Bank ("NHB").

With the shifting of regulation of HFCs from NHB to RBI, now Reserve Bank of India's ("RBI") Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, shall apply to all HFCs. Therefore, this Policy is prepared in line with the said RBI Master Direction due to the onset of change in regulations for HFCs.

The Board of Directors of the Company approved this Policy to define and lay down the procedures based on applicable laws or regulatory directions to be adopted by the Company while dealing with a related party and entering into a transaction with a related party.

### **2. SCOPE & OBJECTIVES**

#### **2.1 Policy Objective**

The Policy intends to define a governance framework for proper approval and reporting of transactions between the Company and its Related Parties. This Policy has been framed with the objective of ensuring compliance with the provisions pertaining to Related Party Transactions in the Companies Act, 2013 ("Act"), the Rules made thereunder, INDAS 24 or applicable Accounting Standards issued by the ICAI and the applicable provisions of the Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("Master Directions"). The present policy is designed with an objective to regulate transactions with related parties and ensure adequate systems and procedures to address potential conflict of interest and compliance with the provisions of the Act. This policy seeks to serve the following objectives:

- To regulate and control related party transactions as intended under Companies Act/ RBI Master Directions;
- To ensure that there is a proper system of approval for related party transactions;
- To ensure disclosure of the related party transactions entered between the company and its related parties;
- To ensure transparency regarding such transactions; and
- To improve corporate governance by providing required disclosures of related party transactions.

#### **2.2 Review of Policy**

The Policy shall be reviewed periodically on such gaps as considered necessary by the Audit Committee of the Board and whenever required under the applicable directions, rules and regulations.

#### **2.3 Policy Approval**

The Board of Directors or the Audit Committee of the Board may review and may amend this policy, as and when required by the applicable laws, rules and regulations.

### **3. POLICY STANDARDS**

All Related Party Transactions should be reported to the Audit Committee and referred for approval to the relevant authorities in accordance with this Policy.

### **4. DEFINITIONS**

- 4.1.1 “Act”** means the Companies Act, 2013 and rules made thereunder and includes any amendment or modification thereof.
- 4.1.2 “Arms’ Length Transaction”** means a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.
- 4.1.3 “Audit Committee or Committee”** means a committee of the Board of Directors of the Company constituted under provisions of the RBI Directions and the Companies Act, 2013.
- 4.1.4 “Board”** means the Board of Directors of the Company constituted under provisions of the Companies Act, 2013.
- 4.1.5 “Company”** means Ummeed Housing Finance Private Limited.
- 4.1.6 “Key Managerial Personnel”** means key managerial personnel as defined under the Companies Act, 2013 and includes
- i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
  - ii) Chief Financial Officer; and
  - iii) Company Secretary.
- 4.1.7 “Material Related Party Transaction”** means a transaction with a Related Party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the company as per the last audited financial statements of the Company or such limits as may be prescribed either in the Companies Act, 2013 or other applicable regulatory directions, from time to time. Provided that in case of any amendment to the Act or applicable directions, rules and regulations, definition of Material transactions will be deemed to be changed without any further approval of Audit Committee or Board.
- 4.1.8 “Related Party”:** An entity shall be considered as related to the Company if:
- i) Such entity/ person is a related party as per Section 2(76) of the Companies Act, 2013, or
    - a) Director or a KMP or their relatives, or
    - b) a Firm, in which a director, manager or his relative is a partner,
    - c) a Private Company in which a director or manager or his relative is a member or director,
    - d) a Public Company in which a director or manager is a director and holds along with his relatives, more than 2% of its paid-up share capital,
    - e) any Body Corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager and
    - f) any Person on whose advice, directions or instructions a director or manager is accustomed to act as related party transactions.
    - g) any Body Corporate which is:
      - holding, subsidiary or an associate company of such company
      - a subsidiary of a holding company to which it is also a subsidiary
      - an investing company or the venture of the company
    - h) a Director (other than an independent director) or KMP of the holding company or his relative
    - ii) Such entity is a related party under the IND AS 24 or applicable Accounting Standards issued by the ICAI
- 4.1.9 “Related Party Transaction”** shall mean all transactions between the Company on one hand and one or more related party on the other hand including contracts, arrangements and transactions as envisaged in Section 188(1) of the Companies Act, 2013 and/ or IND AS 24 or applicable Accounting Standards issued by the ICAI
- 4.1.10 “Relative”** as per section 2 (77) of the Companies Act, 2013, with reference to any person, shall be deemed to be relative of another, if he or she is related to another in the following manner, namely: -
- i) Father, including step-father;
  - ii) Mother, including step-mother;

- iii) Son, including step-son;
- iv) Son's wife;
- v) Daughter;
- vi) Daughter's husband;
- vii) Brother, including step-brother;
- viii) Sister, including step-sister;
- ix) are members of a Hindu Undivided Family;
- x) they are Husband and wife.

## 5. IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

- 5.1 Every Director and Key Managerial Personnel (KMP) shall, at the time of appointment, annually and whenever there is any change in the information already submitted, provide requisite information (Form MBP-1) about all persons, firms, entities in which he is interested whether directly or indirectly, to the Company Secretary.
- 5.2 For identification of the Related Parties, a Related Parties ("RP") list will be prepared basis intimations received from the Directors/ KMPs or changes in management or shareholding structure from time to time. The updated RP List will be shared with all relevant functions and shall be referred for monitoring of the transactions and ensuring compliance at their end.
- 5.3 Each director and Key Managerial Personnel shall be responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. The Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.
- 5.4 Identify the Ordinary Course of Business in relation to company.
- 5.5 The Company's directors and KMP shall endeavor to intimate such notice of any potential Related Party Transaction well in advance so that the Audit Committee/ the Board has adequate time to obtain and review information about the proposed transaction. All Related Party Transactions for the period will be placed for approval / noting / ratification by the Board of Directors/ Audit Committee, in accordance with this Policy. To review a Related Party Transaction, the Board / Audit Committee will be provided with all the relevant information as mentioned in the Act pertaining to the Related Party Transaction, including the name of the related party, the nature of the relationship, nature of the transaction, whether the transaction is in the 'Ordinary Course of Business', whether the transaction is at 'Arm's Length' and any other matter, as may be required.

## 6. APPROVING AUTHORITIES

- 6.1 **Audit Committee:** Any transaction or any subsequent modification of transactions of the company with related parties shall require the approval of the Audit Committee at a Meeting of the Audit Committee or by Circulation.
- 6.2 **Board of Directors:** All "Related Party Transactions which are not in OCB or not at an Arm's Length" shall require the prior approval of the Board of Directors at a Meeting of the Board and cannot be passed by Circulation.
- 6.3 **Shareholders:** All "Related Party Transactions which are not in OCB or not at an Arms' Length" and exceeding the prescribed criteria under Section 188 of the Act, shall require prior approval of the Shareholders' by means of an Ordinary Resolution passed at a General Meeting.

## **7. PRIOR APPROVAL REQUIRED FOR RELATED PARTY TRANSACTIONS AND OMNIBUS APPROVAL**

All Related Party Transactions defined/ stipulated under the Companies Act, 2013 shall require prior approval from the Audit Committee. For any ratification or exception, parameters mentioned in this Policy shall be followed. The Audit Committee may grant omnibus approval, on an annual basis, for Related Party Transactions proposed to be entered into by the Company subject to the following conditions:

- a) The Audit Committee shall lay down the criteria for granting the omnibus approval in line with the policy on Related Party Transactions of the Company and such approval shall be applicable in respect of transactions which are repetitive in nature;
- b) The Audit Committee shall satisfy itself the need for such omnibus approval and that such approval is in the interest of the Company;
- c) Such omnibus approval shall specify (i) the name/s of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price / current contracted price and the formula for variation in the price if any and (iii) such other conditions as the Audit Committee may deem fit;
- d) The omnibus approval shall be valid for one year as per rule 6A of the Companies (Meeting of Board and its Power) Rules, 2014.

Provided that where the need for Related Party Transaction cannot be foreseen and aforesaid details are not available, Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding Rs.1 crore per transaction.

Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the company and/or any other transaction the Audit Committee may deem not fit for omnibus approval.

Additionally, other related party transactions prescribed under the IND AS 24 or applicable Accounting Standards issued by the ICAI shall be presented to the Audit Committee for its review and noting.

## **8. ORDINARY COURSE OF BUSINESS**

The phrase “Ordinary Course of Business” has not been defined under the Act or Rules made thereunder. However, the Company will adopt a reasonable approach/ methodology to demonstrate ‘Ordinary Course of Business’ which shall, *inter alia*, include the Nature of the transaction, the frequency / regularity / length of time the company is engaged such transaction, or transactions permitted by the Object Clause in the Memorandum of Association of the Company or such transaction/ action is consistent with the past practices and was taken in the ordinary course of the normal day-to-day operations of such company, common commercial practice i.e. customarily taken, in the ordinary course of the normal day-to-day operations of other companies that is in the same / similar line of business.

## **9. ARM’S LENGTH PRICING**

For transactions between two related parties to be considered to be at Arm’s Length Pricing, the transaction should be conducted between the two parties as if the parties were unrelated, so that there is no conflict of interest i.e. Arm’s Length Pricing is the condition or the fact that the two related parties transact as independent (un-related) parties and on an equal footing from one or more of the following aspects viz. nature of goods/ services, risk assumed, assets/ resources employed, key terms/ covenants.

## **10. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS**

Related Party Transactions will be referred to the next regularly scheduled meeting of the Audit Committee for review /noting and/ or approval as above. Any member of the Committee who has a potential interest in any Related Party Transaction will recuse himself or herself and abstain from discussion and/ or voting on the approval of the Related Party Transaction. In the event the management determines that it is impractical or undesirable to wait until a meeting of the Committee for the approval of a Related Party Transaction, due to business exigency or otherwise, such transaction may be approved by the Committee by way of circular resolution in accordance with this Policy subject to applicable statutory provisions of the Act for the time being



in force and as amended from time to time. Every such transaction as approved through resolution passed by circulation shall be placed within three months from the date of transaction at the Audit Committee meeting for ratification.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction as required under the Act, including the terms of the transaction, business purpose of the transaction, benefits to the Company and to the Related Party, and any other relevant matters.

In determining whether to approve a Related Party Transaction, the Committee may consider the following factors, among others, to the extent relevant to the Related Party Transaction:

- a) Whether the terms of the Related Party Transaction are fair and on arm's length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
- b) Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
- c) Whether the Related Party Transaction would affect the independence of an independent director;
- d) Whether the proposed transaction includes any potential reputational risk issues that may arise as a result of or in connection with the proposed transaction;
- e) Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification is allowed and would be detrimental to the Company; and
- f) Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, Executive Officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/ Committee deems relevant.

If the Audit Committee determines that a Related Party Transaction should be brought before the Board, or if the Board in any case decides to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary. Further, the Audit Committee shall review, at least on a quarterly basis, the details of Related Party Transactions entered by the Company pursuant to each of the omnibus approval given.

**11. NOTWITHSTANDING THE FOREGOING, THE FOLLOWING RELATED PARTY TRANSACTIONS SHALL NOT REQUIRE APPROVAL OF THE AUDIT COMMITTEE:**

- i) Any transaction that involves the providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.
- ii) Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

**12. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY**

In the event the Company becomes aware of a transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Audit Committee. The Audit Committee shall consider the relevant facts and circumstances regarding the Related Party Transaction and failure to report RP Transaction. The Committee, while deciding on the matter, shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction and shall take any such action it deems appropriate including immediate discontinuation or rescission of the transaction. The Audit Committee, while considering a Related Party Transaction, will have authority to modify or waive any procedural requirements of this Policy subject to compliance of applicable statutory provisions for the time being in force.



**13. INTERNAL PROCESS FRAMEWORK**

The Company shall institute an appropriate internal process framework to ensure requisite approvals/ noting of all Related Party Transactions to comply with this Policy.

**14. COMMUNICATION TO ALL THE DIRECTORS AND CONCERNED EMPLOYEES**

The relevant aspects of this Policy will be communicated to all the directors and concerned employees/ officials of the Company.

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**Form No. MR-3**  
**Secretarial Audit Report**  
**[For the Financial Year ended on 31<sup>st</sup> March, 2024]**

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

To,  
The Members,  
**Ummeed Housing Finance Private Limited**  
Regd. & Corporate Office:  
Unit No. 809 - 815 – 8<sup>th</sup> Floor, Emaar Digital Greens, Tower A,  
Golf Course Ext. Rd, Sector 61, Gurugram, Haryana 122102

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by the **Ummeed Housing Finance Private Limited [CIN NO- U64990HR2016PTC057984]** (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 books, papers, minute books, forms and returns filed and other records or registers maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March 2024**, 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 or registers maintained by the Company for the period ended on **31<sup>st</sup> March 2024**, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), viz. ;
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; ***Only Debt Securities were listed on the Stock Exchanges; Further, no such transaction was held during the financial year and accordingly the Regulations were not applicable to the Company during the audit period.***
  - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***Only Debt Securities were listed on the Stock Exchanges; Company has already paid interest as well redemption proceeds of Non-Convertible Debenture (NCD) on 21<sup>st</sup> April 2023 and also intimated to stock exchange vide letter dated 21<sup>st</sup> April 2023. As the Company has no listed NCD pending for redemption and no such***

- other transaction was held after redemption of NCD during the financial year, hence the Regulations were not applicable from 21<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024.*
- c) The Securities and Exchange Board of India (Registrars to an Issue and Shares Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; ***The Company was not engaged in the activities relating to Registrar to an Issue and was also not acting as Share Transfer Agent, Hence the aforesaid Regulations were not applicable to the Company during the Audit period.***
  - d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- Since, the Equity Shares of the Company was not listed, therefore, regulations stated above at sub-clauses (e) to (h) of clause (v) of this Report, were not applicable on the Company during the audit period.***
- (vi) Other labour, environment and specific applicable Acts / Laws to the Company for which Secretarial Audit was conducted as an overview audit and was generally based / relied upon the documents provided to us and Management Confirmation Certificate provided by the Management of the Company & other audit report and certificates given by other professionals, the company has complied with the following Acts / Laws applicable to the Company during the audit period:
    - a) Reserve Bank of India Act read with Non-Banking Financial Company –Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India as amended till date;
    - b) National Housing Bank Act 1987 as amended till date and the NHB Directions and Guidelines as applicable to HFCs;
    - c) The Employees Provident Fund & Miscellaneous Provisions Act, 1952 & The Employees Deposit-Linked Insurance Scheme, 1976 and Employees Provident Fund Scheme, 1952;
    - d) The Contract Labour (Regulations and Abolition) Act, 1970;
    - e) Maternity Benefit Act, 1961;
    - f) Minimum Wages Act, 1948;
    - g) The Payment of Wages Act, 1936;
    - h) The Equal Remuneration Act, 1976;
    - i) The Shops and Commercial Establishments Act, 1958;
    - j) The Payment of Bonus Act, 1965;
    - k) The Child Labour (Prohibition & Regulation) Act, 1986;
    - l) The Payment of Gratuity Act, 1972;
    - m) Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 and Rules made thereunder;
    - n) Labour Welfare Fund Act;
    - o) Indian Stamp Act, 1899;
    - p) Information Technology Act, 2000;
    - q) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 read with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules 2013;
    - r) IRDAI (Registration of Corporate Agents) Regulations, 2015.
    - s) (Environment (Protection) Act 1986 read with The Environment (Protection) Rules 1986 and other Environment Laws.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, in respect of listing of non-convertible debentures with BSE Ltd till 21<sup>st</sup> April 2023 as the Company has not issued any listed NCD / pending NCD for redemption thereafter.

We have not examined the applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that:

- 1) The Company has complied with Companies Act 2013 in respect of constitution of the board with proper balance of Executive, Non-Executive Directors & Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review out in compliance with the provisions of the Act.
- 2) We further report that according to the information and explanation given to us, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 3) Adequate notice is given to all Directors to schedule the Board Meetings atleast seven days in advance and agenda and detailed notes on agenda were also sent in advance to all the Directors subsequently, 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. In case of shorter notice, the Company has complied with the applicable provisions of Section 173 of the Companies Act, 2013 read with clause 1.3.7 of the Secretarial Standard -1 of ICSI;
- 4) Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes;
- 5) The Company has obtained requisite approval from the shareholders, Board and filed requisite returns with the Registrar of Companies, NCT of Delhi & Haryana and complied with the applicable provisions in respect of:
  - A. The company had adopted its audited financial statement for the financial year ended **31<sup>st</sup> March 2023** together with Directors' Report and Auditors report thereon as well as obtained approval of shareholders for issuance of Non-Convertible Debenture on Private Placement Basis upto INR 200 Crores in one or more tranches in its 8<sup>th</sup> Annual General Meeting held on **27<sup>th</sup> June 2023**.
  - B. The Company has obtained approval of the shareholders in its First Extra-Ordinary General Meeting held on **31<sup>st</sup> October 2023**:
    - To Increase the Authorized Share Capital from INR 879,280,000/- (Rupees Eight Hundred Seventy-Nine Million Two Hundred Eighty Thousand Only) comprising of (i) 16,300,000 (Sixteen Million Three Hundred Thousand Only) equity shares of face value of INR 10/- (Indian Rupees Ten only) each; (ii) 34,563,000 (Thirty-Four Million Five Hundred Sixty-Three Thousand Only) fully and compulsorily convertible cumulative preference share of face value of INR 20/- (Indian Rupees Twenty only); and (iii) 2,502,000 (Two Million Five Hundred and Two Thousand Only) Optionally Convertible Non-Cumulative Redeemable

Preference Shares of face value of INR 10/- (Indian Rupees Ten only) each. TO INR 901,280,000/- (Rupees Nine Hundred One Million Two Hundred Eighty Thousand Only) comprising of (i) 17,300,000 (Seventeen Million Three Hundred Thousand Only) equity shares of face value of INR 10/- (Indian Rupees Ten only) each; (ii) 34,563,000 (Thirty-Four Million Five Hundred Sixty-Three Thousand Only) fully and compulsorily convertible cumulative preference share of face value of INR 20/- (Indian Rupees Twenty only); and (iii) 3,702,000 (Three Million Seven Hundred and Two Thousand Only) Optionally Convertible Non-Cumulative Redeemable Preference Shares of face value of INR 10/- (Indian Rupees Ten only) each and amendment of capital clause of the Memorandum of Association of the Company.

C. The Company has obtained approval of the shareholders in its Second Extra-Ordinary General Meeting held on **11<sup>th</sup> January 2024** for amendment in Ummeed Employee Stock Option Plan 2017 by way of expending the ESOP Pool from 20,60,658 Employee Stock Options to 25,60,658 Employee Stock Options.

D. The Company has obtained approval of the shareholders in its Third Extra-Ordinary General Meeting held on **23<sup>rd</sup> February 2024**:

- To Re-appoint Ms. **Geeta Mathur** as an Independent Director for a term of five consecutive years commencing from **27<sup>th</sup> February 2024 to 26<sup>th</sup> February 2029**;

- To amend the MOA of the company with respect to inclusion of a new sub-clause i.e., “Insurance solicitation as a corporate agent” within Part A of the objects clause of the MOA of the company;

- To Increase the Authorized Share Capital from INR 901,280,000/- (Rupees Nine Hundred One Million Two Hundred Eighty Thousand Only) comprising of (i) 17,300,000 (Seventeen Million Three Hundred Thousand Only) equity shares of face value of INR 10/- (Indian Rupees Ten only) each; (ii) 34,563,000 (Thirty-Four Million Five Hundred Sixty-Three Thousand Only) fully and compulsorily convertible cumulative preference share of face value of INR 20/- (Indian Rupees Twenty only); and (iii) 3,702,000 (Three Million Seven Hundred and Two Thousand Only) Optionally Convertible Non-Cumulative Redeemable Preference Shares of face value of INR 10/- (Indian Rupees Ten only) each TO INR 1,072,020,000/- (Rupees One Billion Seventy-Two Million Twenty Thousand Only) comprising of (i) 17,300,000 (Seventeen Million Three Hundred Thousand Only) equity shares of face value of INR 10/- (Indian Rupees Ten only) each;

(ii) 43,100,000 (Forty-Three Million One Hundred Thousand Only) fully and compulsorily convertible cumulative preference share of face value of INR 20/- (Indian Rupees Twenty only); and (iii) 3,702,000 (Three Million Seven Hundred Two Thousand Only) Optionally Convertible Non-Cumulative Redeemable Preference Shares of face value of INR 10/- (Indian Rupees Ten only) each and amendment of capital clause of the Memorandum of Association of the Company.

E. The Company has obtained approval of the shareholders in its Fourth Extra-Ordinary General Meeting held on **13<sup>th</sup> March 2024**:

- To approve issuance of 15,01,714 (Fifteen Lakh One Thousand Seven Hundred Fourteen) Optionally Convertible Non-Cumulative Redeemable Preference Shares (“2024 OCRPS”) on Preferential basis via Private Placement at INR 359.68/- (Indian Rupees Three Hundred and Fifty-nine Point Six Eight) per share, including INR 10.00/- (Indian Rupee Ten Only) as face value and INR 349.68/- (Indian Rupees Three Hundred and Forty- Nine Point Six Eight) as premium.

- To approve issuance of 8,340,748 (Eight Million Three Hundred Forty Thousand Seven Hundred Forty-Eight) Series F fully and compulsorily convertible non-cumulative preference shares (“Series F CCPS”) each at a price of INR 359.68/- (Indian Rupees Three hundred and Fifty Nine point Six Eight Only) per Series F CCPS including INR 20/- (Indian Rupees Twenty Only) as face value and INR 339.68/- (Indian Rupees Three Hundred and Thirty Nine point Six Eight) as premium series F Compulsorily Convertible Non-Cumulative Preference Shares (“Series F CCPS”).
- F. The Company obtained approval from the Board during its meeting on June 23, 2023, for the allotment of 11,345 (Eleven thousand three hundred and forty-five) Equity Shares with a face value of INR 10 (Rupees ten only) each to the "Ummeed Employee Welfare Trust" under ESOP 2017.
- G. The Company obtained approval from the Board during its meeting on September 22, 2023, for the allotment of 51,813 (Fifty-one thousand eight hundred and thirteen) Equity Shares with a face value of INR 10 (Rupees ten only) each to the "Ummeed Employee Welfare Trust" under ESOP 2017.
- H. The Company obtained approval from the Board during its meeting on December 05, 2023, for the allotment of 573,399 (Five lakhs seventy-three thousand three hundred ninety-nine) Equity Shares with a face value of INR 10 (Rupees ten only) each, upon conversion of 573,399 (Five lakhs seventy-three thousand three hundred ninety-nine) Incentive Shares/Optionally Convertible Non-Cumulative Redeemable Preference Shares ("OCRPS") into 1 (one) Equity Share each, and 3,859 (Three thousand eight hundred and fifty-nine) Equity Shares with a face value of INR 10 (Rupees ten only) each were allotted to the "Ummeed Employee Welfare Trust" under ESOP 2017.
- I. The Company obtained approval from the Board during its meeting on March 11, 2024, to issue 1,501,714 (Fifteen lakh one thousand seven hundred fourteen) Optionally Convertible Non-Cumulative Redeemable Preference Shares (“OCRPS”) on a preferential basis via Private Placement at INR 359.68 (Rupees Three Hundred and Fifty-Nine Point Six Eight) per share, including INR 10 (Rupees Ten Only) as face value and INR 349.68 (Rupees Three Hundred and Forty-Nine Point Six Eight) as premium, and 8,340,748 (Eight million three hundred forty thousand seven hundred forty-eight) Series F fully and compulsorily convertible non-cumulative preference shares (“Series F CCPS”) were approved to be issued at a price of INR 359.68 (Rupees Three Hundred and Fifty-Nine Point Six Eight Only) per Series F CCPS, including INR 20 (Rupees Twenty Only) as face value and INR 339.68 (Rupees Three Hundred and Thirty-Nine Point Six Eight) as premium, which also approved by shareholders during the Fourth Extra-Ordinary General Meeting held on March 13, 2024.
- J. The Company has obtained approval of the Board by way of passing circular resolution on dated 05<sup>th</sup> March 2024 for Allotment of 20,860 (Twenty Thousand Eight Hundred and Sixty) Equity Share of face value of INR 10 each under the Ummeed Employee Stock Option Plan 2017 (ESOP 2017) to Eligible Employees and for Conversion of 72,913 (Seventy-Two Thousand Nine Hundred and Thirteen) 2020 Incentive share / Optionally Convertible Non-Cumulative Redeemable Preference Shares (“OCRPS”) Share of INR 10 (Rupees ten only) into 72,913 (Seventy Two Thousand Nine Hundred and Thirteen) Equity shares of INR 10 (Rupees ten only) each.
- K. The Company has obtained approval of the Board in its Board Meeting held on 15<sup>th</sup> March 2024 for allotment of 27,80,250 Series F compulsorily convertible non-cumulative preference shares (“Series F CCPS”) of face value of INR 20 (Indian Rupees Twenty) each (“Series F Subscription”) at a premium of INR 339.68 through preferential issue via private placement.

- 6) There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act 2013, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers;
- 7) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

**We further report that** based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with other applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, there were no instances of:

- a) Public Issue of Shares / Sweat Equity / other securities except as stated above in point No. 5;
- b) Buy-back of Securities;
- c) Merger / Amalgamation / Reconstruction etc. and
- d) Foreign Technical Collaborations.

**For Navneet K Arora & Co LLP**  
**Company Secretaries**

**CS Navneet Arora**  
**Managing Partner**

**CS: 3214, COP: 3005**

**[ICSI Firm Unique Identification Code: P2009DE061500]**

**UDIN: F003214F000459439**

**Place: New Delhi**

**Date: 27<sup>th</sup> May 2024**

[Note: 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].



To,  
The Members,  
**Ummeed Housing Finance Private Limited**  
Regd. & Corporate Office: Emaar Digital Greens, Tower A,  
Unit No. 809 - 815 – 8th Floor,  
Golf Course Ext. Rd, Sector 61,  
Gurugram, Haryana 122102

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

- 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 on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the company.

**For Navneet K Arora & Co LLP**  
**Company Secretaries**

**CS Navneet Arora**  
**Managing Partner**  
**CS: 3214, COP: 3005**  
**[ICSI Firm Unique Identification Code: P2009DE061500]**  
**UDIN: F003214F000459439**  
**Place: New Delhi**  
**Date: 27<sup>th</sup> May 2024**

## Management Discussion & Analysis Report

### Financial Year 2023-24

This report offers a comprehensive analysis of the global and Indian economies, with a specific focus on the management discussion and analysis. In Financial year 2023-2024, Our Management Discussion & Analysis derives into the current state of the global and Indian economies, emphasizing the trends and factors influencing our business operations and investment strategies.

### Global and India Economy Overview

The Global economic landscape continues to navigate through persistent challenges and uncertainties, which have implications for projected growth trajectories. According to recent assessments from the International Monetary fund (IMF), the global growth rate is anticipated to rebound modestly to 3.1% in 2024, following a slight decline to 2.9% in 2023 from 3.4% in 2022. Despite this recovery trend, the forecast remains below the historical average of 3.8%. Factors such as fluctuating interest rate and geopolitical tension, notably the ongoing conflict in other parts of the world, continue to exert pressure on the economic activities worldwide. Although pockets of growth and resilience are observable amidst these challengers, vigilance is warranted.

#### **Key Economic Indicators:**

- **Inflation:** Global inflation is anticipated to undergo a gradual reduction with expectations of decreasing from current levels to 6.6% in 2023 and further to 4.3% in 2024. However, inflation rate persists above pre-pandemic levels, Indicating lingering Inflationary pressure.
- **Core Inflation:** While headline inflation is expected to decline, core inflation may exhibit a slower pace of decrease. It is improbable for inflation to return to target levels before 2025 in most case, underscoring persistent inflationary pressures globally.
- **Commodity Prices:** Lower commodity prices are projected to contribute to a decline in headline inflation, primarily driving the anticipated decrease from 8.7% in 2022 to 7.0% in 2023.

#### **Indian Economy Overview:**

In the Contrast of global scenario, the Indian economy continues to exhibit resilience and growth momentum, despite global uncertainties.

- **Economic Performance:** The Indian economy sustained its growth trajectory, achieving a robust GDP growth rate of 6.9% in the fiscal year 2022-2023, surpassing expectations.
- **Ranking and Growth expectation:** India ascended to become the world's fifth largest economy, outpacing the UK. It is recognised as one of the fastest-growing major economies, with a projected growth rate of 6.5% in the fiscal year 2023-2024 and an average growth rate of 6.1% over the next five years.
- **Long term ambitions:** India's economic momentum positions it on a trajectory to emerge as the third economic superpower, with aspirations to achieve the \$10-trillion mark by 2035, surpassing its current fifth position on the world economic League Table. Over the next five years, India's annual GDP growth rate is expected to average 6.5%.
- **Investment Opportunities:** With its structural strength, growth outlook and reasonable valuation, India continues to present itself as an attractive investment destination compared to its global peers.

- **Risk Management and Outlook:** While acknowledging India's robust economic performance, we remain attentive to potential risks, including regulatory changes, economic instability, rising house prices, and operational challenges. Diligent monitoring and implementation of robust risk management risk and capitalizing on emerging opportunities.

#### **Industry Structure and Development**

- **Growth Projection for Affordable Housing Finance Companies (AHFCs):** AHFCs are forecasted to continue their growth trajectory, with a 29% increase in FY 24 and a further 30% in FY25.
- **Trend in Priority Sector Lending (PSL):** AHFCs have opportunities to expand their portfolios through co-lending or direct assignment transactions due to declining PSL complaint home loans in banking sector.
- **Moderation in Profitability:** Net interest income is expected to face pressure in FY24 and FY25, impacting profitability due to increased operational expenses linked to AHFCs expansion phase.
- **Stable Asset quality:** Asset quality is anticipated to remain robust in FY24 and with Gross non-performing asset (GNPA) expected to be around 1.2% by March 31, 2024.
- **Exposure to Vulnerable Borrower Segments:** AHFCs serve predominantly self-employed customers with increasing credit risk during economic downturns.

**Robust Capital structure:** AHFCs maintain a strong capital structure supported by internal accruals, with banks being a primary funding source.

#### **Analysis of financial performance in terms of operations**

Ummeed's financial performance in terms of operations showcases significant growth and robust efficiency. As of March 31, 2024, the company's total AUM surged to Rs. 1724 crore, marking a notable 50.83% increase from Rs. 1,143 crore in the previous fiscal year. Home loans constituted 65.1% of the total loan assets, with non-home loans comprising 34.9%. Revenue surged by 51.24% to Rs. 242.70 crore in FY24 from Rs. 160.47 crore in FY23. Interest expenses rose by 70.06% to Rs. 71.82 crore from Rs. 42.23 crore in FY23, and employee benefit expenses increased by 38.47% to Rs. 71.41 crore in FY24 compared to Rs. 51.57 crore in FY23. The company's live accounts reached 24,997, reflecting a year-on-year growth of 50.45%. With the establishment of 100 branches and the addition of 30 new branches in the last fiscal year, Ummeed aims to enhance customer service through its extensive branch network.

Ummeed adopts a meticulous approach to ECL provisions, considering Probability of Default (PD) rates based on various bureau score categories and employing a Loss Given Default (LGD), supported by the secured nature of collateral and low LTV ratios. Additionally, the company creates a management overlay by increasing the LGD and making additional provisions on restructured assets. As of March 31, 2024, the total ECL provisions amount to Rs. 7.82 crore, exceeding the regulatory requirement of Rs. 6.24 crore. The total write-offs for the company are minimal, totalling Rs. 1.67 crore as of March 31, 2024. The company has made total ECL provisions of Rs. 7.82 crore, adhering to RBI guidelines and classification norms. As of March 31, 2024, the company has exhibited robust collection efficiency, achieving a collection rate of 98.93%, with GNPA totalled Rs. 7.46 crore, resulting in a GNPA ratio of 0.5%, while NNPA amounted to Rs. 4.98 crore.

Ummeed is well-capitalized with a net worth of Rs. 645.92 crore. In terms of profitability, the company's Profit After Tax increased by 52.4% year-on-year to Rs. 52.73 crore for FY24. The Return on Assets (ROA) is 3.7%, and the Return on Equity (ROE) is 9.3% for FY24. The company secures

financing from diverse sources including the National Housing Bank (NHB), development financial institutions, large financial institutions, and PSU and private banks, facilitating cost-effective long-term financing.

### **Outlook**

The AHFC Sector demonstrates a stable outlook, buoyed by historically low interest rates, post-COVID rebounds in household income, and improved affordability. However, AHFCs face margin compression driven by factors such as rising interest rates, escalating operating costs due to new technology adoption, increased compliance requirements, and demands for robust risk management practices, intensifying competitive dynamics.

At Ummeed, our commitment to social entrepreneurship and extending credit to underbanked segments underscores our distinctive approach. We take pride in promoting gender equality by ensuring 100% women participation as co-borrowers and co-homeowners. Moreover, we prioritize providing upgraded water and sanitation facilities to our customers, contributing to their overall well-being.

During FY24, our company achieved robust disbursement volumes, marking significant growth in our loan books. Gross disbursements totalled Rs. 943.24 crores, reflecting a substantial 46.88% increase over the previous financial year's disbursements of Rs. 642.17 crores. While our market share in the housing finance industry remains modest, we recognize substantial growth potential within the under-penetrated affordable housing market segment.

Looking forward, we are prepared to navigate potential margin pressures. Our focus on controlling credit costs and enhancing operating efficiency will bolster our profitability. By streamlining processes and harnessing technology, we aim to optimize operations and mitigate potential margin impacts. With a stable sector outlook and our strategic market positioning, Ummeed is poised for sustained growth and continued success in the years ahead.

### **Opportunities**

The AHF space currently presents highly promising prospects, driven by favourable industry-specific dynamics and our strategic initiatives aimed at seizing market opportunities. We anticipate sustained growth and favourable returns in the forthcoming years. India's home loan (HL) market stands at USD 408 billion and is projected to double by FY28E, maintaining a secular pace of approximately 14% CAGR during FY23-FY28E, with AHFCs expected to grow even faster at a 17% CAGR.

Key growth drivers for the housing finance segment include:

- GDP growth forecasted at 6.8% p.a. over the next five years.
- Rise in the middle-class population, with 31% of the total population earning an annual income of Rs. 5-30 lakh, expected to reach 63% by FY47.
- Acceleration in urbanization pace from ~34% to ~52% by FY47.
- Increasing nuclearization, with the average household size declining from 4.7 to 4.4 from 2013 to 2021.

Additionally, structural factors such as:

- Favourable demographics, with 66% of the population under the age of 35, and the average home-buying age ranging from 31 to 40 years.

- Low mortgage penetration in India at 11% compared to 20-30% in most East Asian economies, 68% in the UK, and 52% in the US, indicating substantial room for growth.
- Regulatory support from regulations like RERA and the Insolvency Act, boosting confidence among buyers and lenders.
- Government initiatives, including potential reinstatement of Housing for All schemes post-election, with a budgetary allocation of Rs. 79,000 crores in the last budget under various PMAY schemes to increase house ownership.
- Expansion opportunities in tier II, tier III cities, and the rise in rural demographics due to reverse migration, offering further avenues for growth.

In summary, the AHF industry is poised for robust expansion, underpinned by a combination of positive market conditions, supportive regulations, government initiatives, and demographic trends.

### **Threats, Risks and Concerns**

AHFCs operating in India face an array of challenges that significantly impact their operational performance and financial stability. These challenges encompass:

- Inflationary pressures escalate construction costs while diminishing consumer purchasing power. Concurrently, escalating interest rates elevate borrowing expenses, potentially dissuading prospective homebuyers.
- Elevated property values render housing less affordable for low- and middle-income households, thereby constricting the demand for home loans.
- Economic volatility can precipitate diminished housing demand and sluggish loan disbursement growth rates.
- Banks, leveraging their lower cost of funds, offer comparatively lower interest rates, posing a challenge for AHFCs in competing effectively.
- Securing stable and cost-effective funding remains pivotal yet arduous, given perceived risks associated with lending to lower-income segments and stringent risk weight norms imposed by banks on their exposure to Non-Banking Financial Companies (NBFCs).
- The emergence of new players in the affordable housing sector exerts pressure on margins and necessitates substantial investments in technological infrastructure, marketing, and customer service.
- Limited financial literacy and awareness among potential borrowers constrain market penetration and demand for affordable housing finance options.

In addressing these risks, our company adopts a proactive stance and implements robust risk management strategies. Key actions include:

- We vigilantly monitor economic indicators, adjusting strategies to navigate fluctuations in inflation and interest rates.
- We implement comprehensive frameworks addressing credit, operational, and market risks.
- We develop innovative financial products and services tailored to meet evolving customer needs, aligning with directives from the Reserve Bank of India (RBI).
- We actively engage with customers through awareness campaigns and educational initiatives to communicate our offerings and eligibility criteria.
- We emphasize strict adherence to regulatory requirements, maintaining a dedicated committee for compliance oversight. We implement comprehensive policies, robust Management

Information Systems (MIS) reporting, cybersecurity measures, and business continuity practices.

- We provide regular updates and reports to regulators and shareholders, ensuring transparency and accountability.

Through these concerted efforts, our aim is to effectively manage risks, meet regulatory expectations, and ensure sustainable growth while delivering value to our stakeholders. By proactively addressing these challenges, we endeavour to fortify our market position and uphold our commitment to supporting the affordable housing needs of our customers.

### **Internal control systems and their adequacy**

The company has instituted robust internal control systems, encompassing effective policies, internal manuals, and processes meticulously aligned with both regulatory mandates and business imperatives. This framework includes the integration of SOPs and the effective RCM matrix within the broader Internal Control Framework, which undergo regular review and testing by the Statutory Auditor.

The company has adopted a comprehensive Internal Capital Adequacy Assessment Process (ICAAP), approved by the Board to ensure alignment of capital with its risk appetite and business strategy. The Asset-Liability Management Committee (ALCO) and the Audit Committee play pivotal roles in this process, overseeing the identification and measurement of risks including credit, market, operational, and others such as Credit Concentration, Strategic, Fraud, Model, and Human Resource Risks. Regular stress testing evaluates the impact of adverse scenarios on capital adequacy, while capital plans are developed to absorb potential losses and support growth initiatives. Strong governance structures involve active participation of the Board and senior management in the ICAAP process to align with strategic objectives. Methodologies for capital computation incorporate regulatory guidance with ECL modelling for credit risk, the Basic Indicator Approach (BIA) for operational risk, and the Herfindahl-Hirschman Index (HHI) for credit concentration risk, resulting in an assessed incremental capital requirement of 2.19%. Additionally, the company has implemented an Early Warning System (EWS) to proactively detect potential delinquencies before they escalate towards becoming NPA. The EWS integrates continuous monitoring, predefined thresholds, and regular reporting to senior management. Customer accounts identified as early warning receive heightened scrutiny based on defined criteria. Cases of concern undergo detailed investigation, and those meeting performance criteria exit the EWS status after demonstrating sustained improvement over a specified period.

The Risk Management Committee convenes monthly meetings to conduct comprehensive risk assessments, ensuring timely updates and insights are provided to the Board. The Audit Committee plays a pivotal role in overseeing the performance of the internal audit function, evaluating the adequacy of internal control systems, and providing necessary oversight, recommendations, and ongoing monitoring to ensure effective implementation. We have established an independent audit function, to conduct audits of business and support functions in accordance with an annually approved Audit Plan and Scope by the Audit Committee of the Board. These audits are tailored to the specific size and nature of our business operations. Compliance reporting responsibilities are delegated to assigned function owners, while internal audits are conducted under the supervision of the Internal Audit Head and their dedicated team under the guidance and monitoring of the Audit Committee. Furthermore, the company prioritizes information system audits, IT risk assessments, and conducts regular Vulnerability Assessment and Penetration Testing (VAPT) alongside Business Continuity Planning (BCP) and

Disaster Recovery (DR) drills, and cyber drills. Holding ISO 27001:2013 certification for information security underscores our commitment to maintaining robust IT infrastructure and security protocols.

Through these rigorous measures, the company strives to uphold the highest standards of internal control, safeguarding assets, ensuring regulatory compliance, and bolstering stakeholder confidence in our operations.

### **HR updates: Workforce size and significant developments**

As of March 31, 2024, our company maintained a workforce comprising 1245 employees, with 1180 male and 65 female employees. Since our establishment, we have championed a gender-agnostic recruitment approach, ensuring equal opportunities for all candidates. Analysing the distribution, we noted that 176 individuals, including 22% women, are stationed at our Head Office. Conversely, 1069 employees, with 3% women, are assigned to our branches. The lower representation of females in branch roles, attributed to the nature of field positions involving extensive travel and cultural factors, mirrors industry trends. Nonetheless, our Head Office exhibits higher female participation, particularly in functional and support roles.

Notable interventions on the people front include the launch of a Fast Track promotion plan for Relationship Managers (RMs), implementation of an HR & Admin Helpdesk for prompt issue resolution, and “Train The Trainer” workshops empowering mid and senior-level leaders. Our debut participation in the “Great Place to Work” survey resulted in certification, reflecting our inclusive, respectful, and performance-oriented culture.

Emphasizing gender diversity in leadership, our organization takes pride in featuring a distinguished One-Woman Independent Director on our Board and appointing women to key leadership positions, including the Chief Operating Officer. Furthermore, critical departments such as Operations, Customer Service, and Treasury are led by accomplished women whose expertise and dedication drive our success. Proactively addressing grievances, our Policy on Prevention of Sexual Harassment at Workplace is widely disseminated, with regular trainings ensuring awareness. An Internal Complaints Committee, chaired by a senior lady employee, reinforces our zero-tolerance stance against policy violations and disrespectful behaviours. Prioritizing fair compensation, our remuneration is benchmarked against market rates, supplemented by incentives, bonuses, and comprehensive retirement benefits including provident fund contributions. Extensive health coverage, including personal accident insurance and 24/7 medical access, underscores our commitment to employee well-being.

In summary, our organization has made significant strides in HR and Industrial Relations, emphasizing workforce diversity, recruitment practices, labour law compliance, and employee welfare. Our holistic approach underscores our commitment to fostering an inclusive, thriving workplace. These developments affirm our dedication to nurturing a diverse, equitable, and conducive work environment.

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*Agiwal & Associates*

**CHARTERED ACCOUNTANTS**

D-6/9, Upper Ground Floor, Rana Pratap Bagh, Delhi-110007 (INDIA)

Phone : 011-41011281, 43512990 E-mail : caagiwal68@gmail.com, office@agiwalassociates.in

## INDEPENDENT AUDITOR'S REPORT

To the Members of Ummeed Housing Finance Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of Ummeed Housing Finance Private Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit including other comprehensive income, its cash flows and the changes in equity 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), as 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Other Information

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

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

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

The Director's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

#### Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the





accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 57 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly



or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 57 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company.

vi. 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 software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **Agiwal & Associates**

Chartered Accountants

ICAI Firm Registration Number: 000181N


per **P.C. Agiwal**

Partner

Membership Number: 080475

UDIN: 24080475BKFKYL6579

Place of Signature: Delhi

Date: June 04, 2024

Annexure referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Ummeed Housing Finance Private Limited ('the Company')

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

- (i)(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.  
(b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions. However, such loans are secured by way of negative lien over assets of the Company. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) The Company's principal business is to give loans and is a registered HFC, accordingly, reporting under clause (iii)(a) is not applicable..  
(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.  
(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business of providing loans, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause) in this Annexure 1, in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business.
- Further, except for those instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed asset classification in note 8 to the financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable
- (d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days as at March 31, 2024 and the details of the number of such cases, are disclosed in note 8 to the financial statements. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.



- (e) The company's principal business is to give loans and is a registered HFC, accordingly, reporting under clause (iii)(e) is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix)(a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (ix)(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix)(c) Monies raised during the year by the Company by way of term loans has been applied for the purpose for which they were raised other than temporary deployment pending application of proceeds.
- (ix)(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (ix)(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (ix)(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x)(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.



- (x)(b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the private placement of shares during the year. The funds raised during the year has been applied for the purpose for which they were raised other than temporary deployment pending application of proceeds.
- (xi)(a) We report that no fraud by the company has been noticed or reported during the year nor have we been informed of any such case by the management. As regards to fraud on the company, there have been 10 instance aggregating to Rs. 143.21 Lakhs wherein frauds have been perpetrated by the borrower of the Company and third party as disclosed in note 8 to the financial statements.
- (xi)(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (xi)(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv)(a) The Company has an internal audit system commensurate with the size and nature of its business.
- (xiv)(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi)(a) The Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (xvi)(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi)(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvi)(d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 52 to the financial statements, 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)(a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 41 to the financial statements.
- (xx)(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 41 to the financial statements.

For **Agiwal & Associates**

Chartered Accountants

ICAI Firm Registration Number: 000181N

*P.C. Agiwal*



per P.C. Agiwal

Partner

Membership Number: 080475

UDIN: 24080475BKFKYL6579

Place of Signature: Delhi

Date: June 04, 2024

Annexure 2 referred to in paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date

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

We have audited the internal financial controls with reference to financial statements of Ummeed Housing Finance Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these 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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these 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 with reference to these 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 these 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 with reference to these financial statements.

**Meaning of Internal Financial Controls with reference to these Financial Statements**

A company's internal financial controls 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 controls 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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Agiwal & Associates**

Chartered Accountants

ICAI Firm Registration Number: 000181N



per **P.C. Agiwal**

Partner

Membership Number: 080475

UDIN: 24080475BKFKYL6579

Place of Signature: Delhi

Date: June 04, 2024



Ummeed Housing Finance Private Limited  
Balance Sheet as at March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

	Note	March 31, 2024	March 31, 2023
<b>ASSETS</b>			
<b>Financials assets</b>			
Cash and cash equivalents	6A	359.28	36.28
Bank Balance other than cash and cash equivalents	6B	4,326.54	5,775.38
Derivative financial instruments	7	-	28.64
Loans	8	7,49,668.44	1,00,791.98
Investments	9	497.04	1,098.08
Other financials assets	10	3,221.86	1,829.87
		<b>1,58,073.16</b>	<b>1,09,560.23</b>
<b>Non-financials assets</b>			
Current tax assets (net)		224.85	141.86
Property, plant and equipment	11A	303.30	257.41
Intangible assets	11B	142.79	107.71
Right to use assets	11C	221.61	350.97
Intangible assets under Development	11D	132.67	42.54
Other non-financial assets	12	534.24	306.42
		<b>1,559.46</b>	<b>1,206.91</b>
Asset held for Sale		-	27.36
<b>Total assets</b>		<b>1,59,632.62</b>	<b>1,10,794.50</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financials liabilities</b>			
Derivative financial instruments	7	30.25	-
Trade Payables	13		
(i) total outstanding dues of micro enterprise and small enterprises		1.55	5.12
(ii) total outstanding dues of creditors other than micro enterprise and small enterprises		274.25	108.98
Debt securities	14	5,210.36	5,536.01
Borrowings (other than debt securities)	15	85,353.12	53,377.38
Lease liabilities		241.79	386.61
Other financials liabilities	16	2,733.65	1,974.60
		<b>93,844.97</b>	<b>61,388.70</b>
<b>Non-financial liabilities</b>			
Deffered tax Liabilities (net)	31	348.93	7.95
Provisions	17	569.04	389.40
Other non-financial liabilities	18	277.51	186.06
		<b>1,195.48</b>	<b>585.41</b>
<b>Equity</b>			
Equity share capital	19	1,677.61	1,604.19
Instruments entirely equity in nature	20	7,466.81	6,917.23
Other equity	21	55,447.75	40,298.97
<b>Total equity</b>		<b>64,592.17</b>	<b>48,820.39</b>
<b>Total liabilities and equity</b>		<b>1,59,632.62</b>	<b>1,10,794.50</b>

Material accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For AGIWAL & ASSOCIATES

ICAI Firm registration number : 000181N

Chartered Accountants



per P. C. Agiwal

Partner

Membership number: 080475



Date: June 04, 2024

Place: New Delhi

UDIN: 24080475BKFKYL6579

For and on behalf of the Board of Directors of  
Ummeed Housing Finance Private Limited

Ashutosh Sharma

Managing Director

DIN: 02582205



Bikash Kumar Mishra

Chief Financial Officer

Date: June 04, 2024

Place: Gurugram

Sachin Grover

Director

DIN: 07387359

Nitin Kumar Agrahari

Company Secretary

M No.: A36376



Ummeed Housing Finance Private Limited  
Statement of Profit and Loss for the year ended March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

	Note	March 31, 2024	March 31, 2023
<b>Revenue from operations</b>			
Interest income	22	19,759.33	13,860.09
Fees and commission Income	23	1,718.46	831.17
Net gain on fair value changes	25	341.97	157.53
Net gain on derecognition of financial instruments under amortised cost	24	2,326.21	1,014.79
<b>Total revenue from operations</b>		<b>24,145.97</b>	<b>15,863.58</b>
Other income	26	124.23	183.54
<b>Total income</b>		<b>24,270.20</b>	<b>16,047.12</b>
<b>Expenses</b>			
Finance costs	27	7,181.71	4,223.36
Impairment on financial instruments	28	411.46	34.95
Employee benefits expenses	29	7,141.61	5,157.24
Depreciation, amortization and impairment	11A/11B/11C	358.84	332.92
Other expenses	30	2,376.52	1,784.63
<b>Total expenses</b>		<b>17,470.14</b>	<b>11,533.10</b>
Profit before tax		6,800.06	4,514.02
<b>Tax expense:</b>	31		
Current tax			
Pertaining to profit for the current period		1,158.27	860.11
Adjustment of tax relating to earlier periods		-	17.92
Deferred tax		368.40	176.20
<b>Total tax expense</b>		<b>1,526.67</b>	<b>1,054.23</b>
Profit for the period		5,273.39	3,459.79
<b>Other comprehensive income</b>			
(A) (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement gain of defined benefit plan		(3.40)	(5.02)
(ii) Income tax impact on above		0.86	1.26
(B) (i) Items that will be reclassified to Profit and Loss			
(a) Derivative instruments in Cash flow hedge relationship		(105.54)	(43.86)
(ii) Income tax impact on above		26.56	11.04
<b>Other comprehensive income (net of tax) (A+B)</b>		<b>(81.52)</b>	<b>(36.58)</b>
Total comprehensive income for the year		5,191.87	3,423.21
<b>Earnings per equity share</b>			
Basic (Rs.)	32	10.35	6.85
Diluted (Rs.)		10.01	6.62
Nominal value per share		10.00	10.00

Material accounting policies 1-5  
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For AGIWAL & ASSOCIATES

ICAI Firm registration number : 000181N

Chartered Accountants



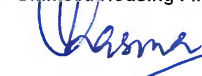
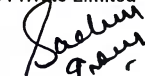
per P. C. Agiwal

Partner

Membership number: 080475



For and on behalf of the Board of Directors of  
Ummeed Housing Finance Private Limited

Ashutosh Sharma

Managing Director

DIN: 02582205

Sachin Gdver

Director

DIN: 07387359



Bikash Kumar Mishra

Chief Financial Officer



Nitin Kumar Agrahari

Company Secretary

M No.: A36376



Date: June 04, 2024

Place: New Delhi

UDIAI: 24080475 BKFKYL6579

Date: June 04, 2024

Place: Gurugram

Ummeed Housing Finance Private Limited  
Statement of Cash Flows for the year ended March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

	March 31, 2024	March 31, 2023
<b>Cash flow from operating activities</b>		
Profit before tax	6,800.06	4514.02
Adjustments to reconcile profit before tax to net cash flows:		
Expenses on employee stock option	309.28	179.82
Depreciation and amortization	358.84	332.92
Loss on sale/discard of fixed assets	(0.13)	0.48
Interest income on fixed deposits	(581.17)	(492.54)
Gain on sale of mutual funds and redemption of bonds and market linked debentures	(341.97)	(157.53)
Impairment on financial instruments	244.06	(52.55)
Loss assets written off	167.40	87.50
Provision for employee benefits	53.97	55.95
Interest on borrowings	7,166.00	4,184.65
Interest on lease liabilities	15.71	38.71
<b>Operating profit before working capital changes</b>	<b>14,192.05</b>	<b>8,691.43</b>
Movements in working capital :		
Change in loans	(49,252.54)	(33,472.89)
Change in other financial assets	54.98	269.63
Change in other non financial assets	(227.82)	(120.84)
Change in trade payables	161.70	45.55
Change in other financial liabilities	707.75	(1,540.62)
Change in provisions	119.44	68.30
Change in other non-financial liabilities	89.45	36.57
<b>Cash used in operations</b>	<b>(34,154.99)</b>	<b>(26,022.87)</b>
Less: taxes paid (net of refunds)	999.04	999.04
<b>Net cash flow used in operating activities (A)</b>	<b>(35,154.03)</b>	<b>(27,021.91)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(176.64)	(138.15)
Purchase of intangible assets including intangible assets under development	(162.59)	(76.98)
Sale of property, plant and equipment	1.26	0.25
Purchase of current investments	(50,314.05)	(8,151.04)
Proceeds from sale/maturity of current investments	50,673.98	7,624.06
Interest income from fixed deposits	581.17	492.54
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>603.13</b>	<b>(249.32)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of instrument entirely equity in nature (including securities premium)	10,357.68	-
Payment of share issue expense	(87.05)	-
Proceeds from borrowings	51,903.44	48,530.07
Repayment of borrowings	(19,964.91)	(16,788.74)
Interest paid on borrowings	(7,114.70)	(4,195.70)
Payment of lease liabilities	(204.85)	(227.27)
Payment of interest on lease liabilities	(15.71)	(38.71)
<b>Net cash from financing activities (C)</b>	<b>34,873.90</b>	<b>27,279.65</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>323.00</b>	<b>8.42</b>
Cash and cash equivalents at the beginning of the year	36.28	27.86
<b>Cash and cash equivalents at the end of the year</b>	<b>359.28</b>	<b>36.28</b>
<b>Cash and bank balance include</b>		
Cheques in hand	-	-
Balance with banks		
In current accounts	359.28	36.28
<b>Cash and cash equivalents at the end of the year</b>	<b>359.28</b>	<b>36.28</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For AGI WAL & ASSOCIATES  
ICAI Firm registration number : 000181N  
Chartered Accountants

per P. C. Agiwal

Partner

Membership number: 080475



For and on behalf of the Board of Directors of  
Ummeed Housing Finance Private Limited

Ashutosh Sharma

Managing Director

DIN: 02582205

Sachin Grover

Director

DIN: 07387359

Bikash Kumar Mishra

Bikash Kumar Mishra

Chief Financial Officer

Nitin Kumar Agrahari

Company Secretary

M No.: A36376



Date: June 04, 2024

Place: New Delhi

UDIN: 24080475BKAK/L6579

Date: June 04, 2024

Place: Gurugram

Ummeed Housing Finance Private Limited  
Statement of changes in equity for the year ended March 31, 2024  
(Amount in Rs. Lakhs unless stated otherwise)

A. Equity share capital  
Particulars

	No.	Amount
Balance as at 1 April 2022	1,60,41,882	1,604.19
Changes in equity share capital due to prior period errors	-	-
Restated Balance as at 1 April 2022	1,60,41,882	1,604.19
Changes in equity share capital during the year	-	-
Balance as at 1 April 2023	1,60,41,882	1,604.19
Changes in equity share capital due to prior period errors	-	-
Restated Balance as at 1 April 2023	1,60,41,882	1,604.19
Changes in equity share capital during the year	7,34,189	73.42
Balance as at 31 March 2024	1,67,76,071	1,677.61

B. Instruments entirely equity in nature

Compulsorily convertible preference shares ('CCPS')  
Particulars

	No.	Amount
Balance as at 1 April 2022	3,44,61,705	6,892.33
Changes in equity share capital due to prior period errors	-	-
Restated Balance as at 1 April 2022	3,44,61,705	6,892.33
Changes in equity share capital during the year	-	-
Balance as at 1 April 2023	3,44,61,705	6,892.33
Changes in equity share capital due to prior period errors	-	-
Restated Balance as at 1 April 2023	3,44,61,705	6,892.33
Changes in equity share capital during the year	27,80,250	556.05
Balance as at 31 March 2024	3,72,41,955	7,448.38

Optionally Convertible Non Cumulative Redeemable Preference shares ('OCNCRPS')


Particulars	No.	Amount
Balance as at 1 April 2022	24,89,068	24.90
Changes in equity share capital due to prior period errors	-	-
Restated Balance as at 1 April 2022	24,89,068	24.90
Changes in equity share capital during the year	-	-
Balance as at 1 April 2023	24,89,068	24.90
Changes in equity share capital due to prior period errors	-	-
Restated Balance as at 1 April 2023	24,89,068	24.90
Changes in equity share capital during the year	(6,46,312)	(6.47)
Balance as at 31 March 2024	18,42,756	18.43

C. Other equity

	Reserve and Surplus			Other Comprehensive Income		Total
	Securities premium	Statutory Reserve	Share based payment reserve	Retained earnings	Cash flow hedge reserve	
Balance as at April 01, 2022	33,011.04	773.49	458.16	2,474.12	(20.87)	36,695.94
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated Balance as at 1 April 2022	33,011.04	773.49	458.16	2,474.12	(20.87)	36,695.94
Profit for the year	-	-	-	3,459.79	-	3,459.79
Other comprehensive income for the year	-	-	-	(3.76)	(32.82)	(36.58)
Share based payments	-	-	179.82	-	-	179.82
Transfer to statutory reserve*	-	691.96	-	(691.96)	-	-
Balance as at March 31, 2023	33,011.04	1,465.45	637.98	5,238.19	(53.69)	40,298.97
Balance as at 1 April 2023	33,011.04	1,465.45	637.98	5,238.19	(53.69)	40,298.97
Changes in accounting policy/prior period errors	-	-	-	-	-	-
Restated Balance as at 1 April 2023	33,011.04	1,465.45	637.98	5,238.19	(53.69)	40,298.97
Profit for the year	-	-	-	5,273.39	-	5,273.39
Other comprehensive income for the year	-	-	-	(2.54)	(78.98)	(81.52)
Premium on issue of preference shares (CCPS)	9,769.68	-	-	-	-	9,769.68
Share issue expenses	(87.05)	-	-	-	-	(87.05)
Share based payments	-	-	274.28	-	-	274.28
Transfer to statutory reserve*	-	1,054.68	-	(1,054.68)	-	-
Balance as at March 31, 2024	42,693.67	2,520.13	912.26	9,454.36	(132.67)	55,447.75

\*under Section 29C of the NHB Act, 1987 read with 36(1)(viii) of Income tax act, 1961

For AGIwal & ASSOCIATES  
ICAI Firm registration number : 000181N  
Chartered Accountants


  
P. C. Agiwal  
Partner  
Membership number 080475



For and on behalf of the Board of Directors of  
Ummeed Housing Finance Private Limited

  
Ashutosh Sharma  
Managing Director  
DIN: 02582205

  
Sachin Grover  
Director  
DIN: 07387359

  
Bikash Kumar Mishra  
Chief Financial Officer

  
Nitin Kumar Agrahari  
Company Secretary  
M No: A36376

Date: June 04, 2024  
Place: New Delhi

Date: June 04, 2024  
Place: Gurugram

UDIN: 24080475BKAKYL6579



#### 1. Corporate information

Ummeed Housing Finance Private Limited ('the Company') is a Company domiciled in India as a private limited company having CIN U65922HR2016PTC057984. The Company was incorporated on January 27, 2016 under the provisions of the Companies Act, 2013. The Company is registered as a housing finance company with National Housing Bank (NHB) vide Registration No. 07.137.16 and is engaged in the long-term financing activity in the domestic markets to provide housing finance.

The Company is engaged in the business of providing housing and Non-Housing loans. The Company is having registered office at 318, DLF Magnolias, Sector-42, Golf Course Road, Gurugram Haryana – 122002 and maintain books of accounts at Corporate office at Unit 809-815, 8th floor, Tower A, Emaar Digital Greens Golf Course Extension Road, Sector-61 Gurugram - 122102.

#### 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The financial statements have been prepared on a historical cost basis, except derivative financial Instruments, other financial assets held for trading and financial assets and liabilities designated at fair value through profit or loss (FVTPL) or through other comprehensive Income (FVOCI) Instruments all of which are measured at fair value.

#### 3. Presentation of financial statement

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Notes to financials. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- The normal course of business
- The event of default
- The event of insolvency or bankruptcy of the company and/or its counterparties.

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs, except when otherwise indicated.

#### 4. Material accounting policies

##### 4.1. Recognition of income and expense

##### 4.1.1 Interest income

The Company earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest revenue is recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income. The effective Interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial Instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates the interest only if it is considered recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income using EIR Method.



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#### 4.1.2 Interest expense

Interest expense includes borrowing costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective Interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

#### 4.1.3 Other fees

Other charges including application fees (penal interest, cheque bouncing charges, etc.) recognised on realization basis.

### 4.2. Financial Instruments

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

#### 4.2.1 Financial Assets

##### 4.2.1.1 Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the Instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the Financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

##### 4.2.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in below categories:

- Financial assets at amortised cost (debt instrument)
- Financial assets at fair value through profit or loss (FVTPL)

##### 4.2.1.3. Financial assets at amortised costs

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the nature of portfolio, and the period for which the interest rate is set.

The business model of the Company for assets subsequently measured at amortised cost category is to hold and collect contractual cash flows. However, considering the economic viability of carrying the portfolios on the books of the Company, it may enter into immaterial and infrequent transactions to sell these portfolios to banks and/ or asset reconstruction companies without affecting the business model of the Company.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost primarily includes loans. For more information on loans, refer to Note 8..



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#### 4.2.1.4. Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

This category includes mutual funds and market linked debentures.

#### 4.2.2. Financial liabilities

##### 4.2.2.1. Initial recognition and measurement

##### 4.2.2.2. Financial Liabilities held at amortised cost

The Company's loans and borrowings are classified in this category. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

##### 4.2.2.3. Undrawn loan commitments

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

The nominal contractual value of undrawn loan commitments, where the loan agreed to be provided is on market terms, are not recorded in the balance sheet.

#### 4.2.4. Derivative financial instruments and hedge accounting

##### 4.2.4.1 Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged, and how the Company will assess whether the hedging relationship meets the hedge effectiveness





requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

#### Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the Effective portion of cash flow hedges, while any ineffective portion is recognised immediately in the statement of profit and loss. The Effective portion of cash flow hedges is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

The Company designates only the spot element of a forward contract as a hedging instrument. The forward element is recognised in OCI.

The amounts accumulated in OCI are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in OCI for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment for which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

#### 4.2.5. De-recognition of financial assets and liabilities

##### 4.2.5.1. Financial Assets

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

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

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

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset') but assumes a contractual obligation to pay those cash flows to one or



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more entities (the 'eventual recipients'). Pass-through arrangements result in derecognition of financial assets only when all the following three conditions are met:

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

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

A transfer only qualifies for derecognition If either:

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

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

#### 4.2.5.2. Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

### 4.3. Impairment of financial assets

#### 4.3.1. Overview of the ECL principles

The Company is recording the allowance for expected credit losses for all loans and other financial assets not held at FVTPL, together with loan commitments, (in this section all referred to as 'financial instruments'). Financial instruments at FVTPL are not subject to impairment under Ind AS 109.

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

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

Both LTECLs and 12mECLs are calculated on collective basis, depending on the nature of the underlying portfolio of financial instruments.



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The Company has established a policy to perform an assessment, at the end of each reporting year, of whether a Financial instrument's credit risk has increased significantly since initial recognition.

Based on the above process, the Company group its loans into Stage 1, Stage 2, Stage3 as described below:

Stage 1: When loans are first recognised, the company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2 or Stage3.

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

Stage 3: Loans considered credit-Impaired. The company records an allowance for the LTECLs.

For financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition or write off of the financial asset.

#### 4.3.2 The calculation of ECLs

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

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

- PD - The Probability of Default is an estimate of the Likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.
- EAD- The Exposure at Default is an exposure at a reporting date.
- LGD - The loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum year for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12 months ECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a Financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

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

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

For loan commitments, the ECL is recognised within Provisions.



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#### 4.3.3. Forward looking information

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

#### 4.4. Write-offs

Financial assets are written off either partially or in their entirety only when the recovery possibility from these properties seems remote, despite legal remedies and other actions taken by the Company. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to Statement of profit and loss account.

#### 4.5. Determination of fair value

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

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

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

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

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

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

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

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

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

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

#### 4.6 Leases

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

##### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use ('ROU') the underlying assets.



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

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

#### **II) Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the transition date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company's lease liabilities are included in Other financial liabilities.

#### **iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### **4.7. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprises of cash balance with bank and bank deposit with original maturity of three months or less.

#### **4.8. Property, plant and equipment**

Property, plant and equipment (PPE) are stated at cost of acquisition less accumulated depreciation. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Assets costing INR 5,000 or less are fully depreciated in the year of purchase. Depreciation is charged on a proportionate basis for all assets purchased and sold during the year.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied.

The Company depreciates its Property, plant and equipment ('Assets') on Straight Line Method (SLM) over the useful lives of assets estimated by management. Depreciation on assets purchased during the year is charged from date of



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acquisition and for assets sold/disposed off, it is charged upto the date of sale/disposal. Modification or extension to an existing asset, which is of capital nature and which becomes an internal part thereof is depreciated prospectively from date of capitalisation upto remaining useful life of that asset. Management estimates for useful lives of assets are set out below:

<u>Property, plant &amp; equipment</u>	<u>Useful lives (in years)</u>
Computers	3
Computer servers and networks	6
Office equipment	5
Furniture and Fixture	10
Motor Vehicle	5

#### 4.9. Intangible assets

Intangible assets are acquired by the company are measured initially at cost. Cost comprises the purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebate are deducted in arriving the cost of asset.

All such expenditure that increases the future benefits from the existing asset beyond its previously assessed standard of performance is included in the gross book value.

After Initial Recognition, Intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Company uses a presumption that the useful life of an intangible asset will not exceed six years from the date when the asset is available for use. If persuasive evidence exists to the affect that useful life of an intangible asset exceeds six years, the Company amortizes the intangible asset over the best estimate of its useful life.

#### 4.10. Retirement and other employee benefits

##### *Short term employee benefits*

All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognised in the statement of profit and loss in the period in which the employee renders the related service.

##### *Post-employment benefits*

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company provides gratuity benefits which is a defined benefit scheme. The cost of providing gratuity benefits is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in profit or loss on the earlier of:



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- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes.

#### 4.11. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

#### 4.12. Taxes

##### 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 in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date. 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.

##### Deferred tax

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

#### 4.13. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss attributable to equity holder of the company by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.



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For calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### 4.14. Share-based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company's estimate of equity Instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

#### 4.15. Contingent liabilities

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

Contingent liability is disclosed in the case of:

- A present obligation arising from past event" when it is not probable that an outflow of resources will not be required to settle the obligation.
- A present obligation arising from past events, when no reliable estimate is possible.
- A possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent liabilities are reviewed at each balance sheet date.

#### 5. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following Significant judgements and estimates, which have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

##### 5.1. Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company considers the frequency, volume and timing of sales in prior years, the reason for such sales, and its expectations about future sales activity. However, Information about sales activity is not considered in isolation, but as part of a holistic assessment of how company's stated objective for managing the financial assets is achieved and how cash flows are realised. Therefore, the Company considers information about past sales in the context of the reasons for those sales, and the conditions that existed at that time as compared to current conditions.

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



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## 5.2. 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 required 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.

## 5.3. 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.

## 5.4. Impairment of financial asset

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 model, which assigns Probability of default (PD)s.
- 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 expected credit loss (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 the effect on PDs, Exposure at default (EADs) and Loss given default (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.

## 5.5 Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future.

These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## 5.6 Share based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the



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most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

#### 5.7 Provisions and other contingent liabilities

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 various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business. When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

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 judgement is required to conclude on these estimates.

#### 5.8 Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.



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Note 6: Cash and cash equivalents

Particulars	March 31, 2024	March 31, 2023
<b>6A. Cash and cash equivalents</b>		
Balance with banks		
in current accounts	359.28	36.28
<b>Total</b>	<b>359.28</b>	<b>36.28</b>

6B. Bank balance other than above

Particulars	March 31, 2024	March 31, 2023
Fixed Deposit with Bank	143.15	34.17
Balance with banks to the extent held as margin margin or security deposit against the borrowings, guarantees, other commitments	4,183.39	5,741.21
<b>Total</b>	<b>4,326.54</b>	<b>5,775.38</b>

Note 7: Derivative financial instrument

Particulars	As at March 31, 2024				As at March 31, 2023			
	Notional amount	Fair value assets	Notional amount	Fair value liabilities	Notional amount	Fair value assets	Notional amount	Fair value liabilities
<b>Part I</b>								
<b>Currency Derivatives:</b>								
-Currency swaps	6,556.22	-	-	30.25	1,379.52	28.64	-	-
<b>Part II</b>								
Included in above are derivatives held for hedging and risk management purposes as follows:								
Cash flow hedging:								
- Currency swaps	6,556.22	-	-	30.25	1,379.52	28.64	-	-
<b>Undesignated derivatives</b>								
<b>Total derivative financial instruments</b>	<b>6,556.22</b>	<b>-</b>	<b>-</b>	<b>30.25</b>	<b>1,379.52</b>	<b>28.64</b>	<b>-</b>	<b>-</b>

The Company is exposed to certain risks relating to its ongoing business operations. The primary risks managed using derivative instruments are interest rate risk and foreign currency risk.

Derivatives designated as hedging instruments

The foreign currency and interest rate risk on borrowings have been actively hedged through a combination of forward contracts, principal only and interest rate swaps.

The company is exposed to interest rate risk arising from its foreign currency borrowings amounting to \$80,40,000 (Previous Year \$18,00,000). Interest on the borrowing is payable at a floating rate linked to USD LIBOR. The company economically hedged the interest rate risk arising from the debt with a 'receive floating pay fixed' interest rate swap ('swap').

The Company uses currency Swaps Contracts (Fixed to Floating) to hedge its risks associated with currency rate fluctuations arising from foreign currency loans/external commercial borrowings. The Company designates such swaps contracts in a cash flow hedging relationship by applying the hedge accounting principles as per IND AS 109. These swap contracts are stated at fair value at each reporting date. Changes in the fair value of these swap contracts that are designated and effective as hedge of future cash flows are recognised directly in "Cash Flow Hedge Reserve" under other equity and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting.

The Company also hedges foreign currency risk arising from its fixed rate foreign currency borrowing by entering into the currency swaps. There is an economic relationship between the hedged item and the hedging instrument as the terms of the contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the Cross currency swap are identical to the hedged risk components.

	As of March 31, 2024			
	Notional Amount	Carrying Amount	Line Item in Balance Sheet	Change in fair value
The impact of hedging instruments (net)	6,556.22	30.25	Derivative Financial Liabilities	58.89
	As of March 31, 2024			
	Notional Amount	Accumulated fair value adjustment	Line Item in Balance Sheet	Change in fair value
The impact of hedged instruments (net)	6,556.22	147.04	Borrowings (other than debt securities)	46.65
	As of March 31, 2024			
	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or (loss)	Line item in the statement of profit or loss	
Effect of Cash flow hedge	(105.54)	-	Finance Cost	
	As of March 31, 2023			
	Notional Amount	Carrying Amount	Line Item in Balance Sheet	Change in Fair value
The impact of hedging instruments (net)	1,379.52	28.64	Derivative Financial Assets	(47.01)
	As of March 31, 2023			
	Notional Amount	Accumulated fair value adjustment	Line Item in Balance Sheet	Change in fair value
The impact of hedged instruments (net)	1,379.52	100.38	Borrowings (other than debt securities)	100.38
	As of March 31, 2023			
	Total hedging gain / (loss) recognised in OCI	Ineffective-ness recognised in profit or (loss)	Line item in the statement of profit or loss	
Effect of Cash flow hedge	(43.86)	-	Finance Cost	



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Ummeed Housing Finance Private Limited

Notes to the Financial Statements for the year ended March 31, 2024

(Amount in Rs Lakhs unless stated otherwise)

Note 8: Loans

Particulars	March 31, 2024	March 31, 2023
<b>At amortised cost:</b>		
Loans assets	1,50,450.39	1,01,337.96
Less: Impairment loss allowance	(781.95)	(545.98)
<b>Total Net</b>	<b>1,49,668.44</b>	<b>1,00,791.98</b>
Secured by tangible assets (hypothecation of equitable mortgage of immovable property etc.)	1,50,450.39	1,01,337.96
Unsecured	-	-
<b>Total Gross</b>	<b>1,50,450.39</b>	<b>1,01,337.96</b>
Less: Impairment loss allowance	(781.95)	(545.98)
<b>Total Net</b>	<b>1,49,668.44</b>	<b>1,00,791.98</b>
<b>Loans in India</b>		
Public sector	-	-
Others	1,50,450.39	1,01,337.96
<b>Total Gross</b>	<b>1,50,450.39</b>	<b>1,01,337.96</b>
Less: Impairment loss allowance	(781.95)	(545.98)
<b>Total Net</b>	<b>1,49,668.44</b>	<b>1,00,791.98</b>

i) Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or personal guarantees and/or hypothecation of assets and/or assignments of life insurance policies.

ii) The Company has assigned a pool of certain loans amounting to Rs. 14,483.57 lakh during the year ended March 31, 2024 (March 31, 2023 Rs. 6,551.70 lakh) by way of a direct assignment transaction. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Company continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreement, the Company pays to assignee, on a monthly basis, the pro-rata collection amounts.

iii) Loan commitment amount is Rs.6,959.25 as on March 31, 2024 (Rs.5,264.65 as on March 31, 2023) (Refer note 17.1)

iv) The Company is not granting any loans against gold jewellery as collateral.

v) The Company is not granting any loans against security of shares as collateral.

vi) There have been 10 instances aggregating to Rs. 143.21 Lakhs wherein frauds have been perpetrated by the borrower of the Company

#### Note 8.1 Credit Quality of assets

Loans and receivables are non-derivative financial assets which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties. The Company groups its exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics. Following asset class represents homogeneous pools determined by the Company for risk categorisation:

- Housing Loan
- Loan against property
- Business loan
- Small ticket business loan

Details of companies risk assessment model are explained in Note 40

An analysis of risk categorisation, changes in gross carrying amount and the corresponding ECL allowances

#### 8.1.1 Analysis of risk categorisation

As at March 31, 2024

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	1,36,768.22	1,517.71	634.88	1,38,920.81
Medium risk	8,820.32	307.93	58.21	9,186.46
High risk	2,232.08	57.90	53.14	2,343.12
<b>Total</b>	<b>1,47,820.62</b>	<b>1,883.54</b>	<b>746.23</b>	<b>1,50,450.39</b>

As at March 31, 2023

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low risk	87,635.57	1,159.58	327.02	89,122.17
Medium risk	9,419.08	319.07	41.91	9,780.06
High risk	2,286.81	99.49	49.43	2,435.73
<b>Total</b>	<b>99,341.46</b>	<b>1,578.14</b>	<b>418.36</b>	<b>1,01,337.96</b>

#### 8.1.2 Reconciliation of gross carrying amount

As at March 31, 2024

Particulars	Stage 1 *	Stage 2	Stage 3	Total
Gross carrying amount as at April 1, 2023	99,341.46	1,578.14	418.36	1,01,337.96
New assets originated or purchased	77,678.54	0.87	0.65	77,680.06
Assets derecognised or repaid (excluding write offs)	(27,969.58)	(353.55)	(75.03)	(28,398.16)
Transfers from stage 1	(1,507.02)	1,038.46	468.56	-
Transfers from stage 2	231.40	(384.81)	153.41	-
Transfers from stage 3	45.82	4.43	(50.25)	-
Amounts written off	-	-	(169.47)	(169.47)
<b>Gross carrying amount as at March 31, 2024</b>	<b>1,47,820.62</b>	<b>1,883.54</b>	<b>746.23</b>	<b>1,50,450.39</b>

As at March 31, 2023

Particulars	Stage 1 *	Stage 2	Stage 3	Total
Gross carrying amount as at April 1, 2022	65,484.19	1,934.30	563.53	67,982.02
New assets originated or purchased	52,248.10	-	-	52,248.10
Assets derecognised or repaid (excluding write offs)	(17,887.89)	(565.80)	(350.97)	(18,804.66)
Transfers from stage 1	(933.99)	698.47	235.52	-
Transfers from stage 2	399.99	(488.83)	88.84	-
Transfers from stage 3	31.06	-	(31.06)	-
Amounts written off	-	-	(87.50)	(87.50)
<b>Gross carrying amount as at March 31, 2023</b>	<b>99,341.46</b>	<b>1,578.14</b>	<b>418.36</b>	<b>1,01,337.96</b>

\* Includes over due from 1 to 30 days amounting to Rs. 1,596.74 lakhs and Rs. 983.39 lakhs as at 31st March 2024 and 31st March 2023.



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8.1.3 Impairment allowance for loans to customers

As at March 31, 2024

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at April 1, 2023	298.41	99.14	148.43	545.98
ECL remeasurements due to changes in EAD/Credit Risk Assumptions (Net)	111.02	14.85	166.03	291.90
Transfers from Stage 1	(7.89)	4.66	3.23	-
Transfers from Stage 2	6.62	(14.33)	7.71	-
Transfers from Stage 3	19.25	1.84	(21.09)	-
Amounts written off	-	-	(55.93)	(55.93)
<b>Impairment allowance for loans to customers as at March 31, 2024</b>	<b>427.41</b>	<b>106.16</b>	<b>248.36</b>	<b>781.95</b>

Increase in ECL is attributable to Increase in credit impaired and significant increase in credit risk loans

As at March 31, 2023

Particulars	Stage 1	Stage 2	Stage 3	Total
Impairment allowance for loans to customers as at April 1, 2022	223.52	175.46	199.97	598.95
ECL remeasurements due to changes in EAD/Credit Risk Assumptions (Net)	37.07	(44.11)	(19.68)	(26.72)
Transfers from Stage 1	(5.30)	4.02	1.28	-
Transfers from Stage 2	28.62	(36.23)	7.61	-
Transfers from Stage 3	14.50	-	(14.50)	-
Amounts written off	-	-	(26.25)	(26.25)
<b>Impairment allowance for loans to customers as at March 31, 2023</b>	<b>298.41</b>	<b>99.14</b>	<b>148.43</b>	<b>545.98</b>

Decrease in ECL is attributable to decrease in credit impaired and significant increase in credit risk loans.

Note:8.2 Impairment assessment

The references below show where the Company's impairment assessment and measurement approach is set out in these notes. It should be read in conjunction with the Summary of material accounting policies

- Definition of default and cure

The Company considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Company may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment.

- Probability of default ("PD")

The Company uses blend of both CIBIL score and account level delinquency while assigning Probability of Default (PD) at a portfolio level. The PDs are computed for homogenous portfolio segments.

- Exposure at default ("EAD")

The Gross carrying amount as at the reporting date is considered as EAD by the Company. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD

- Loss given default ("LGD")

The Company uses historical loss data/external agency LGD for identified homogenous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries.

- Significant increase in credit risk

The Company evaluates the loans on an ongoing basis. The Company also assesses if there has been a significant increase in credit risk since the previously assessed risk taking into consideration both qualitative and quantitative information. The illustrative factors considered while evaluation of collateral are liquidity, enforceability, marketability, ease and efficiency in custody & settlement and free from all encumbrances in the relevant jurisdictions and complied with local by laws. The assessment of collateral is undertaken by empanelled team of technical/legal agencies. The company has specified the maximum loan-to value ratio for various types of asset to be accepted as collateral. Such ratios commensurate with the relative risk of the assets as prescribed by NHB and provides an adequate buffer against potential losses.

- Risk assessment model

The Company has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour.

Note 8.3 Collateral

The Company is in business of secured lending and all loans are adequately covered by either residential collateral or commercial collateral. The collaterals are assessed at the time of origination and are being reassessed as and when required. The illustrative factors considered while evaluation of collateral are liquidity, enforceability, marketability, ease and efficiency in custody & settlement and free from all encumbrances in the relevant jurisdictions and complied with local by laws. The assessment of collateral is undertaken by empanelled team of technical/legal agencies. The company has specified the maximum loan-to value ratio for various types of asset to be accepted as collateral. Such ratios commensurate with the relative risk of the assets as prescribed by NHB and provides an adequate buffer against potential losses.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral as at March 31, 2024 and March 31, 2023. There was no change in the Company's collateral policy during the year

Note 9: Investments

Particulars	March 31, 2024	March 31, 2023
<i>Investments carried at fair value through profit or loss</i>		
<b>Mutual funds</b>		
Arbitrage Funds	-	208.61
Short term debt funds	497.04	284.95
<b>Market Linked Debentures</b>		
	-	604.52
<b>Total</b>	<b>497.04</b>	<b>1,098.08</b>
Investments outside India	-	-
Investments in India	497.04	1,098.08
<b>Total</b>	<b>497.04</b>	<b>1,098.08</b>

Note 10: Other financial assets

Particulars	March 31, 2024	March 31, 2023
Excess Interest Spread (EIS) receivable (refer note 10.1)	3,075.03	1,708.55
Security deposits	152.50	125.12
<b>Gross</b>	<b>3,227.53</b>	<b>1,833.67</b>
Less: impairment loss allowance on EIS Receivable	(5.67)	(3.80)
<b>Net</b>	<b>3,221.86</b>	<b>1,829.87</b>

Note 10.1: Under Ind AS with respect to Assignment deals, Company has created an EIS receivable, with corresponding credit to statement of profit and loss, which has been computed by discounting interest strip retained over the expected life of loan assets.



Ummeed Housing finance Private Limited  
Notes to financial statements for the year ended March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

Note 11A: Property, plant and equipment

Particulars	Office Equipment	Computers	IT Networks Equipment's	Furniture Fixtures & Fittings	Vehicles	Total
<b>Cost:</b>						
At April 1, 2022	38.22	223.80	5.67	9.25	120.42	397.36
Additions	18.99	113.34	-	5.82	-	138.15
Disposals	(0.24)	(0.88)	-	(0.62)	-	(1.74)
<b>At March 31, 2023</b>	<b>56.97</b>	<b>336.26</b>	<b>5.67</b>	<b>14.45</b>	<b>120.42</b>	<b>533.77</b>
Additions	17.67	153.13	-	5.84	-	176.64
Disposals	(0.35)	(21.47)	-	-	-	(21.82)
<b>At March 31, 2024</b>	<b>74.29</b>	<b>467.92</b>	<b>5.67</b>	<b>20.29</b>	<b>120.42</b>	<b>688.59</b>
<b>Depreciation</b>						
At April 1, 2022	20.87	128.64	3.09	3.06	29.62	185.28
Charge for the year	7.78	59.59	0.89	0.94	22.88	92.08
Disposals	(0.07)	(0.67)	-	(0.26)	-	(1.00)
<b>At March 31, 2023</b>	<b>28.58</b>	<b>187.56</b>	<b>3.98</b>	<b>3.74</b>	<b>52.50</b>	<b>276.36</b>
Charge for the year	9.96	94.29	0.87	1.82	22.94	129.88
Disposals	(0.27)	(20.42)	-	(0.26)	-	(20.95)
<b>At March 31, 2024</b>	<b>38.27</b>	<b>261.43</b>	<b>4.85</b>	<b>5.30</b>	<b>75.44</b>	<b>385.29</b>
<b>Net book value:</b>						
At April 1, 2022	17.35	95.16	2.58	6.19	90.80	212.08
At March 31, 2023	28.39	148.70	1.69	10.71	67.92	257.41
At March 31, 2024	36.02	206.49	0.82	14.99	44.98	303.30

Note 11B: Intangibles

Particulars	Software	Total
<b>Cost:</b>		
At April 1, 2022	163.47	163.47
Additions	44.91	44.91
<b>At March 31, 2023</b>	<b>197.91</b>	<b>197.91</b>
Additions	72.46	72.46
<b>At March 31, 2024</b>	<b>270.37</b>	<b>270.37</b>
<b>Accumulative amortisation:</b>		
At April 1, 2022	63.96	63.96
Charge for the year	26.24	26.24
<b>At March 31, 2023</b>	<b>90.20</b>	<b>90.20</b>
Charge for the year	37.38	37.38
<b>At March 31, 2024</b>	<b>127.58</b>	<b>127.58</b>
<b>Net book value</b>		
At April 1, 2022	99.51	99.51
At March 31, 2023	107.71	107.71
At March 31, 2024	142.79	142.79



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Ummeed Housing finance Private Limited  
Notes to financial statements for the year ended March 31, 2024  
Note 11C: Right to use asset

Particulars	Building and office premises	Total
<b>Gross block</b>		
At April 1, 2022	870.90	870.90
Addition	187.03	187.03
Write offs	-	-
<b>At March 31, 2023</b>	<b>1,057.93</b>	<b>1,057.93</b>
Addition	124.63	124.63
Disposals	-	-
<b>At March 31, 2024</b>	<b>1,182.56</b>	<b>1,182.56</b>
<b>Depreciation</b>		
At April 1, 2022	452.53	452.53
Charge for the year	214.58	214.58
Reversal for the year	39.85	39.85
<b>At March 31, 2023</b>	<b>706.96</b>	<b>706.96</b>
Charge for the year	191.81	191.81
Reversal for the year	62.18	62.18
<b>At March 31, 2024</b>	<b>960.95</b>	<b>960.95</b>
<b>Net book value</b>		
At April 1, 2022	418.37	418.37
At March 31, 2023	350.97	350.97
At March 31, 2024	221.61	221.61

Note: There have been no acquisitions through business combinations and no change of amount due to revaluation of Property, plant and equipment and other intangible assets during the year ended 31 March 2024 and 31 March 2023.

Note 11D: Intangible assets under Development

Intangible assets under Development as at March 31, 2024 is Rs. 132.67 Lakhs (March 31, 2023- Rs. 42.54)

March 31, 2024

Intangible assets under Development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	132.67	-	-	-	132.67
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>132.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>132.67</b>

March 31, 2023

Intangible assets under Development	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	42.54	-	-	-	42.54
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>42.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42.54</b>



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Ummeed Housing Finance Private Limited  
**Notes to the Financial Statements for the year ended March 31, 2024**  
(Amount in Rs Lakhs unless stated otherwise)

**Note 12: Other non-financial assets**

Particulars	March 31, 2024	March 31, 2023
GST Input	52.00	29.33
Prepaid expenses	247.23	112.35
Other advances	229.09	156.71
Other advances	-	-
Employee Advance	5.92	8.03
<b>Total</b>	<b>534.24</b>	<b>306.42</b>

**Note 13: Trade Payables**

Particulars	March 31, 2024	March 31, 2023
<b>Trade Payables</b>		
Total outstanding dues of Micro Enterprises and Small Enterprises	1.55	5.12
Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	274.25	108.98
<b>Total</b>	<b>275.80</b>	<b>114.10</b>

Based on the information available, there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures as required by section 22 of The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

Particulars	March 31, 2024	March 31, 2023
Principal amount remaining unpaid	1.55	5.12
<b>Interest due thereon</b>		
Interest paid by the Company in terms of Section 16 of MSMED Act, 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the period) but without adding the interest specified under MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the year. Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
<b>Total</b>	<b>1.55</b>	<b>5.12</b>

**Trade Payables ageing schedule**

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
<b>As at 31 March 2024</b>					
(i) MSME	1.55	-	-	-	1.55
(ii) Others	269.36	3.07	1.20	0.62	274.25
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Unbilled dues	-	-	-	-	-
<b>Total</b>	<b>270.91</b>	<b>3.07</b>	<b>1.20</b>	<b>0.62</b>	<b>275.80</b>
<b>As at 31 March 2023</b>					
(i) MSME	5.12	-	-	-	5.12
(ii) Others	103.78	4.57	0.63	-	108.98
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Unbilled dues	-	-	-	-	-
<b>Total</b>	<b>108.90</b>	<b>4.57</b>	<b>0.63</b>	<b>-</b>	<b>114.10</b>

**Note 14: Debt securities**

Particulars	March 31, 2024	March 31, 2023
<b>At amortised cost:</b>		
<b>Secured</b>		
Redeemable non-convertible debentures	5,210.36	5,536.01
<b>Total</b>	<b>5,210.36</b>	<b>5,536.01</b>
Debt securities in India	-	333.24
Debt securities outside India	5,210.36	5,202.77
<b>Total</b>	<b>5,210.36</b>	<b>5,536.01</b>

**Detail of Secured Redeemable Non-Convertible Debentures**

Particulars/SIN No.	INE870W07076	INE870W07068	INE870W07035
No. of Debentures	205	320	100
Call/Put Option	N.A.	N.A.	N.A.
Date of Redemption	30-12-2027	01-02-2028	21-04-2023
Rate of Interest	8.90%	8.80%	11.90%
Interest Type	Fixed	Fixed	Fixed
Listed/unlisted	Unlisted	Unlisted	Listed
Face value	10,00,000	10,00,000	10,00,000
Carrying Amount as at March 31, 2024	2,040.29	3,170.07	-
Carrying Amount as at March 31, 2023	2,036.78	3,165.99	333.24

Redeemable Non-Convertible Debentures are secured by hypothecation of specified receivables under financing Activities and are repayable in bullet payments. These debentures are privately placed and are redeemable at par.



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Ummeed Housing Finance Private Limited

Notes to the Financial Statements for the year ended March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

Terms of repayment of Debt securities as at March 31, 2024

Original Maturities of Debt Securities (No of Days)	1-365		366-1095		Total	
	No of instalments	Amount	No of instalments	Amount	No of instalments	Amount
Due within one year	-	-	-	-	-	-
Due 1 to 3 years	-	-	-	-	-	-
Due 3 to 5 years	-	-	2	5,260.00	2	5,260.00
Due above 5 years	-	-	-	-	-	-
<b>Total</b>	-	-	<b>2</b>	<b>5,260.00</b>	<b>2</b>	<b>5,260.00</b>

Terms of repayment of Debt securities as at March 31, 2023

Original Maturities of Debt Securities (No of Days)	1-365		366-1095		Total	
	No of instalments	Amount	No of instalments	Amount	No of instalments	Amount
Due within one year	-	-	1	333.33	1	333.33
Due 1 to 3 years	-	-	-	-	-	-
Due 3 to 5 years	-	-	2	5,260.00	2	5,260.00
Due above 5 years	-	-	-	-	-	-
<b>Total</b>	-	-	<b>3</b>	<b>5,593.33</b>	<b>3</b>	<b>5,593.33</b>

Note 15: Borrowings (other than debt securities)

Particulars	March 31, 2024	March 31, 2023
<b>At amortised cost:</b>		
<b>Secured</b>		
<b>Term Loans</b>		
-from National Housing Bank (refer note 15.1)	19,892.66	12,279.39
-from Banks (refer note 15.2)	50,881.80	31,590.73
-from Non-Banking Financial Institutions (refer note 15.3)	4,507.90	2,065.22
-from Financial institutions (refer note 15.4)	408.00	1,219.32
<b>Term Loans in foreign currency (USD)</b>		
-from Financial institutions (ECB) (refer note 15.4)	6,624.74	1,476.76
<b>Others</b>		
-Cash credit facilities with scheduled banks (refer note 15.5)	1,067.42	1,462.90
-Securitized Borrowings from Banks and NBFC	1,970.60	3,283.06
<b>Total</b>	<b>85,353.12</b>	<b>53,377.38</b>
<b>Borrowings in India</b>	<b>78,320.38</b>	<b>50,681.30</b>
<b>Borrowings outside India</b>	<b>7,032.74</b>	<b>2,696.08</b>
<b>Total</b>	<b>85,353.12</b>	<b>53,377.38</b>

Note 15.1: Secured term loans from National Housing Bank carry rate of interest in the range of 2.80% to 8.40% p.a. The loans are having tenure of 5 to 10 years from the date of disbursement and are repayable in quarterly instalments. These loans are secured by hypothecation (exclusive charge) of the loans and advances given by the Company. Loans from National Housing Bank to the extent of Rs. 10,013.82 lakhs (Previous year Rs. 10,814.74 lakhs) have been guaranteed by Bank guarantee of Utkarsh Small Finance Bank limited (Rs.900.00 lakhs).

Note 15.2: Secured term loans from Banks carry rate of interest in the range of 8.88% to 12.50% p.a. The loans are having tenure of 3 to 8 years from the date of disbursement and are repayable in monthly or quarterly instalments or bullet payment. These loans are secured by hypothecation (exclusive charge) of the loans and advances given by the Company and vehicles of the Company.

Note 15.3: Secured term loans from Non-Banking Financial Institutions carry rate of interest in the range of 9.65% to 11.40% p.a. The loans are having tenure of 3 to 10 years from the date of disbursement and are repayable in monthly or quarterly instalments. These loans are secured by hypothecation (exclusive charge) of the loans and advances given by the Company.

Note 15.4: Secured term loans from Financial Institutions carry rate of interest in the range of 7.40% to 9.78% p.a. The loans are having tenure of 5 to 15 years from the date of disbursement and are repayable in quarterly or half yearly instalments or Bullet Payment. These loans are secured by hypothecation (exclusive charge) of the loans and advances given by the Company.

Note 15.5: Cash credit borrowings from bank are secured by hypothecation (exclusive charge) of the loans and advances given by the Company or against fixed deposits, are repayable on demand and carry interest rates ranging from 6.50% to 12.30%.

Defaults

There are no defaults as on balance sheet date in repayment of borrowing and interest thereon.

End Use

The Company has taken borrowings from banks, NBFC's, National Housing Bank and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 31 March 2024 and 31 March 2023 are held by the Company in the form of fixed deposits with banks and financial institutions till the time the utilisation is made subsequently.

Note 15: Borrowings (other than debt securities) (continued)

Terms of repayment of terms loans as at March 31, 2024

Repayments	Monthly repayment schedule		Quarterly/Half yearly/Bullet repayment schedule		Total	
	No of instalments	Amount	No of instalments	Amount	No of instalments	Amount
Due within one year	572	11,184.81	106	6,902.97	678	18,087.78
Due 1 to 3 years	987	20,144.85	216	14,198.33	1203	34,343.18
Due 3 to 5 years	485	9,731.35	176	9,441.90	661	19,173.29
Due above 5 years	97	1,196.23	154	10,008.73	251	11,204.96
<b>Total</b>	<b>2141</b>	<b>42,257.28</b>	<b>652</b>	<b>40,551.93</b>	<b>2793</b>	<b>82,809.21</b>

Terms of repayment of terms loans as at March 31, 2023

Repayments	Monthly repayment schedule		Quarterly/Half yearly/Bullet repayment schedule		Total	
	No of instalments	Amount	No of instalments	Amount	No of instalments	Amount
Due within one year	375	5,086.11	83	8,076.29	458	13,162.40
Due 1 to 3 years	536	8,077.68	152	10,679.17	688	18,756.85
Due 3 to 5 years	358	6,284.18	108	4,650.59	466	10,934.77
Due above 5 years	123	1,989.98	90	4,130.33	213	6,120.31
<b>Total</b>	<b>1392</b>	<b>21,437.95</b>	<b>433</b>	<b>27,536.38</b>	<b>1825</b>	<b>48,974.33</b>



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**Note 16: Other financial liabilities**

Particulars	March 31, 2024	March 31, 2023
Interest accrued but not due on		
-Redeemable non-convertible debentures	48.02	48.47
-Term Loans		
-from banks	82.16	93.53
-from Non-Banking Financial Institutions	21.27	5.70
-from Financial institutions (ECB)	113.53	65.98
Loan pending disbursement	229.86	23.44
Payable towards collections in derecognised assets	691.61	363.59
Payable/refundable to borrowers	127.88	88.08
Employee benefits payable	624.20	650.77
Advance from borrowers	351.97	293.32
Payable to Insurance companies	430.46	320.72
Others liabilities	12.69	1.00
<b>Total</b>	<b>2,733.65</b>	<b>1,974.60</b>

**Note 17: Provisions**

Particulars	March 31, 2024	March 31, 2023
Provision for employee benefits		
-leave encashment	54.91	50.77
-Gratuity	189.26	139.43
Provision for Other Expenses	299.59	180.15
ECL on undisbursed loan commitment	25.28	19.05
<b>Total</b>	<b>569.04</b>	<b>389.40</b>

**Note 17.1: Loan commitment**

The table below shows the credit quality and the maximum exposure for credit risk based on the Company's internal credit rating system and year-end stage classification for loan commitments.

**As at March 31, 2024**

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low Risk	6,638.47	17.11	20.46	6,676.04
Medium Risk	252.85	1.54	-	254.39
High Risk	28.69	0.13	-	28.82
<b>Total</b>	<b>6,920.01</b>	<b>18.78</b>	<b>20.46</b>	<b>6,959.25</b>

**As at March 31, 2023**

Risk Categorisation	Stage 1	Stage 2	Stage 3	Total
Low Risk	4,887.92	13.65	13.19	4,914.76
Medium Risk	300.24	1.53	-	301.77
High Risk	44.40	0.13	3.58	48.11
<b>Total</b>	<b>5,232.56</b>	<b>15.31</b>	<b>16.77</b>	<b>5,264.64</b>

Note 17.1.2: An analysis of changes in gross carrying amount and the corresponding ECLs in relation to other undrawn commitments is, as follows:

**Reconciliation of gross carrying amount**

**As at March 31, 2024**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at April 1, 2023	5,232.56	15.31	16.77	5,264.64
New assets originated or purchased	5,284.45	-	-	5,284.45
Assets derecognised or repaid (excluding write offs)	(3,575.54)	(0.09)	(14.21)	(3,589.84)
Transfers from Stage 1	(23.41)	7.18	16.23	-
Transfers from Stage 2	1.95	(3.62)	1.67	-
Transfers from Stage 3	-	-	-	-
<b>Gross carrying amount as at March 31, 2024</b>	<b>6,920.01</b>	<b>18.78</b>	<b>20.46</b>	<b>6,959.25</b>

**As at March 31, 2023**

Particulars	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at April 1, 2022	3,599.28	20.28	23.64	3,643.20
New assets originated or purchased	4,093.68	-	-	4,093.68
Assets derecognised or repaid (excluding write offs)	(2,459.36)	(2.70)	(10.18)	(2,472.24)
Transfers from Stage 1	(18.03)	7.16	10.87	-
Transfers from Stage 2	5.85	(9.43)	3.58	-
Transfers from Stage 3	11.14	-	(11.14)	-
<b>Gross carrying amount as at March 31, 2023</b>	<b>5,232.56</b>	<b>15.31</b>	<b>16.77</b>	<b>5,264.64</b>

**Reconciliation of ECL balance amount as at March 31, 2024**

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2023	12.82	0.35	5.88	19.05
ECL remeasurements due to changes in EAD/Credit Risk/Assumptions (Net)	10.86	0.41	(5.04)	6.23
Transfers from Stage 1	(5.67)	0.32	5.35	-
Transfers from Stage 2	0.01	(0.56)	0.55	-
Transfers from Stage 3	-	-	-	-
<b>ECL allowance as at March 31, 2024</b>	<b>18.02</b>	<b>0.52</b>	<b>6.74</b>	<b>25.28</b>

The bottom of the page features several handwritten signatures and blue circular stamps. On the left, there is a stamp for 'AGIVAL & ASSOCIATES' with a signature. In the center, there is a larger stamp for 'Ummeed Housing Finance Private Limited' with a signature. To the right, there are two more signatures, one of which appears to be 'J' and another 'Q'.

Ummeed Housing Finance Private Limited

Notes to the Financial Statements for the year ended March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

Reconciliation of ECL balance amount as at March 31, 2023

Particulars	Stage 1	Stage 2	Stage 3	Total
ECL allowance as at April 1, 2022	9.93	1.49	8.28	19.70
ECL restatements due to changes in EAD Credit Risk Assumptions (Net)	(5.13)	(0.29)	4.77	(0.65)
Transfers from Stage 1	(0.16)	0.05	0.11	-
Transfers from Stage 2	0.72	(0.90)	0.18	-
Transfers from Stage 3	7.46	-	(7.46)	-
<b>ECL allowance as at March 31, 2023</b>	<b>12.82</b>	<b>0.35</b>	<b>5.88</b>	<b>19.05</b>

Note 18: Other non-financial liabilities

Particulars	March 31, 2024	March 31, 2023
Statutory dues payable	277.51	188.06
<b>Total</b>	<b>277.51</b>	<b>188.06</b>

Note 19: Equity Share Capital

Particulars	March 31, 2024	March 31, 2023
<b>Authorized shares</b>		
1,73,00,000 (March 31, 2023: 1,63,00,000) equity shares of ₹ 10/- each	1,730.00	1,630.00
<b>Total authorized shares capital</b>	<b>1,730.00</b>	<b>1,630.00</b>
<b>Issued, subscribed and fully paid-up shares</b>		
16,776,071 (March 31, 2023: 16,041,882) equity shares of ₹ 10/- each	1,677.61	1,604.19
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>1,677.61</b>	<b>1,604.19</b>

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	1,60,41,882	1,604.19	1,60,41,882	1,604.19
Issued during the year	87,877	8.79	-	-
OCNCRPS converted during the year	6,46,312	64.63	-	-
<b>Outstanding at the end of the year</b>	<b>1,67,76,071</b>	<b>1,677.61</b>	<b>1,60,41,882</b>	<b>1,604.19</b>

(b) Terms/ rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹ 10 per share (previous year ₹ 10 per share). Each holder of equity share is entitled to one vote per share in proportion of the share of the paid-up capital of the Company held by the shareholder. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after discharging all liabilities of the Company, in proportion to their shareholdings.

(c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	March 31, 2024		March 31, 2023	
	Number of shares	% of share holding	Number of shares	% of share holding
<b>Equity shares of ₹10 each fully paid</b>				
Ashutosh Sharma	89,92,172	53.60%	89,92,172	56.05%
Thyme Private Limited, Mauritius	31,40,927	18.72%	31,40,927	19.58%
Northwest Capital, LLC, USA	10,51,980	6.27%	10,51,947	6.56%
NHPEA Kabru Holding B.V., Netherlands	21,08,005	12.57%	21,08,005	13.14%

(d) Shareholding of Promoter in the Company (Equity)

Promoter Name	March 31, 2024		March 31, 2023	
	Number of shares	% of share holding	Number of shares	% of share holding
Ashutosh Sharma	89,92,172	53.60%	89,92,172	56.05%

Note 20: Instruments entirely equity in nature

Particulars	March 31, 2024	March 31, 2023
<b>Authorized shares</b>		
4,31,00,000 (March 31, 2023: 3,45,63,000) 0.001% Compulsorily Convertible Preference shares (CCPS) of ₹ 20/- each	8,620.00	6,912.60
37,02,000 (March 31, 2023: 25,02,000) Optionally Convertible Non Cumulative Redeemable Preference shares (OCNCRPS) of ₹ 10/- each	370.20	250.20
<b>Total authorized shares capital</b>	<b>8,990.20</b>	<b>7,162.80</b>
<b>Issued and subscribed shares</b>		
<b>CCPS:</b>		
<b>Cumulative:</b>		
26,36,204 0.001% Participative CCPS of ₹ 20/- each-Series A	527.24	527.24
74,19,322 0.001% Participative CCPS of ₹ 20/- each-Series B	1,483.86	1,483.86
<b>Non-Cumulative:</b>		
76,85,840 0.001% Participative CCPS of ₹ 20/- each-Series C	1,537.17	1,537.17
92,70,567 0.001% Participative CCPS of ₹ 20/- each-Series D	1,854.11	1,854.11
74,49,772 0.001% Participative CCPS of ₹ 20/- each-Series E	1,489.95	1,489.95
83,40,748 0.001% Participative CCPS of ₹ 20/- each-Series F	1,668.15	-
<b>OCNCRPS:</b>		
33,44,470 (March 31, 2023: 24,89,068) OCNCRPS of ₹ 10/- each	334.45	248.91
<b>Total issued and subscribed share capital</b>	<b>8,894.93</b>	<b>7,141.25</b>



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Ummeed Housing Finance Private Limited

Notes to the Financial Statements for the year ended March 31, 2024

(Amount in Rs. Lakhs unless stated otherwise)

Paid Up shares

**CCPS:**

**Cumulative:**

26,36,204 0.001%	Participative CCPS of ₹ 20/- each-Series A	527.24	527.24
74,19,322 0.001%	Participative CCPS of ₹ 20/- each-Series B	1,483.86	1,483.86

**Non-Cumulative:**

76,85,840 0.001%	Participative CCPS of ₹ 20/- each-Series C	1,537.17	1,537.17
92,70,567 0.001%	Participative CCPS of ₹ 20/- each-Series D	1,854.11	1,854.11
74,49,772 0.001%	Participative CCPS of ₹ 20/- each-Series E	1,489.95	1,489.95
27,80,250 0.001%	Participative CCPS of ₹ 20/- each-Series F	556.05	-

**OCNCRPS:**

18,42,756 (March 31, 2023: 24,89,068) OCNCRPS of ₹ 10/- each (partly paid up ₹ 1)	18.43	24.90
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<b>Total paid-up share capital</b>	<b>7,466.81</b>	<b>6,917.23</b>
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**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year**

**Compulsorily Convertible Preference shares (CCPS)**

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
<b>Series A</b>				
At the beginning of the year	26,36,204	527.24	26,36,204	527.24
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>26,36,204</b>	<b>527.24</b>	<b>26,36,204</b>	<b>527.24</b>
<b>Series B</b>				
At the beginning of the year	74,19,322	1,483.86	74,19,322	1,483.86
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>74,19,322</b>	<b>1,483.86</b>	<b>74,19,322</b>	<b>1,483.86</b>
<b>Series C</b>				
At the beginning of the year	76,85,840	1,537.17	76,85,840	1,537.17
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>76,85,840</b>	<b>1,537.17</b>	<b>76,85,840</b>	<b>1,537.17</b>
<b>Series D</b>				
At the beginning of the year	92,70,567	1,854.11	92,70,567	1,854.11
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>92,70,567</b>	<b>1,854.11</b>	<b>92,70,567</b>	<b>1,854.11</b>
<b>Series E</b>				
At the beginning of the year	74,49,772	1,489.95	74,49,772	1,489.95
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>74,49,772</b>	<b>1,489.95</b>	<b>74,49,772</b>	<b>1,489.95</b>
<b>Series F</b>				
At the beginning of the year	-	-	-	-
Allotted during the year	27,80,250	556.05	-	-
<b>Outstanding at the end of the year</b>	<b>27,80,250</b>	<b>556.05</b>	<b>-</b>	<b>-</b>

**Optionally Convertible Non-cumulative Redeemable Preference shares (OCNCRPS)**

Particulars	March 31, 2024		March 31, 2023	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the year	24,89,068	24.90	24,89,068	24.90
Issued during the year	-	-	-	-
Converted into Equity shares during the year	(6,46,312)	(6.47)	-	-
<b>Outstanding at the end of the year</b>	<b>18,42,756</b>	<b>18.43</b>	<b>24,89,068</b>	<b>24.90</b>

**(b) Terms / Rights attached to Compulsorily Convertible Preference shares (CCPS)**

The Company has issued its Compulsorily Convertible Preference shares (CCPS) in series A, B, C, D, E and F having the par value of ₹ 20. The holders of the CCPS shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders (including the holders of Equity Shares). The shares are convertible in the ratio of 1 equity share for 1 CCPS. The shares carry a dividend right of 0.001% per annum of subscription amount.

For Series A, the preferential dividend is cumulative and shall accrue from year to year whether or not paid, and accrued dividends shall be paid in full (together with dividends accrued from prior years, provided that such dividends are due only when declared) prior and in preference to any dividend or distribution payable upon shares of any other class or series in the same Financial Year. Notwithstanding the above, the Preferential Dividend shall be due only when declared by the Board. Series A CCPS may be converted into Equity Shares at any time at the option of the holder of that Series A CCPS. However, the same shall be automatically be converted into Equity Shares, at the Series A conversion price (as defined) then in effect, upon the earlier of: (i) 1 (one) day prior to the expiry of 20 (twenty) years from the issuance of Series A CCPS, or (ii) in connection with an initial public offering approved by the Qualified Investor Majority in accordance with the terms of the Agreement, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Law.

For Series B, the preferential dividend is cumulative and shall accrue from year to year whether or not paid, and accrued dividends shall be paid in full (together with dividends accrued from prior years, provided that such dividends are due only when declared) prior and in preference to any dividend or distribution payable upon shares of any other class or series in the same Financial Year. Notwithstanding the above, the Preferential Dividend shall be due only when declared by the Board. Series B CCPS may be converted into Equity Shares at any time at the option of the holder of that Series B CCPS. However, the same shall be automatically be converted into Equity Shares, at the Series B Conversion Price (as defined) then in effect, upon the earlier of: (i) 1 (one) day prior to the expiry of 20 (twenty) years from the Series B Closing Date, or (ii) in connection with an initial public offering approved by the Qualified Investor Majority in accordance with the terms of the Agreement, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Law.

For Series C, the preferential dividend is non-cumulative and shall be payable, as and when declared, from year to year prior to and in preference to any dividend or distribution payable upon shares of any other class or series in the same Financial Year. Each Series C CCPS may be converted into Equity Shares at any time at the option of the holder of that Series C CCPS. However, the same shall be automatically be converted into Equity Shares, at the Series C conversion price (as defined) then in effect, upon the earlier of: (i) 1 (one) day prior to the expiry of 20 (twenty) years from the Series C Closing Date, or (ii) in connection with an initial public offering approved by the Qualified Investor Majority in accordance with the terms of the Agreement, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Law.



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Ummeed Housing Finance Private Limited

Notes to the Financial Statements for the year ended March 31, 2024  
(Amount in Rs. Lakhs unless stated otherwise)

For Series D, the preferential dividend is non-cumulative and shall be payable, as and when declared, from year to year prior to and in preference to any dividend or distribution payable upon shares of any other class or series in the same Financial Year. Each Series D CCPS may be converted into Equity Shares at any time at the option of the holder of that Series D CCPS. However, the same shall be automatically converted into Equity Shares at any time at the option of the holder of that Series D CCPS. However, the same shall be automatically converted into Equity Shares, at the Series D conversion price (as defined) then in effect, upon the earlier of (i) 1 (one) day prior to the expiry of 20 (twenty) years from the Closing Date, or (ii) in connection with a IPO, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Law, or (iii) upon occurrence of a Liquidation Event, if required.

For Series E, the preferential dividend is non-cumulative and shall be payable, as and when declared, from year to year prior to and in preference to any dividend or distribution payable upon shares of any other class or series in the same Financial Year. Each Series E CCPS may be converted into Equity Shares at any time at the option of the holder of that Series E CCPS. However, the same shall be automatically converted into Equity Shares, at the Series E conversion price (as defined) then in effect, upon the earlier of (i) 1 (one) day prior to the expiry of 20 (twenty) years from the Closing Date, or (ii) in connection with an initial public offering approved by the Qualified Investor Majority in accordance with the terms of the Agreement, prior to the filing of a prospectus (or equivalent document, by whatever name called) by the Company with the competent authority or such later date as may be permitted under Law.

For Series F, the preferential dividend is non-cumulative and shall be payable, as and when declared, from year to year prior to and in preference to any dividend or distribution payable upon shares of any other class or series in the same Financial Year. Notwithstanding the above, the Preferential Dividend shall be due only when declared by the Board. In addition, each Series F CCPS shall be participating preference shares and shall be entitled to participate pari-passu in any cash or non-cash dividends paid to the holders of shares of all other classes, on As If Converted Basis. The Preferential Dividend would be appropriately adjusted for any bonus shares, share split, reclassification, recapitalisation, consolidation or similar event affecting Series F CCPS.

In the event of a Liquidation Event, out of the proceeds of the Liquidation Event ("Liquidation Proceeds"), each holder of Series A CCPS, Series B CCPS, Series C CCPS, Series D CCPS, Series E CCPS and Series F CCPS and holders of equity shares shall be entitled to receive, on a pari passu basis, an amount which is the pro-rata entitlement of the Liquidation Proceeds based on their respective shareholding in the Company on a Fully Diluted Basis.

**(c) Terms / Rights attached to Optionally Convertible Non Cumulative Redeemable Preference Shares**

The Company has a class of Optionally Convertible Non Cumulative Redeemable preference shares (OCNCRPS) having par value of ₹ 10 per share.

OCNCRPS shall be converted into Equity Shares subject to adjustment on account of any share splits, share consolidations, recapitalizations, or like events. The OCNCRPS which are fully paid and subject to conditions specified under the said Agreement, shall carry 1 (one) vote per share on and as if paid-up and converted basis. Further, each OCNCRPS shall be entitled to dividend at the rate of 0.001% per annum until they are converted into Equity Shares.

In any Liquidation Event, the OCNCRPS shall not be treated in preference or priority to the Equity Securities of the Investors, whether pending conversion or after conversion.

**(d) Details of preference shares(CCPS) held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of shareholder	March 31, 2024		March 31, 2023	
	No of CCPS	% of holding	No of CCPS	% of holding
<b>Preference shares(CCPS) of ₹ 20 each fully paid</b>				
<b>Series A-Compulsorily convertible preference shares</b>				
Thyme Private Limited	13,18,830	50.03%	13,18,830	50.03%
Lightrock Global Fund	7,24,063	27.47%	13,17,374	49.97%
Mirae Asset Late Stage Opportunities Fund	5,93,311	22.51%	-	-
<b>Series B-Compulsorily convertible preference shares</b>				
Thyme Private Limited	25,99,187	35.03%	25,99,187	35.03%
CX Alternative Investment Fund	6,27,239	8.45%	6,27,239	8.45%
Alma Ram Properties Private Limited	3,86,279	5.21%	3,86,279	5.21%
Norwest Capital, LLC	36,78,901	49.59%	34,20,338	46.10%
<b>Series C-Compulsorily convertible preference shares</b>				
Lightrock Global Fund	-	-	70,94,614	92.31%
Mirae Asset Late Stage Opportunities Fund	4,63,147	6.03%	-	-
A91 Emerging Fund II LLP	45,75,724	59.53%	-	-
Norwest Capital, LLC	26,46,869	34.44%	5,91,126	7.69%
<b>Series D-Compulsorily convertible preference shares</b>				
NHPEA Kabru Holding B.V.	86,37,070	93.17%	86,37,070	93.17%
Lightrock Global Fund	6,33,497	6.83%	6,33,497	6.83%
<b>Series E-Compulsorily convertible preference shares</b>				
NHPEA Kabru Holding B.V.	16,83,963	22.60%	16,83,963	22.60%
Norwest Capital, LLC	57,65,809	77.40%	57,65,809	77.40%
<b>Series F-Compulsorily convertible preference shares</b>				
Mirae Asset Late Stage Opportunities Fund	3,70,700	13.33%	-	-
A91 Emerging Fund II LLP	16,63,516	59.83%	-	-
Norwest Capital, LLC	7,46,034	26.83%	-	-

**(e) Shareholding of Promoter in the Company (CCPS)**

Promoter Name	March 31, 2024		March 31, 2023	
	Number of shares	% of share holding	Number of shares	% of share holding
Ashutosh Sharma	72,014	0.19%	3,86,279	5.21%

**(f) Details of preference shares(OCNCRPS) held by shareholders holding more than 5% of the aggregate shares in the Company**

Name of the shareholder	March 31, 2024		March 31, 2023	
	Number of shares	% of share holding	Number of shares	% of share holding
<b>Preference shares(OCNCRPS) of ₹ 10 each fully paid</b>				
Ashutosh Sharma	16,24,475	88.15%	21,44,285	86.15%
Sachin Grover	1,78,965	9.71%	2,90,175	11.66%

**(g) Shareholding of Promoter in the Company (OCNCRPS)**

Promoter Name	March 31, 2024		March 31, 2023	
	Number of shares	% of share holding	Number of shares	% of share holding
Ashutosh Sharma	16,24,475	88.15%	21,44,285	86.15%



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Ummeed Housing Finance Private Limited

Notes to the Financial Statements for the year ended March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

Note 21: Other equity

Particulars	March 31, 2024	March 31, 2023
<b>Share premium</b>		
Opening Balance		33,011.04
Add: Premium on issue of share capital	33,011.04	-
Less: Share issue expenses	9,769.68	-
Total (A)	(87.05)	-
<b>Statutory reserve under Section 29C of NHB Act, 1987</b>		
Opening Balance	1,465.45	773.49
Add: Transfer in statutory reserve	1,054.68	491.98
Total (B)	2,520.13	1,465.45
<b>Share based payment reserve</b>		
Opening Balance	637.98	458.16
Add: Charge for the year	274.28	179.82
Total (C)	912.26	637.98
<b>Retained earnings (accumulated losses)</b>		
Opening Balance	5,238.19	2,474.12
Add: Profit for the year	5,273.39	3,459.79
Add: Other Comprehensive income for the year	(2.54)	(3.76)
Less: Transfer to statutory reserve	(1,054.68)	(691.96)
Total (D)	9,454.36	5,238.19
<b>Other comprehensive income</b>		
Opening Balance	(53.69)	(20.87)
Add: Other Comprehensive income for the year	(78.98)	(32.82)
Total (E)	(132.67)	(53.69)
<b>Grand Total (A+B+C+D+E)</b>	<b>55,447.75</b>	<b>40,298.97</b>

**Share premium account** - Share premium account is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, share issue related expenses like underwriting costs etc. in accordance with Section 52 of the Companies Act 2013.

**Statutory reserve under Section 29C of NHB Act, 1987** - As per Section 29C of National Housing Bank Act (NHB), 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1)(viii) of the Income Tax Act, 1961 is considered to be an eligible transfer. Thus, during the year ended 31 March 2024 and 31 March 2023, the Company has transferred to Statutory Reserve, an amount arrived in accordance with Section 29C of the NHB Act, 1987.

**Share based payment reserve** - The share based payment reserve is used to recognise grant date fair value of options issued to employees under the Company's stock option schemes.

**Retained earnings (accumulated losses)** - Retained earnings represents the amount of accumulated earnings of the Company.

**Other comprehensive income** - Remeasurement of the net defined benefit liabilities comprise actuarial gain/loss.

Note 22: Interest Income

Particulars	March 31, 2024	March 31, 2023
<b>On financial assets measured at amortised cost</b>		
Interest on term loans	19,178.16	13,367.55
Interest Income on deposits with banks	581.17	492.54
Total	19,759.33	13,860.09

Note 23: Fee and commission Income

Particulars	March 31, 2024	March 31, 2023
Commitment fee	372.20	341.00
Other fee Income	757.21	388.96
Commission Income	589.05	101.21
Total	1,718.46	831.17
<b>Geographical markets</b>		
In India	1,718.46	831.17
Outside India	-	-
Total revenue from contracts with customers	1,718.46	831.17
<b>Timing of revenue recognition</b>		
Services transferred at a point in time	1,718.46	831.17
Services transferred over time	-	-
Total revenue from contracts with customers	1,718.46	831.17

Note 24: Net gain on derecognition of financial instruments at amortised cost

Particulars	March 31, 2024	March 31, 2023
Net gain on derecognition of financial instruments	2,326.21	1,014.79
Total	2,326.21	1,014.79



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Notes to the Financial Statements for the year ended March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

Note 25: Net gain on fair value changes

Particulars	March 31, 2024	March 31, 2023
<b>Total net gain on fair value changes on financial instruments measured at fair value through profit and loss</b>		
- On trading portfolio - investment in units of mutual funds	341.97	147.25
- On trading portfolio - investment in Bonds and Market Linked Debentures	-	10.28
	<b>341.97</b>	<b>157.53</b>
<b>Total net gain on fair value changes on financial instruments measured at fair value through profit and loss</b>		
Fair value changes:		
-Realised	337.50	131.35
-Unrealised	4.47	26.14
<b>Total</b>	<b>341.97</b>	<b>157.53</b>

Note 26: Other income

Particulars	March 31, 2024	March 31, 2023
Advertisement income	120.00	150.00
Other income	4.23	33.54
<b>Total</b>	<b>124.23</b>	<b>183.54</b>

Note 27: Finance Cost

Particulars	March 31, 2024	March 31, 2023
<b>On financial liabilities measured at Amortised Cost:</b>		
Interest on borrowings		
-Redeemable non-convertible debentures	513.11	617.36
-Term Loans		
-from National Housing Bank	1,119.81	577.06
-from banks	4,427.06	1,951.31
-from Non-Banking Financial Institutions	389.04	156.25
-from Financial institutions	300.61	350.25
-Cash credit facilities with scheduled banks	106.55	96.55
-Working Capital Demand Loan with scheduled banks	11.93	3.22
Interest expenses on lease liability	15.71	38.71
Unwinding of Interest expense on servicing liability	(2.68)	5.98
Interest on Securitised pool	279.49	366.38
Other borrowing Cost	21.08	60.29
<b>Total</b>	<b>7,181.71</b>	<b>4,223.36</b>

Note 28: Impairment on financial instruments

Particulars	March 31, 2024	March 31, 2023
<b>On financial assets measured at amortised cost:</b>		
Loan assets and EIS receivable	237.84	(54.00)
Loans written off and Loss on acquired asset	167.40	89.59
Loan commitment (refer note 17.1.2)	6.22	(0.64)
<b>Total</b>	<b>411.46</b>	<b>34.95</b>

Note 29: Employee benefits expenses

Particulars	March 31, 2024	March 31, 2023
Salaries and wages	6,436.48	4,718.47
Contribution to provident and other funds	275.84	177.06
Share based payments to employees	309.28	179.82
Staff welfare expenses	120.01	81.89
<b>Total</b>	<b>7,141.61</b>	<b>5,157.24</b>

Note 30: Other expenses

Particulars	March 31, 2024	March 31, 2023
Rent	217.69	72.48
Rates and taxes	28.96	21.23
Repairs and maintenance		
Computers	399.78	248.01
Others	198.41	152.00
Electricity & Water charges	48.73	25.06
Travelling and conveyance	393.22	279.25
Communication expenses	133.03	86.32
Printing and stationery	93.10	57.76
Manpower Cost	208.76	92.89
Advertising and sales promotion	182.36	130.23
Legal and professional fee	242.33	216.26
Customer Acquisition Cost	92.47	276.40
Directors' sitting fee	39.62	34.12
Auditor's remuneration (refer note A below)	7.23	7.70
Bank charges	31.70	37.44
Donations	55.98	29.79
Miscellaneous expenses	3.13	17.69
<b>Total</b>	<b>2,376.52</b>	<b>1,784.63</b>



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A: Payment to auditors

Particulars	March 31, 2024	March 31, 2023
<b>As auditor:</b>		
Audit fee	5.00	3.50
Limited Review	-	1.00
Tax audit fee	0.50	0.50
<b>In other capacity:</b>		
Other services		
Certification fee	1.03	2.70
<b>Total</b>	<b>6.53</b>	<b>7.70</b>

Note 31: Income tax

The components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

Profit or loss section	March 31, 2024	March 31, 2023
<b>Current income tax:</b>		
Current income tax charge	1,158.27	860.11
Adjustment in respect of current income tax of previous year	-	17.92
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	368.40	176.20
<b>Income tax expense reported in the statement of profit or loss</b>	<b>1,526.67</b>	<b>1,054.23</b>
<b>Other Comprehensive Income section</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	27.42	12.30
<b>Income tax expense reported in other comprehensive section</b>	<b>27.42</b>	<b>12.30</b>

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2024 and March 31, 2023

Particulars	March 31, 2024	March 31, 2023
Accounting profit before tax from continuing operations	6,800.06	4,514.02
Tax at Statutory Income Tax rate of @25.17% (Previous year 25.17%)	1,711.44	1,136.09
Non-deductible expenses	17.31	7.50
Allowances and deductions under Income Tax Act 1961	(180.19)	(96.50)
Others (including rate change)	(21.89)	(10.78)
<b>Tax at Effective Income Tax rate of @22.85% (Previous year 23.63%)</b>	<b>1,526.67</b>	<b>1,036.31</b>
Tax on other comprehensive Income	27.42	12.30
Tax for earlier years	-	17.92
<b>Total tax expense reported in statement of profit and loss</b>	<b>1,554.09</b>	<b>1,066.53</b>

Deferred Tax

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

Particulars	Deferred tax assets	Deferred tax liabilities	Net Deferred tax liabilities	Income Statement	OCI
	March 31, 2024	March 31, 2024	March 31, 2024	2023-24	2023-24
EIS receivables	-	(773.92)	(773.92)	(343.92)	-
EIR- borrowings	-	(174.80)	(174.80)	(48.76)	-
Property, plant and equipment	-	11.17	11.17	20.28	-
Provision for employee benefits	61.45	-	61.45	13.58	0.86
Expected credit loss (ECL)	179.44	-	179.44	36.27	-
Unamortised processing fees on loans	324.43	-	324.43	(21.88)	-
Foreign exchange loss on derivative instrument	19.36	-	19.36	1.30	26.56
Unrealised gain on mutual fund	(1.13)	-	(1.13)	5.45	-
Other Adjustments	60.85	(55.77)	5.08	(30.72)	-
<b>Gross deferred tax asset</b>	<b>644.40</b>	<b>(993.33)</b>	<b>(348.93)</b>	<b>(368.40)</b>	<b>27.42</b>
<b>Particulars</b>	<b>Deferred tax assets</b>	<b>Deferred tax liabilities</b>	<b>Net Deferred tax asset</b>	<b>Income Statement</b>	<b>OCI</b>
	March 31, 2023	March 31, 2023	March 31, 2023	2022-23	2022-23
EIS receivables	-	(430.01)	(430.01)	(162.58)	-
EIR- borrowings	-	(126.04)	(126.04)	(95.63)	-
Property, plant and equipment	-	(9.11)	(9.11)	(2.78)	-
Provision for employee benefits	47.87	-	47.87	14.08	1.26
Expected credit loss (ECL)	143.16	-	143.16	12.42	-
Unamortised processing fees on loans	346.31	-	346.31	110.81	-
Foreign exchange loss on derivative instrument	18.06	-	18.06	11.04	11.04
Unrealised gain on mutual fund	(6.58)	-	(6.58)	(42.92)	-
Other Adjustments	97.30	(88.91)	8.39	(20.63)	-
<b>Total</b>	<b>646.12</b>	<b>(654.07)</b>	<b>(7.95)</b>	<b>(176.20)</b>	<b>12.30</b>



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**Note 32 : Earning per share**

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

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

Particulars	March 31, 2024	March 31, 2023
Following reflects the net profit and weighted average equity shares data used in EPS computation:		
<b>Basic</b>		
Weighted average number of equity shares of computation of Basic EPS (in Nos.)	5,09,31,280	5,05,03,587
Net profit for calculation of basic EPS	5,273.39	3,459.79
<b>Basic earning per share (in Rs.)</b>	<b>10.35</b>	<b>6.85</b>
<b>Diluted</b>		
Weighted average number of equity shares of computation of Diluted EPS (in Nos.)	5,26,70,516	5,22,45,635
Net profit for calculation of diluted EPS	5,273.39	3,459.79
<b>Diluted earning per share (in Rs.)</b>	<b>10.01</b>	<b>6.62</b>
<b>Reconciliation of Weighted average number of shares outstanding</b>		
Weighted average number of equity shares of computation of Basic EPS	5,09,31,280	5,05,03,587
Add: Dilutive potential equity shares	17,39,236	17,42,048
Weighted average number of equity shares of computation of Diluted EPS	<b>5,26,70,516</b>	<b>5,22,45,635</b>
Nominal/Face value of equity share (in Rs.)	10	10

**Note 33: Retirement benefit plan**

**(A) Defined contribution plan**

Particulars	March 31, 2024	March 31, 2023
Employer's contribution to Employee's Provident Fund *	238.44	157.78

\* Provident fund is a defined contribution plan. The contribution towards provident fund has been deposited with Regional Provident fund Commissioner and is charged to Statement of Profit and Loss.

**(B) Defined benefit plan**

The Company has a defined benefit gratuity plan. Every employee who has completed four years and two forty days or more of service is eligible for gratuity on cessation of employment and it is computed at 15 days salary (last drawn salary) for each completed year of service subject to such limit as prescribed by The Payment of Gratuity Act, 1972 as amended from time to time.

The following tables summarize the components of net benefits expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans

**Table showing change in present value of projected benefit obligation**

Particulars	March 31, 2024	March 31, 2023
<b>Change in benefit obligations</b>		
Present value of benefit obligations at the beginning of the year	139.43	102.07
Interest cost	9.48	5.65
Current service cost	49.92	37.08
Actuarial gain on Obligations due to change in demographic assumptions	(24.56)	-
Actuarial loss on Obligations due to change in financial assumptions	9.38	(9.59)
Actuarial Losses on Obligations-Due to Experience	18.57	14.61
Regular benefit payments directly by the sponsor	(12.97)	(10.39)
<b>Liability at the end of the year</b>	<b>189.26</b>	<b>139.43</b>

**Amount recognized in the Balance Sheet**

Particulars	March 31, 2024	March 31, 2023
Present value of benefit obligation at the end of the year	189.26	139.43
<b>Net liability recognized in the Balance Sheet</b>	<b>189.26</b>	<b>139.43</b>

**Expenses recognized in the Statement of Profit and Loss**

Particulars	March 31, 2024	March 31, 2023
Current service cost	49.92	37.08
Net Interest cost	9.48	5.65
<b>Net liability recognized in the Balance Sheet</b>	<b>59.40</b>	<b>42.73</b>

**Expenses recognized in the Other comprehensive income (OCI)**

Particulars	March 31, 2024	March 31, 2023
Remeasurement loss of defined benefit plan	3.40	5.02
<b>Net loss for the year recognized in OCI</b>	<b>3.40</b>	<b>5.02</b>

The bottom of the page features two blue circular stamps. The left stamp is for 'AGIMAL & ASSOCIATES' with a handwritten signature over it. The right stamp is for 'Ummeed Housing Finance Private Limited' with a handwritten signature over it. To the right of these stamps are several other handwritten signatures and scribbles.

The actuarial assumptions used to determine benefit obligations as at March 31, 2024, March 31, 2023 are as follows.

Particulars	March 31, 2024	March 31, 2023
Discount Rate	6.94%	7.13%
Salary escalation rate	10.00%	8.50%
Employee Turnover rate	30.00%	20.00%

**Balance Sheet reconciliation for defined benefit obligations**

Particulars	March 31, 2024	March 31, 2023
<b>Opening net liability</b>	139.43	102.07
Expenses recognized in Statement of Profit and Loss	59.40	42.73
Expenses recognized in OCI	3.40	5.02
Benefits paid during the year	(12.97)	(10.39)
<b>Net liability recognized in the Balance Sheet</b>	<b>189.26</b>	<b>139.43</b>

**Cash Flow Projection**

**Maturity analysis of the benefit payments**

Particulars	March 31, 2024	March 31, 2023
<b>Projected benefits payable in future years from the date of reporting</b>		
1st following year	38.38	16.89
2 to 5 years	125.77	82.63
6 to 10 years	62.62	61.03
More than 10 years	21.48	52.01

**Sensitivity analysis**

Particulars	March 31, 2024	March 31, 2023
<b>Projected benefit obligation on current assumptions</b>		
Delta effect of +1% change in rate of discounting	(6.29)	(6.62)
Delta effect of -1% change in rate of discounting	6.73	7.27
Delta effect of +1% change in rate of salary increase	5.81	6.34
Delta effect of -1% change in rate of salary increase	(5.55)	(5.92)
Delta effect of +25% change in rate of employee turnover	(16.59)	(8.98)
Delta effect of -25% change in rate of employee turnover	22.46	10.89

**(C) Other Retirement benefits**

**Compensated Absence**

The company provides compensated absences benefits to the employees of the company which can be carried forward to future periods. Amount recognised in the Statement of Profit and Loss for compensated absences is as under-

Particulars	March 31, 2024	March 31, 2023
<b>Amount Recognised in Balance Sheet</b>		
-Leave Encashment	54.91	50.77

**Note 34: Segment information**

The Company's main business is financing by way of loans for purchase or construction of residential houses, commercial real estate and certain other purposes in India. All other activities of the Company revolve around the main business. Accordingly, there are no separate reportable segments as per IND-AS 108 dealing with Operating Segment.

**Note 35: Change in liabilities arising from financing activities**

Particulars	April 1, 2023	Cash flows (net)	Others*	March 31, 2024
Debt securities	5,536.01	(333.33)	7.68	5,210.36
Borrowings other than debt securities	53,377.38	32,130.55	(154.81)	85,353.12
<b>Total</b>	<b>58,913.39</b>	<b>31,797.22</b>	<b>(147.13)</b>	<b>90,563.48</b>
Particulars	April 1, 2022	Cash flows (net)	Others*	March 31, 2023
Debt securities	4,452.34	1,126.66	(42.99)	5,536.01
Borrowings other than debt securities	22,697.33	31,020.19	(340.14)	53,377.38
<b>Total</b>	<b>27,149.67</b>	<b>32,146.85</b>	<b>(383.13)</b>	<b>58,913.39</b>

\*Others column includes amortisation of transaction cost and hedge impact of borrowings



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Ummeed Housing Finance Private Limited  
**Notes to the Financial Statements for the year ended March 31, 2024**  
(Amount in Rs. Lakhs unless stated otherwise)

**Note 36: Contingent liabilities and commitments**

Particulars	March 31, 2024	March 31, 2023
Undisbursed amount of loans sanctioned (refer note 17.1)	6,959.25	5,264.64

**Note 37: Related party disclosures**

(A) Names of related parties identified in accordance with IND AS -24 "Related Party Disclosures" are given below

**1. Entities where control exists:**

None

**2. Shareholders having Significant influence**

Ashutosh Sharma  
NHPEA Kabru Holding B.V., Netherlands  
Thyme Private Limited, Mauritius  
A91 Emerging Fund II LLP  
Norwest Capital LLC USA

**3. Key management personnel**

Mr. Ashutosh Sharma	Managing Director
Mr. Sachin Gruver	Whole Time Director
Mr. Vishal Pandit	Additional (Independent) Director
Ms. Geeta Mathur	Independent Director
Mr. Gauram Mago	Non-Executive Nominee Director
Mr. Rajiv Yashwant Inamdar	Non-Executive Director
Mr. Nirav Vinod Mehta	Non-Executive Nominee Director
Mr. Vinayak Prabhakar Shenvi	Non-Executive Nominee Director
Mr. Bikash Kumar Mishra	Chief Financial Officer
Mr. Nitin Agrahari	Company Secretary and Chief Compliance Officer

**4. Enterprises under significant influence of the key management personnel.**

None

**5. Relatives of key managerial personnel (with whom there were transactions during the year/previous year)**

None

(B) The nature and volume of transactions carried out with the above related parties in the ordinary course of business are as follows .

**1. Transactions during the year**

Particulars	March 31, 2024	March 31, 2023
<b>A. Remuneration to KMP:</b>		
(a) Short term employee benefits	477.47	428.13
(b) Share-based Payment	44.64	16.68
<b>B. Sitting fee</b>		
(a) Mrs. Geeta Mathur	14.00	13.30
(b) Mr. Inderjit Wala	13.60	12.00
(c) Mr. Rajeev Yashwant Inamdar	5.75	6.00
(d) Mr. Vishal Pandit	3.00	-

Note: During the year ended 31st March 2024, KMP has exercised its option to convert 6,46,312 (No. of shares) OCNCRPS in equity shares of the company.

There are no outstanding balance with related parties as at 31st March 2024 and 31st March 2023

Note: Short term employee benefits with remunerations to key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

The company has not granted any loans or advances to promoters, directors, KMPs and the related parties during the year ended 31st March 2024 and 31st March 2023

**Note 38: Capital Management**

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

The Company manages its capital structure in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is total debt divided by net worth. The Company's policy is to keep the gearing ratio at reasonable level of 2-4 times in imminent year while the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 currently permits HFCs to borrow up to 12 times of their net owned funds ("NOF"). The Company includes with in debt, its all interest bearing loans and borrowings.

Particulars	March 31, 2024	March 31, 2023
Debts	90,563.48	58,913.39
Net worth	64,592.17	48,820.39
<b>Debt to Net worth (in times)</b>	<b>1.40</b>	<b>1.21</b>

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



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**Note 39. Maturity analysis of assets and liabilities**

The table below shows contractual maturity profile of carrying value of assets and liabilities

Assets	March 31, 2024			March 31, 2023		
	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
<b>Financials assets</b>						
Cash and cash equivalents	359.28	-	359.28	36.28	-	36.28
Bank Balance other than cash and cash equivalents	2,619.20	1,707.34	4,326.54	3,921.75	1,953.63	5,875.38
Derivative financial instruments	-	-	-	-	28.64	28.64
Loans	10,943.10	1,38,725.34	1,49,668.44	7,296.48	93,495.50	1,00,791.98
Investments	497.04	-	497.04	1,098.08	-	1,098.08
Other financials assets	1,384.62	1,837.24	3,221.86	614.31	1,215.56	1,829.87
<b>Non-financials assets</b>						
Current tax assets (net)	-	224.85	224.85	-	141.86	141.86
Property, plant and equipment	-	303.30	303.30	-	257.41	257.41
Intangible assets	-	142.79	142.79	-	107.71	107.71
Right to use assets	-	221.61	221.61	-	350.97	350.97
Intangible assets under Development	-	132.67	132.67	-	42.54	42.54
Other non-financial assets	497.70	36.54	534.24	275.84	30.58	306.42
Asset held for Sale	-	-	-	27.36	-	27.36
<b>Total assets</b>	<b>16,300.94</b>	<b>1,43,331.68</b>	<b>1,59,632.62</b>	<b>13,170.10</b>	<b>97,624.40</b>	<b>1,10,794.50</b>
<b>Financials liabilities</b>						
<b>Trade Payables</b>						
(I) Trade payables						
(i) total outstanding dues of micro enterprise and small enterprises	1.55	-	1.55	5.12	-	5.12
(ii) total outstanding dues of creditors other than micro enterprise and small enterprises	274.25	-	274.25	108.98	-	108.98
Debt securities	-	5,210.36	5,210.36	325.65	5,210.36	5,536.01
Borrowings (other than debt securities)	19,131.00	66,222.12	85,353.12	14,779.08	38,598.30	53,377.38
Lease liabilities	138.10	103.69	241.79	167.27	219.34	386.61
Other financials liabilities	2,729.11	-	2,729.11	1,974.60	-	1,974.60
<b>Non-financial liabilities</b>						
Deferred tax Liabilities (net)	-	348.93	348.93	-	7.95	7.95
Provisions	382.59	186.45	569.04	229.46	159.94	389.40
Other non-financial liabilities	277.51	-	277.51	188.06	-	188.06
<b>Total liabilities</b>	<b>22,934.11</b>	<b>72,071.55</b>	<b>95,005.66</b>	<b>17,778.22</b>	<b>44,195.89</b>	<b>61,974.11</b>
<b>Net</b>	<b>(6,633.17)</b>	<b>71,260.13</b>	<b>64,626.96</b>	<b>(4,608.12)</b>	<b>53,428.51</b>	<b>48,820.39</b>

**Note 40: Financial risk management**

**40.1 Introduction and risk profile**

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and market risk. It is also subject to various operating and business risks. The Company also has a system of internal controls to reduce the residual risk in each of these categories and effectiveness of these controls is assessed periodically.

**40.1.1 Risk management structure and policies**

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Risk Management Committee has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The Risk Management Committee is responsible for managing risk decisions and monitoring risk levels and reports to the Board.

The Risk Management Committee is responsible for implementing and maintaining risk related procedures to ensure an independent control process is maintained. The unit works closely with and reports to the Risk Management Committee, to ensure that procedures are compliant with the overall framework.

The Unit is also responsible for monitoring compliance with risk principles, policies and limits across the Company, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. The Company's Treasury is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

**40.2 Credit Risk**

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. Credit risk in the Company is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the business function and approvers in the credit risk function. Board approved credit policies and procedures mitigate the Company's prime risk which is the default risk. There is a robust Credit Risk Management set-up in the Company at various levels.

1. There are Credit teams to ensure implementation of various policies and processes through random customer visits and assessment, training of branch staff on application errors, liaison with other institutions to obtain necessary information/loan closure documents, as the case may be, and highlight early warning signals and industry developments enabling pro-active field risk management.
2. The credit sanction is done through a delegation matrix where credit sanctioning powers are defined for respective levels.
3. Portfolio analysis and reporting is used to identify and manage credit quality and concentration risks.
4. Credit risk monitoring for the Company is broadly done at two levels, account level and portfolio level. Account monitoring aims to identify weak accounts at an incipient stage to facilitate corrective action. Portfolio monitoring aim towards managing risk concentration in the portfolio as well as identifying stress in certain occupations, markets and states.

**Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk is Rs. 1,53,525.41 lakhs and Rs. 1,03,046.51 lakhs as of 31st March 2024 and 31st March 2023 respectively, being the total of the carrying amount of Loan assets and EIS receivable



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**40.2.1 Analysis of risk concentration**

The Company's concentrations of risk is managed based on Loan to value (LTV) segregation, employment type and geographical spread. The following tables stratify credit exposures from housing and other loans to customers by these metrics. LTV is calculated as the ratio of sanctioned amount of loans to the value of the collateral. The value of the collateral for housing and other loans is based on collateral value at origination.

**Loans to Customers**

**As at March 31, 2024**

LTV bucket	Stage 1	Stage 2	Stage 3	Total
<=40	44,819.26	635.36	193.58	45,648.20
40-60	57,583.37	697.70	395.28	58,676.35
60-70	23,250.90	343.76	90.37	23,685.03
70-80	19,137.64	151.51	67.00	19,356.35
>80	3,029.25	55.21	-	3,084.46
<b>Total</b>	<b>1,47,820.62</b>	<b>1,883.54</b>	<b>746.23</b>	<b>1,50,450.39</b>

Employment	Stage 1	Stage 2	Stage 3	Total
Salaried	39,177.52	356.79	106.05	39,640.36
Self Employed	1,08,643.10	1,526.75	640.18	1,10,810.03
<b>Total</b>	<b>1,47,820.62</b>	<b>1,883.54</b>	<b>746.23</b>	<b>1,50,450.39</b>

Geographical Concentration	Stage 1	Stage 2	Stage 3	Total
Rajasthan	79,017.47	1,107.89	510.91	80,636.27
Haryana	23,493.55	326.82	132.15	23,952.52
Delhi	11,252.25	149.77	49.26	11,451.28
Chandigarh	7,424.45	101.24	34.48	7,560.17
Uttar Pradesh	11,719.28	107.91	10.67	11,837.86
Uttarakhand	7,367.40	45.60	-	7,413.00
Punjab	3,844.11	44.31	8.76	3,897.18
Madhya Pradesh	3,702.11	-	-	3,702.11
<b>Total</b>	<b>1,47,820.62</b>	<b>1,883.54</b>	<b>746.23</b>	<b>1,50,450.39</b>

**As at March 31, 2023**

LTV bucket	Stage 1	Stage 2	Stage 3	Total
<=40	35,038.23	530.05	136.23	35,704.51
40-60	40,226.04	691.70	146.10	41,063.84
60-70	13,293.48	165.58	81.13	13,540.19
70-80	9,534.90	108.23	33.58	9,676.71
>80	1,248.81	82.58	21.32	1,352.71
<b>Total</b>	<b>99,341.46</b>	<b>1,578.14</b>	<b>418.36</b>	<b>1,01,337.96</b>

Employment	Stage 1	Stage 2	Stage 3	Total
Salaried	27,225.95	370.41	77.32	27,673.68
Self Employed	72,115.51	1,207.73	341.04	73,664.28
<b>Total</b>	<b>99,341.46</b>	<b>1,578.14</b>	<b>418.36</b>	<b>1,01,337.96</b>

Geographical Concentration	Stage 1	Stage 2	Stage 3	Total
Rajasthan	52,439.59	903.41	232.14	53,575.14
Haryana	20,861.83	250.62	53.38	21,165.83
Delhi	8,930.85	204.04	52.47	9,187.36
Chandigarh	7,269.13	70.99	25.74	7,365.86
Uttar Pradesh	3,962.48	149.08	48.15	4,159.71
Uttarakhand	3,510.06	-	6.48	3,516.54
Punjab	2,367.52	-	-	2,367.52
<b>Total</b>	<b>99,341.46</b>	<b>1,578.14</b>	<b>418.36</b>	<b>1,01,337.96</b>

**40.3 Liquidity risk**

Liquidity Risk refers to the risk that the company can not meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and to ensure that funds are available for use as per the requirement. The unavailability of adequate amount of funds at optimum cost and co-terminus tenure to repay the financial liabilities and further growth of business may result in Asset liability Management (ALM) mismatch caused by a difference in the maturity profile of Company assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. The Company manages liquidity risk by maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarizes the maturity profile of the undiscounted cash flows of the Company's financial assets and liabilities:

**As at March 31, 2024**

Particulars	Up to 1 year	1-3 years	3-5 years	5 years and above	Total
Lease liabilities	138.10	103.69	-	-	241.79
Borrowings (including debt securities)	25,898.45	43,498.75	27,970.80	13,382.77	1,10,750.77
Trade payables	275.79	-	-	-	275.79
Other financial liabilities	2,729.11	-	-	-	2,729.11
<b>Total</b>	<b>29,041.45</b>	<b>43,602.44</b>	<b>27,970.80</b>	<b>13,382.77</b>	<b>1,13,997.46</b>



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As at March 31, 2023

Particulars	Up to 1 year	1-3 years	3-5 years	5 years and above	Total
Lease liabilities	167.27	178.03	41.31	-	386.61
Borrowings (including debt securities)	19,058.60	24,344.31	19,046.49	6,851.73	69,311.13
Trade payables	114.10	-	-	-	114.10
Other financial liabilities	1,974.60	-	-	-	1,974.60
<b>Total</b>	<b>21,314.57</b>	<b>24,522.34</b>	<b>19,087.80</b>	<b>6,861.73</b>	<b>71,786.44</b>

40.4 Market risk

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

Interest rate risk

The company is subject to interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of the Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the company seeks to optimize borrowing profile between short-term and long-term loans. The company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervises an interest rate sensitivity report periodically for assessment of interest rate risks.

The company mitigates its interest rate risk by keeping a balanced portfolio of fixed and floating rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss

(a) Loans (at floating rate)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Basis point	Effect on profit before tax	Basis point	Effect on profit before tax
Increase in basis points	50	389.69	50	231.15
Decrease in basis points	-50	(389.69)	-50	(145.53)

(b) Borrowings (Other than debt securities) (at floating rate)

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Basis point	Effect on profit before tax	Basis point	Effect on profit before tax
Increase in basis points	50	(343.80)	50	(213.20)
Decrease in basis points	-50	343.80	-50	213.20

Price Risk

The Company is exposed to price risk from its investment in mutual funds measured at fair value through statement of profit and loss

Particulars	Year ended March 31, 2024		Year ended March 31, 2023	
	Basis point	Effect on profit before tax	Basis point	Effect on profit before tax
Increase in basis points	50	2.48	50	5.49
Decrease in basis points	-50	(2.48)	-50	(5.49)

Note 41: Corporate social responsibility

Particulars	March 31, 2024	March 31, 2023
(a) Gross amount required to be spent by the Company for respective financial year	55.95	29.77
(b) Total amount of expenditure incurred during the year	55.98	29.79
i) construction/acquisition of any asset	-	-
ii) on purposes other than (i) above	55.98	29.79
(c) Shortfall at the end of the year	-	-
(d) Total amount of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA

The Company undertakes the following activities in the nature of Corporate social responsibility (CSR):

1. Gender Equality and Women Empowerment	5.00	5.00
2. Promoting Education	30.17	15.52
3. Promoting Health Care	7.81	5.00
4. Promoting Sports	-	3.27
5. Welfare of Children and Women	13.00	1.00

Note: There have been no related party transactions during the year ended 31 March 2024 and 31 March 2023 in respect of CSR activities.

Note 42: Expenditure in foreign currency

Particulars	March 31, 2024	March 31, 2023
Interest payments*	-	-
Legal and professional charges	10.31	77.64
<b>Total</b>	<b>10.31</b>	<b>77.64</b>

\* Company has full currency swap with ECB transaction which provide both interest and exchange rate hedging of principal and coupon payments, hence there is no foreign currency outflow for the company.



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Note 43: Employee Stock Option Plan

(i) Details of the plan are given below.

The Company formulated the "Ummeed Employee Stock Option Scheme 2017" ("ESOP 2017") which was approved by the Shareholders on May 25, 2017 and the amendment made in Scheme in 2018 was approved by Shareholders in extra-ordinary general meeting held on May 22, 2018 and on January 11, 2024 to increase ESOP pool from 20,60,658 (Twenty Lakhs Sixty Thousand Six Hundred and Fifty Eight) Employee Stock Options to 25,60,658 (Twenty Five Lakhs Sixty Thousand Six Hundred and Fifty Eight) Employee Stock Options. Under the plan, the Company can issue up to 25,60,658 (Twenty Five Lakhs Sixty Thousand Six Hundred and Fifty Eight) Employee Stock Options to the Employees under ESOP 2017, exercisable into not more than 25,60,658 (Twenty Five Lakhs Sixty Thousand Six Hundred and Fifty Eight) fully paid-up equity Shares in the Company with each such Option conferring a right upon the Employee to apply for one Share of the Company, in accordance with the terms and conditions of such issue and subject to the provisions of ESOP 2017.

During the year ended March 31, 2024, the following stock option grants were in operation:

Particulars	ESOP 2017 I	ESOP 2017 II	ESOP 2017 III	ESOP 2017 IV	ESOP 2017 VI	ESOP 2017 VII	ESOP 2017 VIII
1. Date of grant	25-05-2017	25-05-2017	25-05-2018	25-05-2019	02-01-2020	25-05-2020	25-05-2021
2. Number of Options granted	7,76,675	3,09,492	42,329	33,000	25,000	64,500	1,50,574
3. Method of settlement	Shares	Shares	Shares	Shares	Shares	Shares	Shares
4. Vesting period	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years
5. Exercise price per option	10	28.50	28.50	28.50	28.50	28.50	28.50
6. Fair value of options	33.94-43.42	22.77-31.30	31.3	47.67 - 49.42	45.63 - 48.69	44.63 - 47.65	93.01-97.55
7. Stock price on the date of grant	40.64	40.64	50.26	69.53	69.53	69.53	116.34

Particulars	ESOP 2017 IX	ESOP 2017 X	ESOP 2017 XI	ESOP 2017 XII	ESOP 2017 XIII	ESOP 2017 XIV	ESOP 2017 XV
1. Date of grant	05-08-2021	16-09-2021	12-10-2021	01-12-2021	01-01-2022	17-01-2022	25-01-2022
2. Number of Options granted	10,000	3,000	20,000	3,000	17,500	2,500	15,000
3. Method of settlement	Shares	Shares	Shares	Shares	Shares	Shares	Shares
4. Vesting period	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years
5. Exercise price per option	28.50	28.50	28.50	28.50	28.50	28.50	28.50
6. Fair value of options	93.10-97.75	93.10-97.75	93.10-97.75	93.10-97.75	93.10-97.75	93.10-97.75	93.10-97.75
7. Stock price on the date of grant	116.34	176.6	176.6	176.6	176.6	176.6	176.6

Particulars	ESOP 2017 XVI	ESOP 2017 XVII	ESOP 2017 XVIII	ESOP 2017 XIX	ESOP 2017 XX	ESOP 2017 XXI	ESOP 2017 XXII
1. Date of grant	09-04-2022	25-05-2022	01-08-2022	15-09-2022	21-09-2022	01-12-2022	01-01-2023
2. Number of Options granted	25,000	1,03,000	3,000	5,000	30,000	5,000	7,000
3. Method of settlement	Shares	Shares	Shares	Shares	Shares	Shares	Shares
4. Vesting period	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years
5. Exercise price per option	28.50	28.50	28.50	28.50	28.50	28.50	28.50
6. Fair value of options	203.5-205.4	204.2-206.3	204.4 -206.1	204.5-206.1	204.5-206.2	204.5-206.2	204.6-206.3
7. Stock price on the date of grant	227.9	227.9	227.9	227.9	227.9	227.9	227.9

Particulars	ESOP 2017 XXIII	ESOP 2017 XXIV	ESOP 2017 XXV	ESOP 2017 XXV	ESOP 2017 XXV	ESOP 2017 XXV	ESOP 2017 XXV
1. Date of grant	21-01-2023	01-02-2023	27-03-2023	01-04-2023	03-04-2023	01-05-2023	01-06-2023
2. Number of Options granted	85,000	3,500	60,000	73,530	15,000	10,000	1,55,047
3. Method of settlement	Shares	Shares	Shares	Shares	Shares	Shares	Shares
4. Vesting period	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years
5. Exercise price per option	28.50	28.50	28.50	28.50	28.50	28.50	28.50
6. Fair value of options	204.6-206.2	204.6-206.3	204.7 -206.3	217.90-219.50	217.90-219.50	217.90-219.50	217.70-219.20
7. Stock price on the date of grant	227.9	227.9	227.9	241.11	241.11	241.11	241.11

Particulars	ESOP 2017 XXX	ESOP 2017 XXXI	ESOP 2017 XXXII	ESOP 2017 XXXIII	ESOP 2017 XXXIV	ESOP 2017 XXXV	ESOP 2017 XXXVI
1. Date of grant	03-08-2023	14-08-2023	14-08-2023	29-09-2023	01-10-2023	08-11-2023	19-12-2023
2. Number of Options granted	2,500	35,000	2,500	500	5,000	40,000	5,000
3. Method of settlement	Shares	Shares	Shares	Shares	Shares	Shares	Shares
4. Vesting period	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years
5. Exercise price per option	28.50	28.50	129.44	129.44	129.44	28.50	129.44
6. Fair value of options	217.90-219.40	217.90-219.40	137.50-145.20	137.60-145.40	137.70-145.50	217.90-219.40	137.40-145.20
7. Stock price on the date of grant	241.11	241.11	241.11	241.11	241.11	241.11	241.11

Particulars	ESOP 2017 XXXVII	ESOP 2017 XXXVIII	ESOP 2017 XXXIX	ESOP 2017 XXXX	ESOP 2017 XLI
1. Date of grant	01-01-2024	02-01-2024	01-02-2024	29-02-2024	01-03-2024
2. Number of Options granted	12,500	1,00,000	10,000	5,000	10,000
3. Method of settlement	Shares	Shares	Shares	Shares	Shares
4. Vesting period	1-5 Years	1-5 Years	1-5 Years	1-5 Years	1-5 Years
5. Exercise price per option	129.44	129.44	225.00	225.00	225.00
6. Fair value of options	137.40-145.10	137.40-152.30	77.90-90.70	77.80-90.60	77.70-90.60
7. Stock price on the date of grant	241.11	241.11	241.11	241.11	241.11

1. Exercise period: Upon happening of any liquidity event or any other period as decided by board or NRC.
2. Vesting conditions: 60% of the options granted shall be time based (i.e. continued employment with the company) and 40% of the options shall be performance based.

(ii) The expense recognised for employee services received during the year is shown in the following table:

Particulars	March 31, 2024	March 31, 2023
Expense arising from equity-settled share-based payment transactions	309.28	179.82
<b>Total</b>	<b>309.28</b>	<b>179.82</b>



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Ummeed Housing Finance Private Limited  
 Notes to the Financial Statements for the year ended March 31, 2024  
 (Amount in Rs. Lakhs unless stated otherwise)

(iii) Reconciliation of options  
 As at March 31, 2024

Particulars	ESOP 2017 I	ESOP 2017 II	ESOP 2017 III	ESOP 2017 IV	ESOP 2017 VI	ESOP 2017 VII	ESOP 2017 VIII
1. Options outstanding at April 1, 2023	7,69,714	2,53,322	26,914	26,892	23,477	40,492	1,31,074
2. Granted during the year	-	-	-	-	-	-	-
3. Forfeited during the year	-	1,13,691	2,661	415	12,132	3,992	40,141
4. Exercised during the year	4,171	51,813	2,947	8,618	11,345	671	7,477
5. Expired during the year	-	-	-	-	-	-	-
6. Outstanding at March 31, 2024	7,65,543	87,818	21,306	17,859	-	35,829	83,456
7. Exercisable at March 31, 2024	7,65,543	87,818	21,306	9,459	-	15,754	32,412

Particulars	ESOP 2017 IX	ESOP 2017 X	ESOP 2017 XI	ESOP 2017 XII	ESOP 2017 XIII	ESOP 2017 XIV	ESOP 2017 XV
1. Options outstanding at April 1, 2023	10,000	3,000	5,000	3,000	17,500	2,500	15,000
2. Granted during the year	-	-	-	-	-	-	-
3. Forfeited during the year	-	-	-	-	-	-	15,000
4. Exercised during the year	-	835	-	-	-	-	-
5. Expired during the year	-	-	-	-	-	-	-
6. Outstanding at March 31, 2024	10,000	2,165	5,000	3,000	17,500	2,500	-
7. Exercisable at March 31, 2024	4,000	365	2,000	1,200	7,000	1,000	-

Particulars	ESOP 2017 XVI	ESOP 2017 XVII	ESOP 2017 XVIII	ESOP 2017 XIX	ESOP 2017 XX	ESOP 2017 XXI	ESOP 2017 XXII
1. Options outstanding at April 1, 2023	25,000	85,500	3,000	5,000	30,000	5,000	7,000
2. Granted during the year	-	-	-	-	-	-	-
3. Forfeited during the year	25,000	10,300	3,000	-	-	-	2,000
4. Exercised during the year	-	-	-	-	-	-	-
5. Expired during the year	-	-	-	-	-	-	-
6. Outstanding at March 31, 2024	-	75,200	-	5,000	30,000	5,000	5,000
7. Exercisable at March 31, 2024	-	15,200	-	1,000	6,000	1,000	1,000

Particulars	ESOP 2017 XXIII	ESOP 2017 XXIV	ESOP 2017 XXV	ESOP 2017 XXVI	ESOP 2017 XXVII	ESOP 2017 XXVIII	ESOP 2017 XXIX
1. Options outstanding at April 1, 2023	85,000	3,500	60,000	-	-	-	-
2. Granted during the year	-	-	-	73,530	15,000	10,000	1,55,047
3. Forfeited during the year	68,000	-	48,000	18,000	-	-	6,500
4. Exercised during the year	-	-	-	-	-	-	-
5. Expired during the year	-	-	-	-	-	-	-
6. Outstanding at March 31, 2024	17,000	3,500	12,000	55,530	15,000	10,000	1,48,547
7. Exercisable at March 31, 2024	17,000	700	12,000	-	-	-	-

Particulars	ESOP 2017 XXX	ESOP 2017 XXXI	ESOP 2017 XXXII	ESOP 2017 XXXIII	ESOP 2017 XXXIV	ESOP 2017 XXXV	ESOP 2017 XXXVI
1. Options outstanding at April 1, 2023	-	-	-	-	-	-	-
2. Granted during the year	2,500	35,000	2,500	500	5,000	40,000	5,000
3. Forfeited during the year	-	-	-	-	-	-	-
4. Exercised during the year	-	-	-	-	-	-	-
5. Expired during the year	-	-	-	-	-	-	-
6. Outstanding at March 31, 2024	2,500	35,000	2,500	500	5,000	40,000	5,000
7. Exercisable at March 31, 2024	-	-	-	-	-	-	-

Particulars	ESOP 2017 XXXVII	ESOP 2017 XXXVIII	ESOP 2017 XXXIX	ESOP 2017 XXXX	ESOP 2017 XLJ
1. Options outstanding at April 1, 2023	-	-	-	-	-
2. Granted during the year	12,500	1,00,000	10,000	5,000	10,000
3. Forfeited during the year	-	-	-	-	-
4. Exercised during the year	-	-	-	-	-
5. Expired during the year	-	-	-	-	-
6. Outstanding at March 31, 2024	12,500	1,00,000	10,000	5,000	10,000
7. Exercisable at March 31, 2024	-	-	-	-	-

As at March 31, 2023

Particulars	ESOP 2017 I	ESOP 2017 II	ESOP 2017 III	ESOP 2017 IV	ESOP 2017 VI	ESOP 2017 VII	ESOP 2017 VIII
1. Options outstanding at April 1, 2022	7,69,714	2,53,322	27,664	28,267	23,477	50,992	1,48,574
2. Granted during the year	-	-	-	-	-	-	-
3. Forfeited during the year	-	-	750	1,375	-	10,500	17,500
4. Exercised during the year	-	-	-	-	-	-	-
5. Expired during the year	-	-	-	-	-	-	-
6. Outstanding at March 31, 2023	7,69,714	2,53,322	26,914	26,892	23,477	40,492	1,31,074
7. Exercisable at March 31, 2023	7,69,714	2,53,322	18,840	12,101	10,565	12,148	26,215

Particulars	ESOP 2017 IX	ESOP 2017 X	ESOP 2017 XI	ESOP 2017 XII	ESOP 2017 XIII	ESOP 2017 XIV	ESOP 2017 XV
1. Options outstanding at April 1, 2022	10,000	3,000	20,000	3,000	17,500	2,500	15,000
2. Granted during the year	-	-	-	-	-	-	-
3. Forfeited during the year	-	-	15,000	-	-	-	-
4. Exercised during the year	-	-	-	-	-	-	-
5. Expired during the year	-	-	-	-	-	-	-
6. Outstanding at March 31, 2023	10,000	3,000	5,000	3,000	17,500	2,500	15,000
7. Exercisable at March 31, 2023	2,000	600	1,000	600	3,500	500	3,000

Particulars	ESOP 2017 XVI	ESOP 2017 XVII	ESOP 2017 XVIII	ESOP 2017 XIX	ESOP 2017 XX	ESOP 2017 XXI	ESOP 2017 XXII
1. Options outstanding at April 1, 2022	-	-	-	-	-	-	-
2. Granted during the year	25,000	1,03,000	3,000	5,000	30,000	5,000	7,000
3. Forfeited during the year	-	17,500	-	-	-	-	-
4. Exercised during the year	-	-	-	-	-	-	-
5. Expired during the year	-	-	-	-	-	-	-
6. Outstanding at March 31, 2023	25,000	85,500	3,000	5,000	30,000	5,000	7,000
7. Exercisable at March 31, 2023	-	-	-	-	-	-	-



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Ummeed Housing Finance Private Limited

Notes to the Financial Statements for the year ended March 31, 2024  
(Amount in Rs. lakhs unless stated otherwise)

Particulars	ESOP 2017 XXIII	ESOP 2017 XXIV	ESOP 2017 XXV
1. Options outstanding at April 1, 2022	-	-	-
2. Granted during the year	85,000	3,500	60,000
3. Forfeited during the year	-	-	-
4. Exercised during the year	-	-	-
5. Expired during the year	-	-	-
6. Outstanding at March 31, 2023	85,000	3,500	60,000
7. Exercisable at March 31, 2023	-	-	-

1. Weighted average remaining contractual life for the share options outstanding as at March 31, 2024 was 3.96 (Previous year 4.01)
2. Weighted average fair value of options granted during the year was Rs. 190.19 (Previous year Rs. 204.81)
3. Exercise prices for options outstanding at the end of the year was Rs.10 to Rs.225 per option (Previous year Rs 10 to Rs.28.50 per option)

The following tables list the inputs to the Black-Scholes Model used for the options granted

Particulars	ESOP 2017 I	ESOP 2017 II	ESOP 2017 III	ESOP 2017 IV	ESOP 2017 VI	ESOP 2017 VII	ESOP 2017 VIII
Date of grant	25-05-2017	25-05-2017	25-05-2018	25-05-2019	02-01-2020	25-05-2020	25-05-2021
Fair Market value of options on Grant Date (Rs.)	33.94	22.77	31.30 - 43.42	47.67 - 49.20	45.63 - 48.69	44.63 - 47.65	93.01-97.55
Expected volatility (%)	28%	28%	28%	22%	22%	22%	22%
Risk free interest rate (%)	6.86%	7.89%	7.89%	6.82% to 6.95%	6.03% to 6.42%	4.57% to 5.37%	5% to 5.95%
Dividend yield (%)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Expected maturity from the date of vesting	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years

Particulars	ESOP 2017 IX	ESOP 2017 X	ESOP 2017 XI	ESOP 2017 XII	ESOP 2017 XIII	ESOP 2017 XIV	ESOP 2017 XV
Date of grant	05-09-2021	16-09-2021	12-10-2021	01-12-2021	01-01-2022	17-01-2022	25-01-2022
Fair Market value of options on Grant Date (Rs.)	93.10-97.75	151.7-153.4	151.8-153.5	151.8-153.5	151.9-153.6	152-153.8	152-153.8
Expected volatility (%)	22%	35%	35%	35%	35%	35%	35%
Risk free interest rate (%)	5.11% to 6.10%	4.54% to 5.15%	4.62% to 5.23%	4.64% to 5.23%	4.77% to 5.37%	4.88% to 5.52%	4.90% to 5.53%
Dividend yield (%)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Expected maturity from the date of vesting	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years

Particulars	ESOP 2017 XVII	ESOP 2017 XVII	ESOP 2017 XVIII	ESOP 2017 XIX	ESOP 2017 XX	ESOP 2017 XXI	ESOP 2017 XXII
Date of grant	09-04-2022	25-05-2022	01-08-2022	15-09-2022	21-09-2022	01-12-2022	01-01-2023
Fair Market value of options on Grant Date (Rs.)	203.5-205.4	204.2-206	204.4 - 206.1	204.5-206.1	204.5-206.2	204.5-206.2	204.6-206.3
Expected volatility (%)	30%	30%	30%	30%	30%	30%	30%
Risk free interest rate (%)	5.2% to 5.90%	6.21% to 6.62%	6.39% to 6.69%	6.53% to 6.71%	6.62% to 6.83%	6.58% to 6.78%	6.75% to 6.93%
Dividend yield (%)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Expected maturity from the date of vesting	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years

Particulars	ESOP 2017 XXIII	ESOP 2017 XXIV	ESOP 2017 XXV	ESOP 2017 XXVI	ESOP 2017 XXVII	ESOP 2017 XXVIII	ESOP 2017 XXIX
Date of grant	21-01-2023	01-02-2023	27-03-2023	01-04-2023	03-04-2023	01-05-2023	01-06-2023
Fair Market value of options on Grant Date (Rs.)	204.6-206.2	204.6-206.3	204.7 - 206.3	217.90-219.50	217.90-219.50	217.80-219.30	217.70-219.20
Expected volatility (%)	30%	30%	30%	30%	30%	30%	30%
Risk free interest rate (%)	6.69% to 6.86%	6.75% to 6.90%	6.89% to 6.91%	6.88% to 6.90%	6.88% to 6.90%	6.64% to 6.68%	6.54% to 6.56%
Dividend yield (%)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Expected maturity from the date of vesting	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years

Particulars	ESOP 2017 XXX	ESOP 2017 XXXI	ESOP 2017 XXXII	ESOP 2017 XXXIII	ESOP 2017 XXXIV	ESOP 2017 XXXV	ESOP 2017 XXXVI
Date of grant	03-08-2023	14-06-2023	14-08-2023	29-09-2023	01-10-2023	08-11-2023	19-12-2023
Fair Market value of options on Grant Date (Rs.)	217.90-220.90	217.90-219.40	137.50-145.20	137.60-145.40	137.70-145.50	217.90-219.40	137.40-145.20
Expected volatility (%)	30%	30%	30%	30%	30%	30%	30%
Risk free interest rate (%)	6.77% to 6.82%	6.79% to 6.81%	6.79% to 6.81%	6.79% to 6.81%	6.87% to 6.88%	6.77% to 6.79%	6.77% to 6.79%
Dividend yield (%)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Expected maturity from the date of vesting	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years

Particulars	ESOP 2017 XXXVII	ESOP 2017 XXXVIII	ESOP 2017 XXXIX	ESOP 2017 XXXX	ESOP 2017 XLI
Date of grant	01-01-2024	02-01-2024	01-02-2024	29-02-2024	01-03-2024
Fair Market value of options on Grant Date (Rs.)	137.40-145.10	137.40-152.30	77.90-90.70	77.80-90.60	77.70-90.60
Expected volatility (%)	30%	30%	30%	30%	30%
Risk free interest rate (%)	6.76% to 6.79%	6.76% to 6.81%	6.74% to 6.76%	6.73% to 6.74%	6.71% to 6.74%
Dividend yield (%)	NIL	NIL	NIL	NIL	NIL
Expected maturity from the date of vesting	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years	Upto 5 Years

Note 44: Fair value measurement

(a) Valuation Principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly/indirectly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

(b) Fair Value of financial instruments which are not measured at Fair Value

The carrying amounts and fair value of the companies financial instruments are reasonable approximations of fair values at financial statement level.

Valuation methodologies of financial instruments not measured at fair value

Loans

Most of the loans are repriced frequently, with interest rate of loans reflecting current market pricing. Hence carrying value of loans is deemed to be equivalent of fair value.

Borrowings

Most of the borrowings are at floating rate which approximates the fair value.

Debt securities are fixed rate borrowings and fair value of these fixed rate borrowings is determined by discounting expected future contractual cash flows using current market interest rates charged for similar new borrowings and carrying value approximates the fair value for fixed rate borrowing at financial statement level.



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Ummeed Housing Finance Private Limited

Notes to the Financial Statements for the year ended March 31, 2024  
(Amount in Rs. Lakhs unless stated otherwise)

**Short Term and Other Financial Assets and Liabilities**

The management assessed that cash and cash equivalents, investments, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**Note 45: Transfer of financial assets**

Transfers of financial assets that are not derecognised in their entirety

**Securitisation.**

The Company uses securitisations as a source of finance. Such transactions generally result in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Securitisation has resulted in the continued recognition of the securitised assets. The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Particulars	March 31, 2024	March 31, 2023
Carrying amount of securitized assets measured at amortised cost	3,419.02	4,430.97
Carrying amount of associated liabilities	2,038.10	3,379.59

The carrying amount of above assets and liabilities is a reasonable approximation of fair value.

**Assignment Deal:**

During the year ended March 31, 2024, the Company has sold some loans and advances measured at amortised cost as per assignment deals, as a source of finance. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet. The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Company business model remains to hold the assets for collecting contractual cash flows. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition.

Particulars	March 31, 2024	March 31, 2023
Carrying amount of derecognised financial assets	14,483.57	6,551.70
Gain from derecognition	2,326.21	1,014.79

**Note 46: Leases where the Company is a Lessee**

The Company's lease asset class primarily consist of leases for buildings and office premises. The Company is restricted from assigning and subleasing the leased assets. The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Set out below are the carrying amounts of right to use assets recognised and the movements during the year:

Building and office premises	March 31, 2024	March 31, 2023
Opening net carrying balance	350.97	418.37
Additions*	124.63	187.03
Deletions	62.16	39.85
Depreciation	191.81	214.58
<b>Closing net carrying balance</b>	<b>221.61</b>	<b>350.97</b>

\*This includes deferred portion of fair valuation of security deposits

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2024	March 31, 2023
Opening Balance	386.61	469.99
Additions	122.22	183.74
Deletions	78.89	47.18
Accretion of interest	32.42	46.04
Payments	220.56	265.98
<b>Closing Balance</b>	<b>241.80</b>	<b>386.61</b>

Particulars	March 31, 2024	March 31, 2023
<b>Depreciation expense</b>		
Depreciation on right of use assets	191.81	214.58
<b>Other expenses</b>		
Short-term lease rent expense	217.69	72.48

**Note 47: Disclosures required by RBI**

Additional information required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 vide reference no. RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, dated Feb 17, 2021 have been prepared in compliance with Indian Accounting Standards (Ind AS) is given in Note 52.

**Note 48: Details of Benami Property held**

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 31 March 2024 and 31 March 2023.

**Note 49: Borrowings from banks or financial institutions on the basis of security of current assets**

The Company does not borrow from banks and financial institutions on the basis of security of current assets during the year ended 31 March 2024 and 31 March 2023.

**Note 50: Willful Defaulter**

The Company is not a declared willful defaulter by any bank or financial Institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2024 and 31 March 2023.

**Note 51: Relationship with Struck off Companies**

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



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**Note 52: Analytical Ratios**

Particulars	March 31, 2024	March 31, 2023	% Variance	Reasons for Variance (if above 25%)
i) CRAR (%)	63.01%	74.09%	-11.08%	NA
ii) CRAR - Tier I Capital	63.01%	74.09%	-11.08%	NA
iii) CRAR - Tier II Capital	0.00%	0.00%	0.00%	NA
iv) Liquidity Coverage Ratio*	NA*	NA*	NA	NA

\* The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as at 31 March 2024 and 31 March 2023.

**Note 53: Registration of charges or satisfaction with Registrar of Companies (ROC)**

The Company does not have any pending registration of charges or satisfaction with Registrar of Companies (ROC) for the year ended 31 March 2024 and 31 March 2023.

**Note 54: Compliance with number of layers of companies-** Clause -87 of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the company

**Note 55: Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31 March 2024 and 31 March 2023.

**Note 56: Undisclosed income**

There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the year ended 31 March 2024 and 31 March 2023, in the tax assessments, search or survey or any other relevant provisions under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the year ended 31 March 2024 and 31 March 2023.

**Note 57: Utilisation of Borrowed funds and share premium**

As a part of the normal lending business, the company grants loans and advances on the basis of security / guarantee provided by the borrower/ co-borrower. These transactions are conducted after exercising proper due diligence.

Other than the transactions described above:

- 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).
- The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 58: Compliance with approved Scheme(s) of Arrangements**

The Company has not approved any Scheme(s) of Arrangements in terms of Section 230 to 237 of Companies Act, 2013 during the year ended 31 March 2024 and 31 March 2023.

**Note 59: Title deeds of Immovable Properties not held in name of the Company**

The Company does not own any immovable property as on 31 March 2024 and 31 March 2023. All the lease agreements are duly executed in favour of the Company for building and office premises where the Company is the lessee.

**Note 60:** The Company has used 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 software. Further, there are no instance of audit trail feature being tampered with.



Note 62 : Disclosures as required in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, Dated 17 February, 2021 as amended have been prepared in compliance with Indian Accounting Standards (Ind AS) and Disclosure as required by Notification No. RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-23 dated April 19, 2022 by the Reserve Bank of India and as applicable to the Company.

**1: Summary of Material Accounting Policies**

The accounting policies regarding key areas of operations are disclosed as Note 4 to the Financial Statements

**2: Capital to Risk Assets Ratio (CRAR):**

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
(i) CRAR (%)	63.01%	74.09%
(ii) CRAR - Tier I Capital	63.01%	74.09%
(iii) CRAR - Tier II Capital	0.00%	0.00%
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of perpetual Debt instruments	-	-

Total risk-weighted assets represent the weighted average of funded and non-funded items after applying the risk weights as assigned by the RBI.

Tier I capital means owned funds as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances, including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund.

Tier II capital includes preference share capital, revaluation reserves, general provisions and loss reserves, hybrid debt capital instruments and subordinate debts to the extent the aggregate does not exceed Tier I capital.

**3: Reserve Fund u/s 29C, of NHB Act 1987**

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
<b>Balance at the beginning of the year</b>		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	8.60	5.51
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	6.06	2.23
<b>c) Total</b>	<b>14.66</b>	<b>7.74</b>
<b>Addition / Appropriation / Withdrawal during the year</b>		
<b>Add:</b>		
a) Amount transferred u/s 29C of the NHB Act, 1987	4.96	3.09
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	5.59	3.83
<b>Less:</b>		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
<b>Balance at the end of the year</b>		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	13.56	8.60
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	11.65	6.06
<b>c) Total</b>	<b>25.21</b>	<b>14.66</b>

**4: Investments:**

Particular	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
<b>Value of Investments</b>		
(i) Gross Value of Investments		
(a) In India	4.97	10.98
(a) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
(iii) Net Value of Investments		
(a) In India	4.97	10.98
(a) Outside India	-	-
<b>Movement of provisions held towards depreciation on investments</b>		
(i) Opening Balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-bank of excess provisions during the year	-	-
(iv) Closing balance	-	-

**5: Derivatives:**

**(i). Forward Rate Agreement (FRA) / Interest Rate swap (IRS)**

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
(i) The notional principal of swap agreements	65.56	13.80
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	0.29
(iii) Collateral required by the HFC upon entering into swaps	-	-
(iv) Concentration of credit risk arising from the swaps	-	-
(v) The fair value of the swap book	65.26	14.09

Company entered into USD to INR full currency swap which provide both Interest and exchange rate hedging of principal and coupon payments on underlying exposure.

**Terms and Conditions of agreements are as follows:**

Transaction No	1	2
Trade Date	26th April 2022	20th February 2024
Termination Date	04th April 2025	15th February 2029
Notional Amount (USD)	USD 18,00,000	USD 62,40,000
Notional Amount (INR)	INR 13,79,52,000	INR 51,76,70,400
Bullet/Amortisation	Bullet	Amortised as per schedule
Interest Calculation Periods	6 Months	3 Months
Fixed Rate	9.78% on Outstanding INR Notional (Exclusive of withholding tax)	7.40% on Outstanding INR Notional (Exclusive of withholding tax)

**(ii). Exchange Traded Interest Rate (IR) Derivative**

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	-	-
(ii) Notional principal amount of exchange traded IR derivatives outstanding (instrument-wise)	-	-
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"(instrument-wise)	-	-
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"(instrument-wise)	-	-

**(iii) Disclosures on Risk Exposure in Derivatives**

**Qualitative Disclosure**

The Company's operations expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as cross currency contracts to hedge its exposure to movements in foreign exchange and interest rates. The use of these derivative contracts reduce the risk or cost to the Company and the Company does not use these for trading or speculation purposes



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Quantitative Disclosure		(Rs. in Crores)	
Particulars	Currency Derivatives	Interest Rates Derivatives	
(i) Derivatives (Notional Principal Amount)	65.56	-	
(ii) Marked to Market Positions	-	-	
(a) Assets (+)	-	-	
(b) Liability (-)	(0.30)	-	
(iii) Credit Exposure	-	-	
(iv) Unhedged Exposures	-	-	

6: (a) Securitisation:		(Rs. in Crores)	
Particulars	March 31, 2024	March 31, 2023	
Number of Special Purpose (SPV) sponsored for Securitisation transactions	2	2	
Total amount of Outstanding securitised assets as per books	34.19	44.31	
Total amount of exposures retained by Company to comply towards Minimum Retention Ratio (MRR) as on date of balance sheet	-	-	
<b>i) Off-balance sheet exposures towards Credit Enhancement</b>			
- First Loss	-	-	
- Others	-	-	
<b>ii) On-balance sheet exposures towards Credit Enhancement</b>			
- First Loss	7.36	7.36	
- Others	5.70	5.70	
Amount of exposures to securitisation transactions other than MRR	-	-	
<b>i) Off-balance sheet exposures towards Credit Enhancement</b>			
- Exposure to own securitisations	-	-	
- Exposure to third party securitisations	-	-	
<b>ii) On-balance sheet exposures towards Credit Enhancement</b>			
- Exposure to own securitisations	-	-	
- Exposure to third party securitisations	-	-	

6.(b) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction		(Rs. in Crores)	
Particulars	March 31, 2024	March 31, 2023	
(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	-	-	

6.(c) Details of assignment transactions undertaken by the Company		(Rs. in Crores)	
Particulars	March 31, 2024	March 31, 2023	
(i) No. of Accounts	2,804	1,163	
(ii) Aggregate value (net of provisions) of accounts assigned	144.84	65.52	
(iii) Aggregate Consideration	144.84	65.52	
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-	
(v) Aggregate gain/Loss over net book value	-	-	

6. (d) Details of non-performing financial assets purchased / sold		(Rs. in Crores)	
(1) Details of non-performing financial assets purchased		March 31, 2024	March 31, 2023
(i) No. of accounts purchased during the year		-	-
(ii) Aggregate outstanding		-	-
(i) Of these, number of accounts restructured during the year		-	-
(ii) Aggregate outstanding		-	-

(2) Details of non-performing financial assets sold		(Rs. in Crores)	
Particulars	March 31, 2024	March 31, 2023	
(i) No. of accounts sold	-	-	
(ii) Aggregate outstanding	-	-	
(iii) Aggregate consideration received	-	-	

7: Asset Liability Management (Maturity pattern of certain assets and liabilities as at March 31, 2024)

	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks/NHB	11.87	1.35	7.72	11.13	12.06	44.56	85.89	304.46	179.33	79.76	738.13
Market borrowings*	1.07	-	-	1.09	1.09	3.28	10.40	21.00	59.49	3.84	101.26
Foreign currency liabilities (ECB)	-	-	-	-	-	-	-	19.99	7.82	38.44	66.25
<b>Assets</b>											
Advances**	45.16	3.46	3.46	33.81	33.02	94.50	170.00	482.75	274.60	361.05	1,502.00
Investments	4.97	-	-	-	-	-	-	-	-	-	4.97
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

\*Market borrowings includes Non-convertible debentures and long-term borrowings from parties other than banks.

\*\*Advances includes housing and non-housing loans net off provisions for non-performing assets

Asset Liability Management (Maturity pattern of certain assets and liabilities as at March 31, 2023)

	1 day to 7 days	8 day to 14 days	15 day to 30/31 days	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	15.36	0.49	2.65	5.86	7.61	50.74	49.43	167.53	111.55	74.92	486.16
Market borrowings*	0.27	-	3.85	0.81	0.81	6.54	6.61	10.50	54.64	4.18	88.22
Foreign currency liabilities (ECB)	-	-	-	-	-	-	(0.01)	14.78	-	-	14.77
<b>Assets</b>											
Advances**	30.49	2.33	2.33	22.79	22.26	63.70	114.60	325.42	185.28	242.69	1,011.90
Investments	4.94	-	-	2.41	3.63	-	-	-	-	-	10.98
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

\*Market borrowings includes Non-convertible debentures and long-term borrowings from parties other than banks.

\*\*Advances includes housing and non-housing loans net off provisions for non-performing assets



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8. Exposure

(a) Exposure to Real Estate Sector:

Category	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
a) Direct Exposure		
(i) Resident Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limited	1,526.98	1,017.10
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or ware house space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limited	47.12	48.93
(iii) Investments in mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	-	-
b. Commercial Real Estate	-	-
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

8(b). Exposure to Capital Market:

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

8(c) Sectoral Exposure:

Sectors	(Rs. in Crores)					
	As at March 31, 2024			As at March 31, 2023		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentag of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentag of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i. Housing Loans (Including Priority Sector Housing)	1,046.18	3.66	0.35%	675.50	1.68	0.25%
ii. Non- Housing Loans	527.92	4.01	0.76%	390.52	2.67	0.68%
<b>Total of Personal Loans (i + ii)</b>	<b>1,574.10</b>	<b>7.67</b>	<b>0.49%</b>	<b>1,066.02</b>	<b>4.35</b>	<b>0.41%</b>

8(d). Details of financing of Parent Company products: These details are not applicable as the Company is not a subsidiary of any company.

8(e). Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by HFC: The Company has not exceeded Single Borrower Limit (SBL) / Group Borrower Limit (GBL) during the year ended 31st March 2024 and 31st March 2023. Similarly the company had not exceeded any of the prudential limits during the year ended 31st March 2024 and 31st March 2023.

8(f). Unsecured Advances: As on 31st March 2024 and 31st March 2023, the Company has not given any unsecured advances for which Intangibles securities has been taken.

8(g). Exposure to group companies engaged in real estate business:

Description	(Rs. in Crores)	
	Amount	% of Owned Fund
Exposure to any single entity in a group engaged in real estate business	-	-
Exposure to all entities in a group engaged in real estate business	-	-

9: Other financial sector Regulator registration details:

Regulator	Registration No.
Insurance Regulatory Authority of India (IRDAI)	CA1479

10: Disclosure of Penalties imposed by NHB and other regulators

During the year ended 31st March 2024 and 31st March 2023:

- (i) there are no penalties imposed on the Company by NHB or other Regulators.  
(ii) the Company has not received any adverse comments in writing by NHB or other Regulators on regulatory compliances, with a specific communication to disclose the same to the public.

11: Related party Transactions and Policy

Details of all material transactions with related parties are disclosed in Note 37 to the Financial Statements. Related party policy is available in directors report and also on company website.



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Ummeed Housing Finance Private Limited  
Notes to financial statements for the year ended March 31, 2024

**12: Group Structure: Diagrammatic representation of group structure**

The Company does not have any subsidiary/joint venture/associates as on 31st March 2024 and 31st March 2023 hence this disclosure requirement is not applicable to us

**13: Ratings assigned by Credit Rating Agencies**

Particulars	March 31, 2024	March 31, 2023
Non-convertible debentures (Secured)	CARE A- (A Minus)	CARE A- (A Minus)
Term loans from banks/NBFC (Secured)	CARE A- (A Minus)	CARE A- (A Minus)
Term loans from banks/NBFC (Secured)	ACUTE A- (A Minus)	ACUTE A- (A Minus)
Non-convertible debentures (Secured)	ACUTE A- (A Minus)	ACUTE A- (A Minus)

**14: Net Profit or Loss for the year, prior period items and changes in accounting policies**  
There are no prior period items that have impact on the current year's profit and loss.

**15: Revenue Recognition**

During the year, there have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties. Refer material accounting policy no 4.1.3

**16: Consolidated Financial Statement (CFS)**

The Company does not have any subsidiary/Joint venture/Associates as on 31st March 2024 and 31st March 2023, hence requirement of Consolidated Financial Statement is not applicable.

**17: Provisions and Contingencies**

**Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account**

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
(i) Provisions for depreciation on investment	-	-
(ii) Provisions for Income Tax	11.58	8.78
(iii) Provisions for Deferred tax	3.68	1.76
(iv) Provisions for NPA	1.01	(0.52)
(v) Provisions for standard assets	1.35	(0.02)
(vi) Other Provisions and Contingencies	-	-
- Employee benefits related provisions	5.90	6.42
- ECL on undrawn commitment	0.06	(0.01)

**Break up of Loan & Advances and Provisions thereon**

Particulars	Housing		Non-Housing	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Standard Assets</b>				
a) Total Outstanding Amount	977.14	626.30	519.90	382.90
b) Provisions made	2.66	1.85	2.68	2.13
<b>Sub-Standard Assets</b>				
a) Total Outstanding Amount	3.22	1.09	2.82	1.53
b) Provisions made	1.07	0.39	0.94	0.55
<b>Doubtful Assets – Category-I</b>				
a) Total Outstanding Amount	0.31	0.39	0.50	0.90
b) Provisions made	0.10	0.14	0.16	0.32
<b>Doubtful Assets – Category-II</b>				
a) Total Outstanding Amount	0.06	0.16	0.55	0.12
b) Provisions made	0.02	0.06	0.18	0.04
<b>Loss Assets</b>				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
<b>Total</b>				
a) Total Outstanding Amount	980.73	627.94	523.77	385.46
b) Provisions made	3.85	2.44	3.96	3.04

**18: Draw Down from Reserves:** During the financial year 2023-24 and 2022-23, there were no draw down from Reserves.

**19(a): Concentration of Public Deposits, Advances, Exposures and NPAs**

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
<b>Concentration of Public Deposits (for Public Deposit taking/holding HFCs) - The Company is Non deposit taking HFC.</b>		
Total Deposits of twenty largest Depositors	-	-
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	-	-
<b>Concentration of Loans &amp; Advances</b>		
Total Loans & Advances to twenty largest borrowers*	15.91	14.17
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	1.06%	1.39%
<b>Concentration of Exposures (including off- balance sheet exposure)</b>		
Total Exposure to twenty largest borrowers/customers*	16.52	16.21
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	1.05%	1.52%
<b>Concentration of NPAs</b>		
Total Exposure to ten NPA Accounts*	1.98	1.45

\*Gross of Impairment loss allowance

**19(b): Sector-wise NPA**

Sector	% of NPAs to total Advances in that sector	
	March 31, 2024	March 31, 2023
<b>A. Housing Loans :</b>		
1. Individuals	0.37%	0.26%
2. Builders/Project Loans	-	-
3. Corporates	-	-
4. Others (specify)	-	-
<b>B. Non-Housing Loans :</b>		
1. Individuals	0.74%	0.66%
2. Builders/Project Loans	-	-
3. Corporates	-	-
4. Others (specify)	-	-



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Umneed Housing Finance Private Limited  
Notes to financial statements for the year ended March 31, 2024

20: Movement of NPAs

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
(i) Net NPAs to Net Advances (%)	0.33%	0.27%
(ii) Movement of NPAs (Gross)		
a) Opening balance	4.18	5.64
b) Additions during the year	6.23	3.24
c) Reductions during the year	2.95	4.70
d) Closing balance	7.46	4.18
(iii) Movement of Net NPAs		
a) Opening balance	2.70	3.64
b) Additions during the year	4.36	2.55
c) Reductions during the year	2.09	3.49
d) Closing balance	4.97	2.70
(iii) Movement of provisions for NPAs (excluding provisions on standards assets)		
a) Opening balance	1.48	2.00
b) Provisions made during the year	1.87	0.69
c) Write-off/write back of excess provisions	0.86	1.21
d) Closing balance	2.49	1.48

21: Overseas Assets

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
Overseas Assets	-	-
Total	-	-

22: Off-balance Sheet SPVs sponsored - The Company does not have any off-balance sheet Special Purpose Vehicle (SPV) sponsored which required to be consolidated as per accounting norms as on 31st March 2024 and 31st March 2023.

23: Customer Complaints

a) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	March 31, 2024	March 31, 2023
1. Number of complaints pending at beginning of the year	9	5
2. Number of complaints received during the year	1,218	556
3. Number of complaints disposed during the year	(1,190)	(552)
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year	37	9

Maintainable complaints received by the NBFC from Office of Ombudsman

5. Number of maintainable complaints received by the NBFC from Office of Ombudsman*	NA	NA
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	NA	NA
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	NA	NA
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	NA	NA
6. Number of Awards unimplemented within the stipulated time (other than those appealed)*	NA	NA

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

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

b) Top five grounds of complaints received by the NBFCs from customers

March 31, 2024

Grounds of complaints (i.e. complaints relating to)	Number of complaint 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
a. Document related (Account statement, outstanding letter, tax certificate, etc)	-	12	-14.29%	1	-
b. Disbursement Related	6	1,067	132.97%	21	-
c. Legal Notice Related	3	33	200.00%	1	-
d. Refund Related	-	11	0.00%	2	-
e. PMAY Subsidy related	-	3	-25.00%	-	-
f. Others *	-	92	58.62%	12	-
<b>Total</b>	<b>9</b>	<b>1,218</b>	<b>119.06%</b>	<b>37</b>	<b>-</b>

\* Others shows remaining complaints which is not covered above.

March 31, 2023

Grounds of complaints (i.e. complaints relating to)	Number of complaint 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
a. Document related (Account statement, outstanding letter, tax certificate, etc)	-	14	133.33%	-	-
b. Disbursement Related	2	458	143.62%	6	-
c. Legal Notice Related	-	11	10.00%	3	-
d. Refund Related	1	11	10.00%	-	-
e. PMAY Subsidy related	1	4	-66.67%	-	-
f. Others *	1	58	31.82%	-	-
<b>Total</b>	<b>5</b>	<b>556</b>	<b>105.93%</b>	<b>9</b>	<b>-</b>

\* Others shows remaining complaints which is not covered above.

24: The Company has not given any Gold loan/loan against deposition of gold during the year ended 31 March 2024 and 31 March 2023.

25: During the year company has reported fraud in 10 loan accounts having total exposure of Rs. 143.21 lakhs outstanding as of March 31, 2024. (Nil in March 31, 2023)

26: Intra Group Exposure: These details are not applicable as the Company is single owned company.



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Ummeed Housing Finance Private Limited

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

27. **Unhedged foreign currency exposure:** There is no unhedged foreign currency transactions during the year ended 31 March 2024 and 31 March 2023. Refer note 7 for Company's policy to manage currency-induced risk.

28. Related Party Disclosure

								(Rs. in Crores)	
March 31, 2024									
Nature of transaction	Holding Company	Subsidiary	Associate / Joint Ventures	Directors	Key Managerial Personnel (KMP)	Relative of KMP	Others	Total	Maximum outstanding during the year
Borrowings	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	NA
Sale of fixed/other assets	-	-	-	-	-	-	-	-	NA
Interest Paid	-	-	-	-	-	-	-	-	NA
Interest Received	-	-	-	-	-	-	-	-	NA
Services Provided	-	-	-	-	-	-	-	-	NA
Services received	-	-	-	-	-	-	-	-	NA
Short term employee benefits	-	-	-	-	4.77	-	-	4.77	NA
Share based Payment	-	-	-	-	0.45	-	-	0.45	NA
Sitting fee	-	-	-	0.36	-	-	-	0.36	NA

								(Rs. in Crores)	
March 31, 2023									
Nature of transaction	Holding Company	Subsidiary	Associate / Joint Ventures	Directors	Key Managerial Personnel (KMP)	Relative of KMP	Others	Total	Maximum outstanding during the year
Borrowings	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	NA
Sale of fixed/other assets	-	-	-	-	-	-	-	-	NA
Interest Paid	-	-	-	-	-	-	-	-	NA
Interest Received	-	-	-	-	-	-	-	-	NA
Services Provided	-	-	-	-	-	-	-	-	NA
Services received	-	-	-	-	-	-	-	-	NA
Short term employee benefits	-	-	-	-	4.28	-	-	4.28	NA
Share based Payment	-	-	-	-	0.17	-	-	0.17	NA
Sitting fee	-	-	-	0.31	-	-	-	0.31	NA
Issue of Shares (OCNCRPS)	-	-	-	-	-	-	-	-	NA

29: There is no breach of covenant of loan availed or debt securities issued during the year ended 31 March 2024 and 31 March 2023.

30: There has been no divergence in asset classification and provisioning requirements as assessed by NHB during the year ended 31 March 2024 and 31 March 2023.

			(Rs. in Crores)	
31) Loans to Directors, Senior Officers and relatives of Directors				
Particulars	March 31, 2024	March 31, 2023		
Directors and their relatives	-	-		
Entities associated with directors and their relatives	-	-		
Senior Officers and their relatives	-	-		

32: Disclosure as required by Annex III of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021

			(Rs. in Crores)	
Particulars				
			As at March 31, 2024	
Liabilities			Amount outstanding	Amount overdue
<b>(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:</b>				
(a) Debentures - Secured			52.58	-
Unsecured			-	-
(other than falling within the meaning of public deposits)			-	-
(b) Deferred Credits			-	-
(c) Term Loans			825.32	-
(d) Inter-corporate loans and borrowings			-	-
(e) Commercial Paper			-	-
(f) Public Deposits			-	-
(g) Other loans			-	-
-Cash credit facilities with scheduled banks			10.67	-
-Working Capital Demand Loan with scheduled banks			-	-
-Securitized Borrowings from Banks and Financial Institutions			19.71	-
<b>(2) Breakup of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>				
(a) In the form of Unsecured debentures			-	-
(b) In the form of Unsecured debentures i.e. debentures where there is a shortfall in the value of security			-	-
(c) Other public deposits			-	-
<b>Asset</b>			<b>Amount outstanding</b>	
<b>(3) Breakup of Loans and Advances including bills receivables [other than those included in (4) below]:</b>				
(a) Secured			-	1,504.50
(b) Unsecured			-	-
<b>(4) Breakup of Leased Assets and stock on hire and other assets counting towards asset financing activities</b>				
(i) Leased assets including lease rentals under sundry debtors			-	-
(a) Financial lease			-	-
(b) Operating lease			-	-
(ii) Stock on hire including hire charges under sundry debtors			-	-
(a) Assets on hire			-	-
(b) Repossessed Assets			-	-
(iii) Other loans counting towards asset financing activities			-	-
(a) Loans where assets have been repossessed			-	-
(b) Loans other than (a) above			-	-



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(5) Break-up of Investments

Current Investments		
(1) Quoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual Bonds		-
(iv) Government Securities		-
(v) Others		-
(2) Unquoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual Bonds		4.97
(iv) Government Securities		-
(v) Others		-
<b>Long Term Investments</b>		
(1) Quoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual Bonds		-
(iv) Government Securities		-
(v) Others		-
(2) Unquoted		
(i) Shares		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual Bonds		-
(iv) Government Securities		-
(v) Others		-

(6) Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	1,496.68	-	1,496.68
<b>Total</b>	<b>1,496.68</b>	<b>-</b>	<b>1,496.68</b>

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

Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties		
(a) Subsidiaries	-	-
(b) Companies in same group	-	-
(c) Other related parties	-	-
2. Other than related parties	4.97	4.97
<b>Total</b>	<b>4.97</b>	<b>4.97</b>

(8) Other information

Particulars	Amount
(i) Gross Non-performing Assets	
(a) Related parties	-
(b) Other than related parties	7.46
(ii) Net Non-performing Assets	
(a) Related parties	-
(b) Other than related parties	4.97
(ii) Assets acquired in satisfaction of debt	-

33: A Comparison between provisions required under prudential norms on Income Recognition, Asset Classification and Provisioning (IRCAP) and impairment allowance under Ind AS 109

As at March 31, 2024

(Rs. in Crores)

Assets classifications as per RBI norms	Assets classifications as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowance (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRCAP norms	Difference between Ind AS 109 provisions and IRCAP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	1478.21	4.27	1473.94	4.45	(0.18)
	Stage 2	18.84	1.06	17.78	0.52	0.54
<b>Subtotal</b>		<b>1497.05</b>	<b>5.33</b>	<b>1491.72</b>	<b>4.97</b>	<b>0.36</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	6.04	2.01	4.03	0.90	1.11
Doubtful - up to 1 year	Stage 3	0.81	0.27	0.54	0.20	0.07
1 to 3 year	Stage 3	0.61	0.20	0.41	0.23	(0.03)
More than 3 years	Stage 3	-	-	-	-	-
<b>Subtotal for doubtful</b>		<b>1.42</b>	<b>0.47</b>	<b>0.95</b>	<b>0.43</b>	<b>0.04</b>
Other items such as EIS, loan commitments which are in the scope of Ind AS 109 but not covered under current income Recognition, Asset Classification and Provisioning (IRCAP) norms	Stage 1	100.46	0.17	100.29	-	0.17
	Stage 2	0.19	0.00	0.19	-	0.00
	Stage 3	0.20	0.06	0.14	-	0.06
<b>Subtotal</b>		<b>100.85</b>	<b>0.23</b>	<b>100.62</b>	<b>-</b>	<b>0.23</b>
<b>Total</b>	<b>Stage 1</b>	<b>1578.67</b>	<b>4.44</b>	<b>1574.23</b>	<b>4.45</b>	<b>-0.01</b>
	<b>Stage 2</b>	<b>19.03</b>	<b>1.06</b>	<b>17.97</b>	<b>0.52</b>	<b>0.54</b>
	<b>Stage 3</b>	<b>7.66</b>	<b>2.54</b>	<b>5.12</b>	<b>1.33</b>	<b>1.21</b>
	<b>Total</b>	<b>1605.36</b>	<b>8.04</b>	<b>1597.32</b>	<b>6.30</b>	<b>1.74</b>



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Particulars	March 31, 2024	March 31, 2023
(1) Housing loans as per regulatory criteria	980.73	627.93
(2) Total Assets (Net off by intangibles assets)	1,566.48	1,108.43
(3) Minimum percentage of total assets towards housing finance	62.53%	56.65%
(4) Minimum percentage of total assets towards housing finance for individuals	62.53%	56.65%

35. Disclosures pursuant to RBI Notification- RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020

	(A)	(B)	(C)	(D)	(E)
Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year ***	Of (A) amount paid by the borrowers during the half-year ****	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal loans **	5.23	-	0.03	0.39	4.81
Corporate persons*	-	-	-	-	-
of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>5.23</b>	<b>-</b>	<b>0.03</b>	<b>0.39</b>	<b>4.81</b>

\* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

\*\* Includes restructuring implemented pursuant to OTR 2.0 till 31 December 2021 for Housing loans, Loan against Property, business loans and small business loans.

\*\*\* Represents debt that slipped into stage 3 and was subsequently written off during the half year ended 31 March 2024

\*\*\*\* Represents receipts net of interest accruals and other adjustments

36. Disclosure pursuant to RBI circular RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 for loans transferred/acquired under the Master Direction - RBI (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021 are given below:

Entity/Assignee	Bank/Financial Institution
Count of loan accounts transferred	2,804
Amount of loan account transferred	144.84
Retention of beneficial economic interest (MRR)	10%
Weighted Average residual tenure of the loans transferred	74.70 Months
Weighted Average holding period	15.96 Months
Coverage of Tangible security coverage	100%
Number of Transactions	4
Rating wise distribution of rated loans	Unrated

b) The company has not acquired any loan in default during the year ended 31st March 2024

c) The company has not transferred/acquired any stressed loan during the year ended 31st March 2024

37. Disclosure pursuant to RBI circular RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021 by the Reserve Bank of India and as applicable to the Company.

Particulars	March 31, 2024	March 31, 2023
1) No of SPEs holding assets for securitisation transactions originated by the originator	2	2
2) Total amount of Outstanding securitised assets as per books	34.19	44.31
3) Total amount of exposures retained by Company to comply towards Minimum Retention Ratio (MRR) as on date of balance sheet	-	-
<b>i) Off-balance sheet exposures</b>		
- First Loss	-	-
- Others	-	-
<b>ii) On-balance sheet exposures</b>		
- First Loss	7.36	7.36
- Others	5.70	5.70
4) Amount of exposures to securitizations transactions other than MRR		
<b>i) Off-balance sheet exposures</b>		
a) Exposure to own securitisations	-	-
- First Loss	-	-
- Others	-	-
b) Exposure to third party securitisations	-	-
- First Loss	-	-
- Others	-	-
<b>ii) On-balance sheet exposures</b>		
a) Exposure to own securitisations	-	-
- First Loss	-	-
- Others	-	-
b) Exposure to third party securitisations	-	-
- First Loss	-	-
- Others	-	-
5(a) Sale consideration received for the securitised assets	61.13	61.13
5(b) Gain/loss on sale on account of securitisation	-	-
6) Form and quantum of services provided by way of liquidity support, post-securitisation asset servicing, etc	-	-
7) Performance of facility provided		
- Cash Collateral		
a) Amount Paid	-	-
b) Repayment Received	-	-
b) Outstanding Amount	5.70	5.70
- Other Collateral		
a) Amount Paid	-	-
b) Repayment Received	-	-
b) Outstanding Amount	7.36	7.36
8) Average default rate of portfolios observed in the past		
- Housing Loans	0.51%	0.52%
- Non-Housing Loans	1.09%	1.13%
9) Amount and number of additional/top up loan given on same underlying asset	-	-
10) Investor complaints		
(a) Directly/Indirectly received	-	-
(b) Complaints outstanding	-	-



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Ummeed Housing Finance Private Limited  
Notes to financial statements for the year ended March 31, 2024

38. Disclosure pursuant to RBI circular RBI/2015-20/86 DOR.NBFC (PD) CC. No.102/03-10.001/2019-20 for Liquidity Risk Management Framework for Non-Banking Financial Companies dated November 04, 2019 are given below:

(i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
i) Number of Significant Counterparties	06	23
ii) Amount in Rs. crore)	869.71	564.22
iii) Percentage of funding concentration to total deposits	NA	NA
iv) Percentage of funding concentration to total liabilities	91.51%	91.04%

(ii) Top 20 Large Deposits

The Company is registered with National Housing Bank to carry on the business of housing finance institution without accepting public deposits. Hence, This is not applicable on us.

(iii) Top 10 borrowings

Particulars	(Rs. in Crores)	
	March 31, 2024	March 31, 2023
i) Total amount of top 10 borrowings	606.28	403.92
ii) Percentage of amount of top 10 borrowings to total borrowings	66.95%	68.56%

(iv) Funding Concentration based on significant instrument/product

Particulars	(Rs. in Crores)			
	March 31, 2024	Percentage of total liabilities*	March 31, 2023	Percentage of total liabilities*
i) Non-convertible debentures	52.10	5.48%	55.36	8.93%
ii) Term Loans from NHB	198.93	20.93%	122.79	19.81%
iii) Term Loans from banks	508.82	53.54%	315.91	50.97%
iv) Term Loans from Non-Banking Financial Institutions	45.08	4.74%	20.65	3.33%
v) Term Loans from Financial Institutions	70.33	7.40%	26.96	4.35%
vi) Cash credit facilities with scheduled banks	10.67	1.12%	14.63	2.36%
vii) Working Capital Demand Loan with scheduled banks	-	-	-	-
viii) Securitised Borrowings from Banks and NBFC	19.71	2.07%	32.83	5.30%

\*Total liabilities are excluding Equity share capital and Other equity.

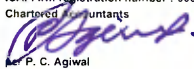
(v) Stock ratio

Particulars	March 31, 2024		March 31, 2023	
	(i) Commercial papers as a % of total public funds	Nil	Nil	Nil
(ii) Commercial papers as a % of total liabilities*	Nil	Nil	Nil	Nil
(iii) Commercial papers as a % of total assets	Nil	Nil	Nil	Nil
(iv) Non-convertible debentures (original maturity of less than one year) as a % of total public funds	Nil	Nil	Nil	Nil
(v) Non-convertible debentures (original maturity of less than one year) as a % of total liabilities*	Nil	Nil	Nil	Nil
(vi) Non-convertible debentures (original maturity of less than one year) as a % of total assets	Nil	Nil	Nil	Nil
(vii) Other short term liabilities as a percentage of total public funds	NA	NA	NA	NA
(viii) Other short term liabilities as a percentage of total liabilities*	24.13%	28.69%	24.13%	28.69%
(ix) Other short term liabilities as a percentage of total assets	14.37%	16.05%	14.37%	16.05%

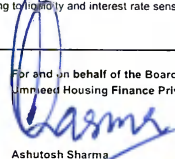
\*Total liabilities are excluding equity share capital and other equity.

(vi) Institutional set-up for liquidity risk management

Liquidity Risk Management framework consists of Asset Liability Management Committee (ALCO) which is a sub-committee of the Board of Directors. The meetings of ALCO are held at periodic intervals. While the ALCO is responsible for oversight of specific risks relating to liquidity and interest rate sensitivity, the Risk Management Committee is responsible for company-wide risk management.

For AGI WAL & ASSOCIATES  
ICAI Firm registration number : 000181N  
Chartered Accountants  
  
P. C. Agiwal  
Partner  
Membership number: 080475



For and on behalf of the Board of Directors of  
Ummeed Housing Finance Private Limited  
  
Ashutosh Sharma  
Managing Director  
DIN: 02582205

Sachin Grover  
Director  
DIN: 07387359

  
Bikash Kumar Mishra  
Chief Financial Officer

  
Nitin Kumar Agrahari  
Company Secretary  
M No. A36376

Date: June 04, 2024  
Place: New Delhi

Date: June 04, 2024  
Place: Gurugram

UPIN: 24080475BKPKYL6579

