



Directors and Key Managerial Personnel	:	Mr. Pirojsha Godrej, Non-Executive Chairperson Mrs. Rosemary Sebastian, Independent Director Mr. Saibal Ghosh, Independent Director Mr. Hemant Adarkar, Independent Director Mr. Manish Shah, Managing Director and Chief Executive Officer Mr. Kunal Karnani, Chief Financial Officer Ms. Chunni Singh, Company Secretary
Statutory Auditors		M/s. D Kothary & Co Chartered Accountants Mumbai
Registered Office	:	Godrej One, Pirojshanagar, Eastern Express Highway Vikhroli (East) Mumbai 400-079 Telephone Number: 022-68815555
Registrar & Share Transfer Agent	:	KFin Technologies Limited Registered office: Selenium, Tower B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032



BOARDS' REPORT

To
The Members,
Godrej Housing Finance Limited

Your Directors submit their 6th Annual Report along with the Audited Accounts for the Financial Year ("FY") ended March 31, 2024.

1. FINANCIAL AND OPERATIONAL REVIEW:

a. Financial Results

The Company's performance during FY ended March 31, 2024, as compared to the previous FY ended March 31, 2023, is summarized below:

(Rs. In Lakhs)

Particulars	For the Financial year ended as on 31st March 2024	For the Financial year ended as on 31st March 2023
Total Income	49,063.01	27,968.11
Total Expenditure	41,050.62	24,165.96
Profit/(Loss) before Tax	8,012.39	3,802.15
Tax Expense	-	-
Net Profit/(Loss) after Tax	8,012.39	3,802.15

b. Business Performance Highlights

The Company received Certificate of Registration from the Reserve Bank of India ("RBI") to act as NBFC – Housing Finance Company (NBFC-HFC) on October 26, 2020, and commenced its housing finance operations w.e.f. November 2, 2020.

Brief highlights of the business performance during financial year under review is as below:

- **Sanctions:**
During the financial year, your Company has sanctioned loans amounting to Rs. 2,63,226.38 Lakhs.
- **Disbursements:**
During the financial year, your Company has disbursed loans amounting to Rs. 2,03,620.12 Lakhs.



- **Loans outstanding (Loan Book)**

Total loans outstanding as on March 31, 2024, is Rs. 5,46,332.57 Lakhs.

- **Non-Performing Assets (“NPA”):**

Your Company has implemented a strong risk management culture across the board. The risk management framework is analytically driven with data backed modelling on origination. Further, the policies and processes which are put in place tend towards building a strong low risk high quality portfolio. This aided by a strong collection and recovery mechanism.

Gross NPA and Net NPA ratio were 0.004% and 0.002%, respectively.

Your Company has made a provision for Rs. 1,603.64 Lakhs towards Stage 1, Stage 2 and Stage 3 Assets, in compliance with guidelines issued by RBI.

Working results of the Company

- Asset Under Management (“AUM”) as on March 31, 2024 was Rs. 5,46,332.57 Lakhs as compared to Rs. 3,81,184.37 Lakhs as on March 31, 2023.
- Loan receivables as on March 31, 2024 was Rs. 5,46,332.57 Lakhs as compared to Rs. 381,184.37 Lakhs as on March 31, 2023.
- Total income during FY 2023-24 increased to Rs. 49,063.01 Lakhs from Rs. 27,968.11 Lakhs during FY 2022- 23.
- Profit before Tax was Rs. 8,012.39 Lakhs as on March 31, 2024 as compared to Rs. 3802.15 Lakhs as on March 31, 2023.
- Profit after Tax was Rs. 8,012.39 Lakhs as on March 31, 2024 as compared to Rs. 3802.15 Lakhs as on March 31, 2023.

There was no change in the fundamental nature of business of the Company during the financial year under review.

c. Regulatory Inspection conducted by National Housing Bank (“NHB”)

The NHB conducted its regulatory inspection for FY 2022-23 from January 15, 2024 to February 7, 2024. Company is yet to receive supervisory observation.

d. Disclosure regarding Holding, Subsidiary, Associates and Joint Venture Companies

The Company is a wholly owned subsidiary of Godrej Capital Limited.

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

e. Dividend

Considering the capital-intensive nature of the business, the business plan of the Company and with a view to plough back the profits, the Board of Directors have not recommended any dividend for the financial year in order to build a strong base for its long-term growth.

f. Transfer to Reserves

During FY 2023-24, Rs. 1,602.47 Lakhs has been transferred to special reserve from retained earnings as per section 29C of The National Housing Bank Act, 1987.

Pursuant to Section 71 of the Companies Act, 2013 ("the Act") read with relevant rules thereunder, your Company, being a Housing Finance Companies ("HFC") registered with National Housing Bank, it is exempt from creating a debenture redemption reserve in respect of privately placed debentures including the requirement to invest up to 15% of the amount of debentures maturing during the next financial year. However, your Company maintains sufficient liquidity buffer to fulfil its obligations arising out of debentures.

g. Portfolio of the Company

The portfolio of the total loan outstanding of your Company stood at Rs. 5,46,332.57 Lakhs as on March 31, 2024.

The average ticket size on portfolio as on March 31, 2024, for home loan stood at Rs. 68 Lakhs and for Loan Against Property stood at Rs. 44 Lakhs.

h. Capital Adequacy

As required under Para 6 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, your Company is presently required to maintain a minimum Capital Adequacy Ratio ("CAR") of 15% on a standalone basis. The CAR of the Company as on March 31, 2024, was 24.91%.

i. Public Deposits

Your Company being a non-deposit taking HFC, has not accepted, renewed, or held any public deposits during the financial year under review and shall not accept any deposits from the public during FY 2024-25.

Accordingly, the requirements under Chapter V of the Act read with Rule 8(5)(v) and 8(5)(vi) of the Companies (Accounts) Rules, 2014, as amended, are not applicable to your Company.

**j. Branch Network of the Company**

As on March 31, 2024, the branch network of your Company is spread over 16 locations, i.e. Chandigarh (1), Gujarat (2), Haryana (1), Karnataka (2), Madhya Pradesh (1), Maharashtra (4), New Delhi (1), Rajasthan (1), Tamil Nadu (1), Telangana (1) and Uttar Pradesh (1).

k. State of Company's Affairs

The Company is incorporated for purpose of carrying out housing finance business and providing financial assistance to construct, purchase, expand and renovate property. Some key parameters and milestones have been summarized as under:

- The loan portfolio as of March 31, 2024, stood at Rs. 5,46,332.57 Lakhs.
- Gross NPA and Net NPA ratio were 0.004% and 0.002%, respectively. With a view to build up and expand the business capacity, the team strength increased to 171 employees during FY 2023-24 across all verticals.

l. Particulars of Loans, Guarantees or Investments

In terms of section 186(11) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended, the Company being an HFC registered with NHB, is exempt from complying with provisions of section 186 of the Act in respect of loans made, guarantees given, securities provided, or investments made by the Company.

Further, for details of investments made by the Company, if any, please refer Notes to the Audited Financial Statements of the Company for the financial year ended March 31, 2024.

m. Particulars of Contracts or Arrangements with Related Parties

All contracts/arrangement/transactions entered into by the Company during the financial year under review with related parties were on an arm's length basis and in ordinary course of business.

Details of transactions entered into by the Company pursuant to omnibus approval are reviewed by the Audit Committee on a quarterly basis.

Details of all transactions with related parties during the financial year under review are provided in Notes to the Audited Financial Statements.

There were no transactions requiring disclosure under section 134(3)(h) of the Act. Hence, the prescribed Form AOC-2 does not form a part of this Report.

The Company has adopted a policy on transactions with related parties (“RPT Policy”). The RPT Policy is also available on the website of the Company at <https://www.godrejcapital.com/ghf/information-and-policies.html>.

During the financial year under review, the RPT policy was amended to incorporate changes required under applicable regulatory guidelines.

n. Credit Rating

During the financial year under review, the Company has received following ratings from CRISIL Limited (“CRISIL”) / ICRA Limited (“ICRA”):

Sr. No	Particulars	Rating assigned	Rating Agency
1.	Bank borrowings	CRISIL AA	CRISIL
2.	Non-Convertible Debentures (“NCDs”)	CRISIL AA	CRISIL
3.	Commercial Papers (“CPs”)	CRISIL A1+ and ICRA A1+	CRISIL and ICRA

All the above ratings indicate a high degree of safety regarding timely servicing of financial obligations and carry lowest credit risk.

o. Borrowings

During the financial year under review, considering probable future requirements of funds for operations of the Company, the Board of Directors and Members of the Company had at their meetings held on May 4, 2023, and May 22, 2023, respectively, approved increase in the aggregate borrowing limit of the Company from Rs. 6,000 Crores to Rs. 10,000 Crores.

During the financial year under review, the Company met its funding requirements by availing credit facilities from Banks and by issuance of NCDs and CPs. Details are as below:

Sr. No	Particulars	Outstanding as on March 31, 2024
1.	Bank Borrowings	Rs. 3,87,164.66 Lakhs
2.	NCDs	Rs. 20,000 Lakhs
3.	CPs	Rs. 74,500 Lakhs

The overall borrowings are within the regulatory ceiling as well as aggregate borrowing limits of the Company as approved by the Board and Members of the Company.

Considering the Company's future business plans, growth potential, expansion of the Company's loan portfolio and to meet the requirement of additional funds for the coming years, the Company proposes to increase its borrowing limit to Rs. 12,500 Crores. Accordingly, necessary resolutions seeking approval of Members for said increase in borrowing limit forms part of the notice convening the 6th Annual General Meeting ("AGM").

2. SHARE CAPITAL AND CHANGES IN SHAREHOLDING:

a. Authorized Share Capital of the Company

The Authorized Share Capital as on March 31, 2024, stood at Rs. 850,00,00,000/- (Rupees Eight Hundred and Fifty Crores only) divided into 85,00,00,000 (Eighty – Five Crores) equity shares of face value of Rs. 10/- (Rupees Ten only) each.

b. Issued, Subscribed and Paid-up Share Capital of the Company

As on March 31, 2024, the paid-up share capital of the Company is Rs. 341,82,10,550/- (Rupees Three Hundred Forty-One Crores Eighty-Two Lakhs Ten Thousand Five Hundred and Fifty only) divided into 34,18,21,055 (Thirty- Four Crore Eighteen Lakhs Twenty-One Thousand and Fifty -Five only) Equity Shares of face value of Rs. 10/- (Rupees Ten only) each fully paid-up.

c. Changes in Paid up Share Capital of the Company during the financial year

As on March 31, 2023, the paid-up capital structure of the Company comprised of 31,02,46,587 equity shares of face value of Rs. 10 each.

Details of allotment of equity shares made during the financial year under review on rights basis to Godrej Capital Limited, holding company is as under:

Sr. No	Date of allotment	No. of equity shares of face value Rs. 10 each allotted	Total Consideration (including premium of Rs. 37/- per share)
1	June 19, 2023	3,15,74,468	Rs. 1,48,39,99,996 /-

During the financial year under review, the Company has not:

- Issued Equity Shares with differential rights as to dividend, voting or otherwise as per Section 43 of the Act,
- Issued shares (including sweat equity shares) to employees of the Company under any scheme pursuant to Section 54 of the Act; and

- Issued Equity Shares under Employees Stock Option Scheme as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014, as amended.

The Company does not have any ESOP scheme. Being a subsidiary of Godrej Capital Limited (“GCL”), holding company, employees of the Company are eligible for stock options of GCL.

3. **BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND COMMITTEES:**

a. **Board of Directors**

The composition of the Board is in accordance with provisions of Section 149 of the Act and applicable regulations and laws, with an appropriate combination of Executive, Non-Executive and Independent Directors.

The Board comprises of an adequate number of Directors with diverse experience and skills, such that it best serves the governance and strategic needs of the Company. The Directors are people of eminence in areas such as business, industry, finance, law, administration etc., and bring with them experience / skills which add value to the performance of the Board. The Directors are selected purely based on merit with no discrimination on race, color, religion, gender or nationality.

As on March 31, 2024, the Board of Directors of the Company comprises of following Directors:

Name of Director	DIN	Type
Mr. Pirojsha Godrej	00432983	Non-Executive Chairperson
Mrs. Rosemary Sebastian	07938489	Independent Director
Mr. Saibal Ghosh	09766300	Independent Director
Mr. Hemant Adarkar*	03127893	Independent Director
Mr. Manish Shah	06422627	Managing Director & Chief Executive Officer (“MD & CEO”)

**Appointed as an Independent Director with effect from January 10, 2024*

During the financial year under review, following changes occurred in the composition of the Board of Directors of the Company:

- At the 5th AGM of the Company held on May 22, 2023, the Members of the Company regularized appointment of Mr. Saibal Ghosh as an Independent Director of the Company for a term of five (5) consecutive years with effect from October 17, 2022.
- The Board of Directors of the Company, on recommendation of the Nomination & Remuneration Committee (“NRC”), appointed Mr. Hemant Adarkar as an Additional

Director in the capacity of Independent Director for a term of five (5) consecutive years with effect from January 10, 2024, not liable to retire by rotation, subject to approval of the Members of the Company at the ensuing AGM.

Therefore, necessary resolutions seeking approval of Members for appointment of Mr. Hemant Adarkar as an Independent Director of the Company forms part of the Notice convening the 6th AGM.

Appointment of Mr. Hemant Adarkar as an Independent Director of the Company was made in accordance with provisions of the Act and "Fit & Proper" criteria for Directors adopted by the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold the highest standards of integrity. In terms of Section 149 and 150 of the Act, read with Schedule IV of the Act and Companies (Appointment & Qualification of Directors) Rules, 2014, as amended. Further, the Board finds the Independent Directors to be "Fit & Proper" as per the Fit & Proper policy of the Company.

The Independent Directors of the Company have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs (IICA) Manesar. Also, the Independent Directors who are required to undertake the online proficiency self-assessment test, have undertaken the test conducted by the IICA within stipulated time period.

The terms and conditions of appointment of Independent Directors are available on the website of the Company at <https://www.godrejcapital.com/ghf/information-and-policies.html>.

During the financial year under review, there were no pecuniary relationship/transactions of any of the Non-Executive Directors with the Company apart from sitting fees paid to Independent Directors for attending various Board/Committee Meetings.

Details of sitting fees paid to Independent Directors during FY 2023-24 has been furnished in Form MGT-7.

Brief profile of the Directors is available on the website of the Company at - <https://www.godrejcapital.com/ghf/about-us.html>.

b. Director's Disclosures

Based on the declarations and confirmations received in terms of the provisions of the Act, circular(s) / notification(s) / direction(s) issued by RBI / NHB / SEBI and such other applicable laws, none of the Directors of your Company are disqualified from being appointed as Directors.

Pursuant to Section 149(7) of the Act, the Company has received respective declarations from Mrs. Rosemary Sebastian, Mr. Saibal Ghosh and Mr. Hemant Adarkar, Independent Directors of the Company affirming compliance with criteria of independence as specified under Section 149(6) of the Act.

The Independent Directors have also confirmed compliance with provisions of rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors.

Further, the Company has issued a formal letter of appointment to Mr. Hemant Adarkar, Independent Director in the manner provided under the Act.

c. Retirement by Rotation

Section 152 of the Act provides that unless the Articles of Association provide for retirement of all directors at every AGM, not less than two-third of the total number of directors of a public company (excluding the Independent Directors) shall be persons whose period of office is liable to determination by retirement of directors by rotation, of which one-third are liable to retire by rotation.

Accordingly, Mr. Pirojsha Godrej, Non-Executive Chairperson will retire by rotation at the ensuing AGM of the Company and being eligible, has offered himself for re-appointment.

The Board of Directors recommend reappointment of Mr. Pirojsha Godrej. Accordingly, proposal for his reappointment is being placed for seeking approval of Members at the ensuing AGM of the Company.

d. Performance Evaluation

Pursuant to provisions of Section 134 and 178 of the Act, the Company has carried out annual evaluation of performance of the Board, its committees and individual Directors.

The manner in which formal annual evaluation of performance was carried out is given below:

- The NRC, at its meeting held on February 2, 2022, revised performance criteria and broadened its scope.

- Based on the said criteria, questionnaire-cum-rating sheets were circulated to the Directors for seeking feedback of the directors with regards to the performance of the Board, its Committee, Chairperson and individual directors.
- From the individual ratings received from the directors, a report on summary of ratings in respect of performance evaluation of the Board, its Committees, Chairperson and individual directors for the year 2023-24 and a consolidated report thereof were arrived at.
- The report of performance evaluation so arrived at, was then noted and discussed by the NRC at its meeting held on April 30, 2024.
- Based on the report and evaluation, the NRC at its meetings held on April 30, 2024, determined that appointment of all Independent Directors may continue,
- Areas such as 'Openness of discussions during board meeting' and 'Effectiveness of Risk Management Architecture' emerged as areas of strength for Board/committee functioning.

The meeting of Independent Directors for purpose of carrying out performance evaluation of Non-Independent Directors, Board as collective entity and the Chairperson, was held on February 27, 2024.

e. Key Managerial Personnel ("KMP")

In accordance with provisions of Section 203 of the Act and rules made thereunder, the KMP of the Company as on March 31, 2024, is as under:

Name	Designation
Mr. Manish Shah	MD & CEO
Mr. Kunal Karnani	Chief Financial Officer ("CFO")
Ms. Chunni Singh#	Company Secretary

#Ms. Chunni Singh has tendered her resignation as the Company Secretary of the Company w.e.f. April 30, 2024, and the Board of Directors have appointed Ms. Heer Jayesh Parekh as the Company Secretary of the Company w.e.f. May 1, 2024.

f. The disclosures under Schedule V of the Act is as follows:

- **All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the Directors. Details of fixed component and performance linked incentives along with the performance criteria:**

Details of remuneration paid to Mr. Manish Shah as MD & CEO of the Company and sitting fees for attending meetings of Board / Committees paid to the Independent Directors viz. Mrs. Rosemary Sebastian, Mr. Saibal Ghosh and Mr. Hemant Adarkar for FY 2023-24 is provided under MGT-7, copy of the said Annual Return shall be made available on the website of the Company- <https://www.godrejcapital.com/ghf/information-and-policies.html>.

- **Service contracts, notice period, severance fees:**

There is no separate provision for payment of any severance fees to the MD & CEO of the Company. However, there is a provision for notice period of three months from either side.

- **Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:**

No stock options have been granted to any Directors of the Company.

g. Disclosure pursuant to Section 197 (12) of the Act

Pursuant to Rule 2A of the Companies (Specification of Definitions Details) Rules, 2014, as amended, public companies which have not listed their equity shares on a recognised stock exchange but have listed their non-convertible debt securities issued on private placement basis in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, shall not be considered as listed company in terms of the Act.

Hence, Section 197(12) of the Act read with rules 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, are not applicable.

h. Committees

The Company has constituted the following Committees pursuant to the applicable provisions of the Act, RBI/NHB regulations, other extant applicable laws and internal requirements.

The composition of the respective Committees as on March 31, 2024, is as below:

Name of the Committee	Committee Members
Corporate Social Responsibility Committee	1. Mr. Pirojsha Godrej, Non-Executive Director & Chairperson 2. Mr. Saibal Ghosh, Independent Director 3. Mr. Manish Shah, MD & CEO
Audit Committee	1. Mrs. Rosemary Sebastian, Independent Director & Chairperson 2. Mr. Saibal Ghosh, Independent Director 3. Mr. Hemant Adarkar, Independent Director
Nomination & Remuneration Committee	1. Mr. Saibal Ghosh, Independent Director & Chairperson 2. Mrs. Rosemary Sebastian, Independent Director 3. Mr. Pirojsha Godrej, Non-Executive Director
Risk Management Committee	1. Mr. Saibal Ghosh, Independent Director & Chairperson 2. Mr. Manish Shah, MD & CEO 3. Ms. Shalinee Mimani, Authorised Person

Willful Defaulter Review Committee	<ol style="list-style-type: none"> 1. Mr. Saibal Ghosh, Independent Director & Chairperson 2. Mrs. Rosemary Sebastian, Independent Director 3. Mr. Manish Shah, MD & CEO
IT Strategy Committee	<ol style="list-style-type: none"> 1. Mr. Hemant Adarkar, Independent Director & Chairperson 2. Mrs. Rosemary Sebastian, Independent Director 3. Mr. Manish Shah, MD & CEO 4. Mrs. Jyothirlatha, Chief Technology Officer (“CTO”)
Borrowing & Investment Committee	<ol style="list-style-type: none"> 1. Mr. Manish Shah, MD & CEO & Chairperson 2. Mr. Kunal Karnani, CFO
Asset Liability Committee	<ol style="list-style-type: none"> 1. Mr. Manish Shah, MD & CEO and Chairperson 2. Mr. Pirojsha Godrej, Non-Executive Director 3. Mr. Kunal Karnani, CFO 4. Ms. Shalinee Mimani, Authorized Person 5. Mr. Mayank Goel, Head - Treasury
Grievance Redressal Committee	<ol style="list-style-type: none"> 1. Mrs. Rosemary Sebastian, Independent Director & Chairperson 2. Mr. Manish Shah, MD & CEO 3. Mr. Nalin Jain, Chief Marketing Officer (“CMO”)
Credit Committee	<ol style="list-style-type: none"> 1. Mr. Pirojsha Godrej & Chairperson 2. Mr. Manish Shah, MD & CEO 3. Mrs. Shalinee Mimani, Authorised Person
IT Steering Committee	<ol style="list-style-type: none"> 1. Mr. Manish Shah, MD & CEO & Chairperson 2. Mr. Kunal Karnani, CFO 3. Mrs. Jyothirlatha B., CTO
Whistle-blower Committee (Under Vigil Mechanism)	<ol style="list-style-type: none"> 1. Mr. Manish Shah, MD & CEO & Chairperson 2. Mrs. Shalinee Mimani, Authorised Person 3. Mr. V. Swaminathan, Head –Corporate Audit and Assurance
Willful Defaulter Identification Committee	<ol style="list-style-type: none"> 1. Mr. Manish Shah, MD & CEO & Chairperson 2. Mr. Kunal Karnani, CFO 3. Mrs. Shalinee Mimani, Authorised Person 4. Mr. Gaurav Tanna, Chief Credit Officer
Product Committee	<ol style="list-style-type: none"> 1. Mr. Kunal Karnani, CFO 2. Mrs. Shalinee Mimani, Authorised Person 3. Mr. Pankaj Gupta, Chief Business Officer 4. Mrs. Jyothirlatha B., CTO 5. Mr. Nalin Jain, CMO 6. Mr. Yogesh Jain, Chief Compliance Officer (“CCO”)

Internal Committee (constituted as per the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013)	<ol style="list-style-type: none"> 1. Ms. Monika Gupta, Chief of Staff –Presiding Officer 2. Mr. Nalin Jain, CMO 3. Mr. Debashish Majumdar, Head – HR Business Partnering & Rewards 4. Ms. Deepa Padmanaban, Head – Credit (Salaried Underwriting) 5. Mr. Kostubh Singh, HRBP Lead – Home Loans & Corporate Functions 6. Ms. Raheen Jummani, External Member
Information Security Committee*	<ol style="list-style-type: none"> 1. Mr. Vijay Jain, Chief Risk Officer & Chairperson 2. Mrs. Jyothiratha B., CTO 3. Mr. Rupesh Poojary, Chief Information Security Officer

*Constituted w.e.f. April 2, 2024.

All recommendations of the Audit Committee were accepted by the Board.

During the financial year under review, following changes relating to Committees of the Company took place:

- Constitution of Product Committee w.e.f. October 31, 2023,
- Reconstitution of Internal Committee w.e.f. October 31, 2023 by:
 - Removal of Ms. Pooja Choudhary, Business Head – North (Business Loans),
 - Removal of Ms. Tejaswi B, HRBP – Corporate Functions and Ms. Kirti Sawant as Member of the Committee due to their exit from the Company,
 - Addition of Mr. Kostubh Singh, HRBP Lead – Home Loans & Corporate Functions and Ms. Deepa Padmanaban, Head – Credit (Salaried Underwriting) as a member of the Committee,
 - Appointment of Ms. Monika Gupta, Chief of Staff as Presiding Officer of the Committee.
- Reconstitution of Audit Committee w.e.f. January 10, 2024 by addition of Mr. Hemant Adarkar, Independent Director as member of the Committee in place of Mr. Pirojsha Godrej, Non-Executive Chairperson of the Company,
- Reconstitution of IT Strategy Committee w.e.f. January 10, 2024 by addition of Mr. Hemant Adarkar, Independent Director as a Chairperson of the Committee.

4. MATTERS RELATED TO BOARD / COMMITTEE MEETINGS, POLICIES AND OTHER RELATED DISCLOSURES:

a. Number of Meetings conducted during the financial year under review:

Table containing details of Board and Committee Meetings along with dates are as follows:

S. No	Title of Body	No. of Meeting(s)	Date of Meeting(s)
1.	Board of Directors	4 (Four)	1. May 4, 2023, 2. August 3, 2023 3. October 31, 2023 4. January 23, 2024
2.	Audit Committee	4 (Four)	1. May 4, 2023, 2. August 3, 2023 3. October 31, 2023 4. January 23, 2024
3.	Nomination & Remuneration Committee	1 (One)	1. May 4, 2023
4.	Risk Management Committee	4 (Four)	1. May 4, 2023 2. August 3, 2023 3. October 31, 2023 4. January 23, 2024
5.	Willful Defaulter Review Committee	2 (Two)	1. August 3, 2023 2. January 23, 2024
6.	IT Strategy Committee	4 (Four)	1. May 2, 2023 2. August 2, 2023 3. October 23, 2023 4. January 22, 2024
7.	Borrowing & Investment Committee	15 (Fifteen)	1. April 4, 2023 2. May 8, 2023 3. June 5, 2023 4. July 10, 2023 5. August 7, 2023 6. September 25, 2023 7. September 29, 2023 8. October 3, 2023 9. October 23, 2023 10. November 20, 2023 11. December 18, 2023 12. January 19, 2024

			<ul style="list-style-type: none"> 13. February 2, 2024 14. March 8, 2024 15. March 27, 2024
8.	Asset Liability Management Committee	14 (Fourteen)	<ul style="list-style-type: none"> 1. April 10, 2023 2. May 8, 2023 3. June 16, 2023 4. July 10, 2023 5. August 7, 2023 6. September 22, 2023 7. October 23, 2023 8. November 6, 2023 9. November 20, 2023 10. December 14, 2023 11. January 19, 2024 12. January 29, 2024 13. February 14, 2024 14. March 11, 2024
9.	Grievance Redressal Committee	4 (Four)	<ul style="list-style-type: none"> 1. May 2, 2023 2. August 2, 2023 3. October 23, 2023 4. January 22, 2024
10.	Credit Committee	12 (Twelve)	<ul style="list-style-type: none"> 1. April 3, 2023 2. May 3, 2023 3. June 5, 2023 4. July 10, 2023 5. August 7, 2023 6. September 11, 2023 7. October 23, 2023 8. November 6, 2023 9. December 14, 2023 10. January 19, 2024 11. February 14, 2024 12. March 11, 2024
11.	IT Steering Committee	4 (Four)	<ul style="list-style-type: none"> 1. April 10, 2023 2. July 10, 2023 3. October 12, 2023 4. January 4, 2024
12.	Willful Defaulter Identification Committee	2 (Two)	<ul style="list-style-type: none"> 1. July 10, 2023 2. January 4, 2024
13.	Internal Committee	-	-

14.	Product Committee	1 (One)	January 19, 2024
15.	Corporate Social Responsibility Committee	-	-
16.	Whistle-blower Committee	-	-
17.	Information Security Committee*	-	-

*Committee was constituted on April 2, 2024 and shall hold its meeting in Q1 of FY 2024-25.

The maximum gap between two Board Meetings did not exceed one hundred and twenty days or such gap as permitted under the provisions of the Act. Requisite quorum was present in each meeting.

In terms of Schedule IV of the Act, a meeting of Independent Directors of the Company was held on February 27, 2024.

The AGM for FY 2022-23 was held on May 22, 2023, at the Registered office of the Company.

Attendance of each Director at the Board Meetings and the last AGM is given under:

Names of Directors	Category	No. of Board Meetings		Attendance at Last AGM held on May 22, 2023
		Held during Director's tenure	Attended	
Mr. Pirojsha Godrej	Non-Executive Director & Chairperson	4	4	No
Mr. Manish Shah	MD & CEO	4	4	Yes
Mrs. Rosemary Sebastian	Independent Director	4	4	No
Mr. Saibal Ghosh	Independent Director	4	4	No
Mr. Hemant Adarkar (Appointed w.e.f. January 10, 2024)	Independent Director	1	1	NA

b. Directors' Responsibility Statement

The Directors, based on the representations received from the operational management, confirm in pursuance to provisions of Section 134(5) of the Act, that:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any,

- that such accounting policies have been selected and applied consistently, and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period,
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company, for preventing and detecting fraud and other irregularities,
- that the annual accounts have been prepared on a going concern basis,
- that the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively,
- that proper systems are in place to ensure compliance of all laws applicable to the Company and that such systems are adequate and operating effectively.

c. Policies

Your Company has adopted various policies pursuant to applicable laws and business/governance requirements, from time to time and the same have been approved by the Board of Directors on recommendation of respective Committees.

The Company conducts review of all policies of the Company on annual basis to incorporate amendments, if any required pursuant to regulatory / business requirements.

Policy on directors' appointment and remuneration/ compensation for Directors, Senior Management Personnel, Key Managerial Personnel and other Employees

In terms of section 178 of the Act, the Board of Directors of the Company have formulated Nomination and Remuneration Policy ("Policy") ensuring the criteria for evaluation of performance and determination of remuneration based on the performance of Directors, KMPs and Senior Management.

Further in terms of Para 52C of Master Direction – Non – Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 read with Annexure XXIV of Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, Company is required to put in place a Board approved compensation policy which is covered as part of Nomination & Remuneration Policy.

Further in terms of Section 134 of the Act, the Board's Report is required to include a statement on Company's Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and remuneration for KMPs and other employees.

Accordingly, the Board of Directors have, on recommendation of the NRC, approved the said Policy which is available on the website of the Company at <https://www.godrejcapital.com/ghf/information-and-policies.html>.

The Policy lays down detailed framework, inter alia, encompassing the following:

- Purpose of the policy i.e. to guide the Company in relation to appointment, removal of Directors, KMPs and Senior Management of the Company,
- Formulation of criteria for:
 - Appointment and removal of Directors, KMPs and Senior Management
 - Remuneration for the Directors, KMPs and Senior Management
- Conducting performance evaluation of Directors, its Committees, KMP, Senior Management,
- Roles and responsibilities of the Board and NRC Committee, such as to formulate NRC Policy, recommend appointment / remuneration of Directors, KMP, senior management etc.

During the financial year under review, the Policy was amended to carry out the changes as required due to changes in the regulatory provision(s).

d. Corporate Social Responsibility:

In accordance with Section 135 of the Act, the Company has adopted Corporate Social Responsibility ("CSR") Policy, which is available on the website of the Company at <https://www.godrejcapital.com/ghf/information-and-policies.html>.

Your Company is profitable, however, it did not fall under category of mandatory spending for CSR during FY 2023-24 as per the Act. Further, once the Company falls under the category of mandatory spending for CSR, the Company will identify suitable CSR projects/activities in line with CSR Policy.

Salient features of the policy include:

- Purpose and policy statement including the rationale for adoption of CSR Policy,
- Roles and responsibilities of Board of Directors, such as approving CSR Policy, monitoring the implementation of CSR projects/activities with reference to the approved timelines and year-wise allocation and make modifications, if any, for smooth implementation of the project/activity within the overall permissible time period (as and when Company falls under the category of mandatory spending under CSR), taking into account the recommendations of the CSR Committee,

- Roles and responsibilities of CSR Committee, such as to formulate CSR Policy indicating the projects/activities to be undertaken by Company as per regulatory requirements and recommend the same to the Board, monitor the implementation of the CSR Policy from time to time, etc.
- Principles guiding CSR initiatives and contributions.

During the financial year under review, there was no amendment made to the CSR Policy.

An annual report on activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, has been appended as **Annexure A** to this Report.

e. Whistle Blower Policy

The Company has a whistle blower policy encompassing vigil mechanism pursuant to the requirements of section 177(9) of the Act.

The whistle blower policy/vigil mechanism enables a director or an employee to report to the management, without fear of victimization, any unacceptable and/or unethical behavior, suspected or actual fraud, violation of the Company's Code of Conduct or ethics policy and instances of leak or suspected leak of unpublished price sensitive information which are detrimental to the organization's interest. It provides safeguards against victimization of directors/employees who avail of the mechanism and allows for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The policy has been communicated to the employees within the organization and has also been hosted on the Company's website and can be accessed at <https://www.godrejcapital.com/ghf/information-and-policies.html>.

During FY 2023-24, no employee was denied access to the Chairperson of Audit Committee under this policy and no complaints were received under the vigil mechanism of the Company.

f. Internal Financial Controls

The Board has laid down Internal Financial Controls ("IFC") within the meaning of the explanation to section 134(5)(e) of the Act. Considering that Company has (a) sufficiently staffed finance team working under robust processes, (b) independent internal audit team and (c) quarterly Statutory Audits, the Board believes that the Company has established sound IFC commensurate with the nature and size of its business.

g. Internal Control Systems

The Company has instituted adequate internal control systems commensurate with the nature of its business and the size of its operations. Internal audit is carried out by an in-house team to evaluate the adequacy of all internal controls and processes.

All significant audit observations and follow-up actions thereon are reported to the Audit Committee. The Audit Committee comprises of three directors, all of which are independent.

The Audit committee reviews the internal audit reports and the adequacy and effectiveness of internal controls.

h. Business Continuity and Cyber Security

To enable users to work from home in secure manner, the Company utilizes VPN technology. The Company also provides remote access for identified partners using privilege access management technology to enable support for users, cloud related support and application maintenance. Cloud infrastructure has been built with Disaster Recovery capabilities and is capable of running business processes during disaster events.

i. Copy of Annual Return

In terms of provisions of Section 92 of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014, as amended, the copy of Annual Return of the Company in form MGT-7 shall be available on the website of the Company at <https://www.godrejcapital.com/ghf/information-and-policies.html>.

j. Confirmation on Fraud, misfeasance or any irregularity in the Company

There were no instances of fraud, misfeasance or irregularity detected and reported in the Company during FY 2023-24.

5. AUDITORS AND THEIR REPORTS:

The matters related to Auditors and their Reports are as under:

a. Statutory Auditors

The Members of the Company on recommendation of the Board of Directors, had at the 5th (Fifth) AGM of the Company held on May 22, 2023 appointed M/s D Kothary & Company, Chartered Accountants (Firm Registration No.105335W), as the Statutory Auditors of the Company for a term of 3 (three) years commencing from the conclusion of the 5th (Fifth) AGM



until the conclusion of the 8th (Eight) AGM of the Company, to be held in the year 2026, in line with the Guidelines for Appointment of Statutory Central Auditors /Statutory Auditors of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) issued by the Reserve Bank of India dated April 27, 2021.

b. Statutory Audit Report

M/s D Kothary & Co, Statutory Auditors have submitted the following Audit Reports:

- Statutory Audit Report as per provisions of the Companies Act, 2013,
- Additional Auditor's Report as per Chapter XII of Master Direction – Non – Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India.

The aforesaid Report does not contain any qualifications, reservations, adverse remarks or disclaimers and therefore, does not call for any explanation or comments from the Board under Section 134(3) of the Act.

However, clarifications wherever necessary, have been included in the 'Notes to Accounts' of the Annual Report.

Furthermore, a report under Para 70 and 71 of Chapter XII of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, is attached and is self-explanatory.

c. Secretarial Audit Report

Pursuant to Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the Board of Directors had appointed M/s Rathi and Associates, Companies Secretaries (Membership No.: 8568; Certificate of Practice No.: 10286) to undertake Secretarial Audit of the Company for FY 2023-24.

The Secretarial Audit Report for FY 2023-24 is appended as **Annexure B** to this Report and same was noted by the Board of Directors at their meeting held on April 30, 2024.

The aforesaid report does not contain any qualifications, reservations, adverse remarks or disclaimers and therefore, does not call for any explanation or comments from the Board under Section 134(3) of the Act.

d. Internal and Concurrent Audit

Internal and Concurrent Audit function provides an independent view to Audit Committee on the quality and efficacy of the internal controls, governance systems and processes.

Pursuant to Section 138 of the Act read with Rule 13 of the Companies (Accounts) Rules, 2014, as amended, the Board of Directors has appointed Mr. V. Swaminathan, Head – Corporate Audit & Assurance to undertake Internal Audit of the Company.

Further, the Board of Directors have appointed M/s JHS Associates to undertake Concurrent Audit of the Company.

In line with the RBI's guidelines on Risk Based Internal Audit (RBIA), the Company has appointed Mr. V. Swaminathan, as Head of Internal Audit of the Company for a term of 3 years with effect from April 30, 2024. Further, Company has also adopted a Risk Based Internal Audit policy.

At the beginning of each financial year, an audit plan is rolled out after approval of the Audit Committee. The Audit Committee regularly reviews the internal audit reports along with the corrective and preventive actions thereon. Significant audit observations, corrective and preventive actions thereon are presented to the Audit Committee on a quarterly basis.

Further, the Audit Committee also conducts performance review of the Internal and Concurrent Auditors on annual basis.

e. Information system audit

In terms of Paragraph 5 and Paragraph 30 of Master Direction - Information Technology Framework for NBFCs and Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices applicable on Banks, NBFCs, CICs and AIFIs respectively, NBFCs are required to have an information system audit at least once in a year.

In line with the aforesaid regulations, Information Security Audit for the financial year under review was conducted in accordance with the regulatory framework applicable to the Company and scope approved by the Audit Committee.

The audit revealed no material adverse observations. Necessary continuous improvement actions are being taken in line with the audit observations.

f. Fraud Reporting

There has been no instance of fraud reported by the Auditors under Section 143(12) of the Act and the rules framed thereunder, either to the Company or to the Central Government.

6. DISCLOSURES PERTAINING TO APPLICABLE RBI, NHB & SEBI GUIDELINES:**a. Risk Management**

Your Company has a well-defined risk governance structure which provides for identification, assessment, and management of risks. Risk management involves making decisions and establishing governance systems that embed and support effective risk process, as well as building an organizational culture that supports agility.

The Board has delegated responsibility of overseeing Risk Management Framework to the Risk Management Committee ("RMC").

The RMC of your Company comprises of Mr. Saibal Ghosh, Independent Director & Chairperson, Mr. Manish Shah, MD & CEO and Ms. Shalinee Mimani, Authorised Person

The RMC is responsible for reviewing the risks associated with the business of the Company, its root causes and the efficacy of the measures taken to mitigate the same.

The Company has also put in place a Risk Management Policy to provide guidance to the Board / RMC regarding management of risk to support achievement of corporate objectives, protect staff, business assets and ensure financial sustainability.

With this objective in mind, the Board of Directors on recommendation of the RMC has approved an Enterprise Risk Management ("ERM") Framework.

The ERM Framework comprises of following:

- Identification of top risks affecting the Company both at Department level and Enterprise level and preparation of separate Risk Register at Department and Enterprise level.
- Prioritization of the identified risks as per the strategic priorities of the Company and assignment of owners for top risks.
- Understanding existing mitigation measures, development of additional mitigation plans and defining Key Risk Indicator (KRI) and appetite thresholds for top risks.
- Cognizance of the key risks which shall be monitored at Enterprise Level and presented to the RMC on a continuous basis.
- Formulation of a Risk Management Policy

Update on top risks arising from ERM Framework is placed before the RMC on quarterly basis.

b. Internal Guidelines on Corporate Governance

In line with adoption of best practices and greater transparency in the operations of the Company and in compliance with Chapter IX of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the Board of Directors of the Company have approved and adopted Internal Guidelines on Corporate Governance (“CG Guidelines”).

Update on compliance status with CG guidelines is placed before the Board on annual basis.

During the financial year under review, GC Guidelines were amended to carry out the changes as required under applicable regulatory guidelines.

The said Guidelines are available on the website of the Company at <https://www.godrejcapital.com/ghf/information-and-policies.html>.

c. Information pursuant to Para 44 of Chapter VII of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

- The total number of accounts of public deposit of the company which have not been claimed by the depositors or not paid by the company after the date on which the deposit became due for repayment – Not applicable.
- The total amount due under such accounts remaining unclaimed or unpaid beyond the date referred as aforesaid – Not applicable.

d. Information pursuant to Para 68 of Chapter XI of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

- 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 – Not applicable.
- The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date referred as aforesaid – Not applicable.

e. Information required pursuant to Annexure IV of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

- All pecuniary relationship or transactions of the Non-Executive Directors – Nil
- Management Discussion and Analysis Report – Appended as **Annexure C** to this Report.

f. Disclosure required pursuant to SEBI Circular on Large Corporate

As per Chapter XII – “Fund raising by issuance of debt securities by large corporate” of SEBI Circular dated August 10, 2021 read with SEBI Circular dated March 31, 2023, as amended, the Company was identified as a Large Corporate (LC) basis position as on March 31, 2023.

Accordingly, the Company was required to raise not less than 25% of its incremental borrowings of FY 2023-24 by way of issuance of debt securities over a contiguous block of 3 (three) years i.e. till FY 2025-26.

Further, SEBI vide Circular dated October 19, 2023, required all LCs to endeavour to comply with the requirement of raising 25% of their incremental borrowings done during FY 2022, FY 2023 and FY 2024 respectively by way of issuance of debt securities till March 31, 2024, failing which, such LCs shall provide a one-time explanation in their Annual Report for FY 2024.

Accordingly, as per erstwhile requirement, Company was positive of raising 25% of total incremental borrowing of FY 2023-24 through debt securities till FY 2025-26. During FY 2023-24, alternative borrowing instruments were available at cheaper and more favourable rates, thus the Company opted for the said instruments to fulfil its business requirement during FY 2023-24.

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

a. Conservation of Energy and Technology Absorption:

There is no information to disclose under the head ‘Conservation of Energy and Technology Absorption’ since the Company is engaged in providing financial services. However, the Company understands the importance of energy conservation from the perspective of protection of the environment.

b. Foreign Exchange and Earnings / Outgo:

(Rs in Lakhs.)

Particulars	For the Financial year ended as on 31st March 2024	For the Financial year ended as on 31st March 2023
Actual Foreign Exchange earnings	-	-
Actual Foreign Exchange outgo	Rs. 22.39	Rs.91.13



8. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, AND REDRESSAL) ACT, 2013:

Your Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

During the under review, the Company did not receive any complaints on sexual harassment in accordance with the Company's policy on prevention, prohibition, and redressal of sexual harassment at workplace.

The Company has also conducted 25 (twenty-five) training program(s) in FY 2023-24 on Prevention of Sexual Harassment at workplace.

9. SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors ("SS-1") and Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India (ICSI).

10. COMPLIANCES REGARDING INSIDER TRADING:

Pursuant to SEBI (Prohibition of Insider Trading) Regulations 2015, as amended, ('SEBI PIT Regulations') the Company has a Board approved code of conduct to regulate, monitor and report trading by insiders ('Code of Conduct') and a code of practices and procedures for fair disclosure of unpublished price sensitive information ('Code of Fair Disclosure').

The status of compliance with SEBI PIT Regulations are reviewed by Audit Committee and Board on annual basis.

11. LISTING

The Non-Convertible Debentures issued by the Company are listed on National Stock Exchange of India Limited and Commercial Papers are listed on BSE Limited.



12. DEBENTURE TRUSTEE

The details of the debenture trustee appointed for the privately placed debentures of the Company is as below:

Catalyst Trusteeship Ltd.
GDA House, Plot No. 85,
Bhusari Colony (Right),
Paud Road,
Pune – 411 038
Tel No. (020) 66807200
Email ID: dt@ctltrustee.com

13. OTHER DISCLOSURES:

During the financial year under review, no penalty or fine was levied on the Company except fine of Rs. 11,800/- levied by National Stock Exchange of India Limited for delay in filing of compliance with respect to Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Company has paid the fine and put necessary checks and controls in place to ensure timely submission.

14. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions pertaining to these items during the financial year under review:

- Obtained any registration / license / authorization, by whatever name called from any financial sector regulators.
- Significant material changes and commitments between the end of the financial year of the Company and the date of the Report which could affect the Company's financial position.
- Receipt of any remuneration or commission from its Holding Entity by any Director or Key Managerial Personnel of the Company.
- Revision of the financial statements of the previous years during the financial year under review.
- Exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act.
- Significant material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
- Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Act.
- Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year under review.



- Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.
- Suspension of debentures of the Company from trading on account of any corporate action or otherwise.
- Default in repayment of loans from any banks and financial institutions.

15. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their sincere gratitude to the customers and investors of the Company for their confidence and patronage; to the shareholders, regulatory bodies, bankers, rating agencies and other stake holders for their unyielding support and guidance; and to the employees for their commitment, hard work and zeal during the financial year.

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

Sd/-
Pirojsha Godrej
Chairperson
DIN: 00432983

Sd/-
Manish Shah
Managing Director and Chief Executive Officer
DIN: 06422627

Place: Mumbai
Date: April 30, 2024

Registered Office:
Godrej One, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079
CIN: U65100MH2018PLC315359
Tel No.: 022-68815555

Annual Report on Corporate Social Responsibility (“CSR”) [Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

As required under Section 135(4) of the Companies Act, 2013 and Rule 9 of Companies (Accounts) Rules, 2014, the details with respect to CSR are as follows:

1. Brief outline on CSR Policy of the Company

The Company has prepared the Corporate Social Responsibility Policy (“CSR Policy”) in alignment with its objective, principles and values, delineating its responsibility as a socially and environmentally responsible corporate citizen. This CSR Policy lays down the principles and mechanisms for undertaking various programs in accordance with the requirements provided under Section 135 of The Companies Act 2013 (“the Act”), read with Schedule VII to the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended along with subsequent amendments.

The Board of the Directors of the Company has approved this CSR Policy, on recommendation of CSR Committee, on February 1, 2023. Any or all provisions of this CSR Policy are subject to the applicable provisions of the Act, and any subsequent amendments thereof made from time to time, During the financial year under review, there was no amendment made to the CSR Policy.

2. Composition of CSR Committee

Composition of CSR Committee as on March 31, 2024 is as below:

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Pirojsha Godrej	Non – Executive Director & Chairperson of the Committee	0	0
2.	Mr. Saibal Ghosh	Independent Director	0	0
3.	Mr. Manish Shah	Managing Director & Chief Executive Officer	0	0

3. Web-link where the following are disclosed on the website of the Company:

- a. Composition of CSR Committee and CSR Policy:
<https://www.godrejcapital.com/ghf/information-and-policies.html>.
- b. CSR Projects approved by Board: The Company is profitable, however it does not fall under the category of mandatory spending for CSR as per the Act.

Further, once the Company falls under the category of mandatory spending for CSR, the Company would identify the suitable CSR projects/activities in line with CSR Policy. The Company will also establish a robust project/activity monitoring and evaluation mechanism for such CSR spends to ensure that every project/activity is in accordance with the requirements under the Act.

4. Executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): NA

5. (a) Average Net Profit / (Loss) of the Company as per section 135(5): Rs. (29,13,77,502)

(b) Two percent of Average Net Profit / (Loss) of the Company as per section 135(5): Rs. (58,27,550)

(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. (58,27,550)

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

(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)]- Nil

(e) CSR amount spent or unspent for the Financial Year: Nil

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)	
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135

Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NA				

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

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit / (loss) of the Company as per section 135(5)	(58,27,550)
(ii)	Total amount spent for the Financial Year	NA
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NA

7. **Details of Unspent CSR amount for the preceding three financial years:** Not applicable. The Company was not required to spend amounts towards CSR activities as per Act.

Sr. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of Section 135 (in Rs.)	Amount spent in the reporting financial year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
NA								



8. Whether any capital assets have been created or acquired through CSR 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 sub-section (5) of Section 135: NA

Sd/-
Pirojsha Godrej
Chairperson
DIN: 00432983

Sd/-
Manish Shah
Managing Director and Chief Executive Officer
DIN: 06422627

Place: Mumbai
Date: April 30, 2024

Rathi & Associates

COMPANY SECRETARIES

A-303, Prathamesh, 3rd Floor, Raghuvanshi Mills Compound, 11-12, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013.
Tel.: 4076 4444 / 2491 1222 • Fax : 4076 4466 • E-mail : associates.rathi8@gmail.com

SECRETARIAL AUDIT REPORT

[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]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

To,
The Members
GODREJ HOUSING FINANCE LIMITED
Godrej One, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East),
Mumbai – 400 079

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Godrej Housing Finance Limited** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st 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:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure I**, for the financial year ended on 31st March, 2024, according to the provisions of:
 - (i) The Companies Act, 2013 (“the Act”) and the rules made there under to the extent applicable;
 - (ii) The Depositories Act, 1996 and the Regulations and Bye - laws framed thereunder;
 - (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under Overseas Direct Investment and External Commercial Borrowings (*applicable to the extent of Foreign Direct Investment*);
 - (iv) The following Regulations, Guidelines and Circulars prescribed under the Securities and Exchange Board of India Act, 1992 (**SEBI Act**):
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;



- b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 *to the extent of Chapter V (Obligations of Listed Entity which has Listed its Non-Convertible Securities)*; and
 - c. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - d. Master Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10, 2021,
 - e. Master Circular for listing obligations and disclosure requirements for Nonconvertible Securities, Securitised Debt Instruments and/ or Commercial Paper (*applicable to the extent of Commercial Papers listed by the Company*) dated July 29, 2022.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) were not applicable to the Company during the audit period under report viz.:
- (i) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and rules made thereunder;
 - (ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (iv) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (v) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding dealing with client; and
 - (vii) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
3. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company viz.
- (i) Non - Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021;

We have also examined compliance with the applicable clauses of Secretarial Standards – 1 and 2 issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as specified above except the following:

There was a delay of 1 day in providing the record date intimation pursuant to Regulation 60(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the month of October 2023 as the Company had inadvertently included a day (Ganesh Chaturthi) as a working day which was a non-working day for stock exchanges, in respect



of which, the National Stock Exchange of India Limited levied a fine of Rs. 10,000/- on the Company which has been duly paid by the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the members have communicated dissenting views, in the matters/agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

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

We further report that during the year under report, the following events/actions had major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- (i) The Board of Directors of the Company, at their meeting held on 11th May 2022, considered and approved the issue of Commercial Papers aggregating to Rs.1000 Crores to eligible counterparties in one or more tranches;
- (ii) The following Equity Shares of face value of Rs.10/- each, ranking pari-passu with the existing Equity Shares of the Company, were issued on Rights basis at a premium of Rs.37/- per Equity Share to the existing Shareholders of the Company:

Date of Allotment	No. of Equity Shares	Issue price (including Premium) per Share (in Rs.)	Total Consideration (In Rs.)
19.06.2023	3,15,74,468	47/-	1,48,39,99,996/-

- (iii) The Shareholders of the Company, at the Annual General Meeting (AGM) held on 22nd May, 2023 approved the following:
 - (a) Appointment of M/s D Kothary & Company, Chartered Accountants (Firm Registration No. 105335W), as the Statutory Auditor of the Company for a period of 3(three) years i.e. till conclusion of AGM to be held in 2026.
 - (b) Appointment of Mr. Saibal Ghosh (DIN:09766300) as Independent Director for a tenure of 5(five) years with effect from October 17, 2022



- (c) Amendment to the Incidental Objects clause of the Memorandum of Association of the Company by inserting a clause to enable the Company to undertake business / services as an insurance Intermediary
 - (d) Amendment to the Articles of Association of the Company by inserting an article to enable appointment a person nominated by the debenture trustee(s) as a Director on the Board of Directors of the Company in event of default as per Regulation 15(1)(e) of the SEBI (Debenture Trustees) Regulations, 1993
 - (e) Authority to the Board of Directors for borrowing monies upto Rs. 10,000 Crores pursuant to Section 180(1)(c) of the Companies Act, 2013;
 - (f) Authority to the Board of Directors to secure credit facilities upto Rs. 10,000 Crores pursuant to Section 180(1)(a) of the Companies Act, 2013;
 - (g) Authority to the Board of Directors to issue listed/unlisted, secured/ unsecured Non-convertible debentures on private placement basis upto Rs. 2000 Crores.
- (iv) On advisement of the Insurance Regulatory and Development Authority of India, the Shareholders of the Company, at their Extra-Ordinary General Meeting held on 1st February, 2024 approved deletion of clause pertaining to undertake business / services as an Insurance Intermediary inserted under the Incidental Object of the Memorandum of Association of the Company and approved insertion of said clause under Main Object of the Memorandum of Association of the Company.



Place: Mumbai
Date: April 30, 2024

**For RATHI & ASSOCIATES
COMPANY SECRETARIES**

A handwritten signature in blue ink that reads "Neha R Lahoty" with a long horizontal flourish extending to the right.

NEHA R LAHOTY

PARTNER

M. NO. FCS 8568

C.P. No. 10286

UDIN: F008568F000271347

P.R. Certificate No.: 668/2020

Note: This report should be read with our letter which is annexed as Annexure II and forms an integral part of this report.

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March 2023.
3. Minutes of the meetings of the Board of Directors and Committees held during the financial year under report along with Attendance Register.
4. Proof of circulation & Delivery of notice for Board meetings and Committee Meetings.
5. Proof of circulation of draft Board and Committee meetings minutes as per Secretarial Standards.
6. Various Policies made under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
7. Copies of Notice, Agenda and Notes to Agenda submitted to all the directors / members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation;
8. Minutes of General Body Meetings held during the financial year under report.
9. Statutory registers applicable to the Company under the Companies Act, 2013.
10. Agenda papers submitted to all the Directors/members for the Board Meetings.
11. Declarations/Disclosures received from the Directors/ Chief Financial Officer of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013.
12. e-Forms filed by the Company from time to time under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
13. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report;
14. Statement of Related Party Transactions entered into by the Company during the financial year under report;
15. Details of Sitting Fees paid to all Non - Executive Directors for attending the Board Meetings and Committees.



To
The Members
Godrej Housing Finance Limited
Mumbai

Dear Sirs,

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that 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 RATHI & ASSOCIATES
COMPANY SECRETARIES



NEHA R LAHOTY
PARTNER

M. NO. FCS 8568

C.P. No. 10286

UDIN: F008568F000271347

P.R. Certificate No.: 668/2020



Place: Mumbai

Date: April 30, 2024



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

Over the past three Fiscals, the Indian economy has outperformed its global counterparts by witnessing a faster growth. Going forward as well, IMF projects that Indian economy will remain strong and would continue to be one of the fastest growing economies. The growth in the economy is supported by the investment in both physical and digital infrastructure by the Government. Government capex as a percentage of GDP is at a multi decadal high. Directionally this will assist the growth in the economy in the coming years. Some of the initiatives taken by the government to support manufacturing through PLI schemes and the Make in India Initiatives. Productivity gains and the improvement in infrastructure would push India to be a USD 7 TN economy by the end of this decade.

A growing economy will continue to need credit. Historically basis the growth trends, the growth of credit has always outpaced the growth of the GDP. It is expected that while the economy will grow by ~7% in FY 2025, the credit growth would be close to 15%.

While the long term growth of the economy is intact, the credit markets faced some headwinds in FY 24. The central bank had reduced liquidity to a large extent to address multiple factors such as growth in credit and maintaining the currency. While the credit growth continued to be strong for most part of the year the industry faced lower margins as RBI reduced liquidity thereby raising cost of funds.

Additionally, the year also saw geopolitical risks coming to the fore with the ongoing war situation in Ukraine and the middle east. The supply chains which have been stretched since COVID were faced challenges. Further to this, inflation reads across the world have been sticky forcing central bankers across the world to be cautious on rates and we believe that the rates will remain elevated.

Despite the near term volatility, we believe that India and the housing sector in particular will have strong tailwinds for growth. The housing sector will be aided by a strong trend in urbanization, growth of wages and a strong economy with job creation. Further the support that the Government has been providing for home ownership through various schemes ably driven by the National Housing Bank will provide impetus to home ownership. Additionally, the low mortgage penetration within the economy – at 11% compared to other advanced and developing economies provides a strong headroom for growth.

For FY 25, it is expected that the housing credit market will expand by 12-14% with stable asset quality and stable return profile.

2. GROWTH AND RISK THEREOF:

The Indian housing sector has grown steadily in the recent years. Government initiatives around “Housing for all”, schemes such as the PMAY, Refinance Schemes for HFCs and other such initiatives have helped the overall growth of this segment.



The housing finance market has been posting healthy growth consistently, driven by higher affordability, pent-up demand for housing, and positive government initiatives. Demand for home loans has been fuelled by a growing young population, with rising disposable incomes, migrating to metro cities with an aspiration to buy homes. High demand in tier 2 and 3 cities has further contributed to a significant increase in demand for real estate.

Higher transparency in the sector, increasing affordability and urbanisation, and government incentives will push up the housing finance market over the next five years. Disbursements in housing loan segment is expected to increase gradually and retain grow rate of ~12-14%. The growth is expected to be slightly tilted towards NHLs (especially LAP) as the industry looks to enhance its yields.

In Fiscal 2024, the profitability for HFCs is expected to improve to approximately 2.1% on account of marginal decrease in credit cost. The healthy provision cover maintained by most entities is expected to provide a cushion to absorb the losses on the identified asset quality stress. Consequently, the credit costs are also expected to remain under control in FY2024.

Some significant growth opportunities include:

- Post Covid there is a need for larger homes leading to rise in demand for ready to move in or near completion properties
- The level of mortgage penetration in India is much lower than that of developed nations suggesting headroom for growth
- The RBI's Monetary Policy Committee (MPC) is expected to be on an extended pause for the next few meetings, as it evaluates the inflation trajectory and growth momentum
- Focus on technology to enhance end-to-end customer journeys and providing enhanced seamless and personalised experience to customers.

Risk factors –

- Competition continues to increase especially from the banks. Share of banks within the housing finance business continues to increase. While banks have the ability to price their loans at better rates, the housing finance companies remain better at innovating for the customer. The company intends to keep its track record on innovating keeping the customer at the centre.
- If there is an economic downturn in major economies, it could result in macroeconomic issues such as heightened cost inflation, interest rates, and currency volatility, all of which may put stress on asset quality.
- While the pause on rate hikes has augured well for financial markets, elevated bank lending rates could tighten financial conditions for some segments of the economy which could ease down subsequently basis the direction of the economy.

3. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE OF THE COMPANY.

The Company is focusing on housing loans and hence ~74.78% of its total loan book is comprising this segment. The other ~25.22% includes non-housing loans.



4. OUTLOOK

The Company has a positive outlook for FY 2024-25. The Company has established its business in 16 branches and shall contemplate expanding into more areas.

The Company has made substantial investment in people, processes and technology which is expected to bear fruit this year. As the economy will open up, there is expected to be significant opportunity for growth.

5. RISK MANAGEMENT:

Overall Risk Management:

The Company aims to operate within an effective risk management framework to actively manage various risks (including credit risk, market risk, operational risk, fraud risk etc) faced by an HFCs, in a manner consistent with its risk appetite. Accordingly, it has adopted a Risk Management Policy which aims to establish a risk culture and risk governance framework, under the guidance of its Board of Directors, to enable identification, measurement, mitigation, and reporting of risk within the Company.

The Company has an active Risk Management Committee which reviews portfolio quality risk, interest rate and liquidity risk, credit concentration risk, legal risk, regulatory & compliance risk, people risk, IT risk & their impact and mitigation thereto.

Credit & Fraud Risk Management:

All the cases are approved by the Credit Underwriting team and Credit Committee at different levels with respective approval limits.

The Company has established Fraud Containment Unit (FCU) and manages fraud risk by focusing on preventing frauds, ensuring early detection, proactive communication and awareness building on recurrent frauds and how to mitigate them.

Asset Liability Management (ALM) & Liquidity Management:

Asset Liability Management is addressed optimally and within the norms stipulated by RBI/ALM Policy. Company is well positioned to meet its liquidity needs by maintaining positive ALM. The Company has maintained a healthy Liquidity Coverage Ratio (LCR) in Q4-FY24 by maintaining average LCR of 112% against regulatory requirement of 85%. The Company has also maintained adequate liquidity in the form of unutilized Bank lines to the tune of Rs. 3313 crores.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has institutionalised a strong compliance and control culture across all the business activities recognising the importance of transparency and trust.

The internal controls of the Company are commensurate with the business requirements, its scale of operation and applicable statutes to ensure orderly and efficient conduct of business.



These controls have been designed to ensure assurance regarding maintaining proper accounting controls, substantiation of financial statement, safeguarding of resources, prevention and detection of frauds and errors, ensuring operating effectiveness, reliability of financial reporting, compliance with applicable regulations and relevant matters covered under section 134 (5) (e) of the Companies Act, 2013.

The Company has implemented a RBIA Programme in accordance with the requirements of RBI. Internal Audit function headed by the Head Internal Audit has organizational independence functionally reporting into the Audit Committee of the Board. Internal Audit Reports are regularly reviewed by the management and necessary preventive/corrective action is initiated to strengthen the controls and enhance the effectiveness of existing systems.

To further strengthen governance framework, the Company has appointed a Chief Compliance Officer (CCO). Under CCO's supervision, the compliance function shall, among others, be responsible for identification and assessment of compliance risks, provide guidance on related matters and monitor and test compliances across the organisation.

7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's performance during the year ended March 31, 2024, as compared to the previous financial year ended March 31, 2023, is summarized below:

(Rs. In Lakhs)

Particulars	For the Financial year ended as on 31 st March 2024	For the Financial year ended as on 31 st March 2023
Total Income	49,063.01	27,968.11
Total Expenditure	41,050.62	24,165.96
Profit/(Loss) before Tax	8,012.39	3,802.15
Tax Expense	Nil	Nil
Net Profit/(Loss) after Tax	8,012.39	3,802.15

8. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company's success depends largely upon the quality and competence of its management team and key personnel's. Attracting and retaining talented professionals is therefore a key element of the Company's strategy and a significant source of competitive advantage. The Company's people bring to the stage multi-sectoral experience, technological experience, and domain knowledge.

As on March 31, 2024, there were 171 employees of the Company.



The Company recognizes people as its most valuable asset and has taken initiatives in the direction to develop and drive the culture of high performance and meritocracy. The Company's mission on creating a high-performance culture has been further strengthened through activities such as constant focus on training & up-skilling and safety measures for everyone involved.

The Company is committed to maintain the highest standards of health, safety and security for its employees and business associates and to operate in a healthy and safe environment.

9. **CAUTIONARY STATEMENT:**

Some statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied.

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

**Sd/-
Pirojsha Godrej
Chairperson
DIN: 00432983**

**Sd/-
Manish Shah
Managing Director and Chief Executive Officer
DIN: 06422627**

**Place: Mumbai
Date: April 30, 2024**

**Registered Office:
Godrej One, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079
CIN: U65100MH2018PLC315359
Tel No.: 022-68815555**



INDEPENDENT AUDITOR'S REPORT

To the Members of Godrej Housing Finance Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Godrej Housing Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, (Ind AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended March 31, 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements.

Sr. No.	Key Audit Matter	How the Key Audit Matter was addressed in our audit
1.	Impairment of financial assets as at balance sheet date (expected credit losses): Ind AS 109 requires the Company to provide for impairment of its loans and advances (designated at	<ul style="list-style-type: none">We understood and assessed the Company's accounting policies for impairment of financial assets and their



<p>amortised cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances.</p> <p>In the process, significant degree of judgement has been applied by the management are :</p> <ul style="list-style-type: none">• Grouping of borrowers based on homogeneity by using appropriate statistical techniques;• Staging of Loans• In absence of sufficiently long history and adequate number of defaults in company's own data, estimation of Probability of default (PD) is carried out using Logistic Regression model using a Bureau data obtained from Experian on a lookalike portfolio considering various factors like Ticket Size, Location, Age, Peer Institution.• Determination of Loss Given Default (LGD) and Exposure at Default (EAD) <p>In view of requirement of several data inputs and High management judgements in estimation of ECL, it is a key audit matter.</p> <p>Refer note no 5 of the financial statements.</p>	<p>compliance with Ind AS 109 and the governance framework approved by the Board of Directors pursuant to Reserve Bank of India guidelines.</p> <ul style="list-style-type: none">• We have discussed with the management and evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions including factors that affect the PD, LGD and EAD and tested the controls around data extraction and validation.• Reconciled the total loans considered for ECL assessment with the books of accounts to ensure the completeness.• Tested categorization of loan portfolio into different segments.• Tested the arithmetical accuracy of computation of ECL provision.• Assessed disclosures included in the financial statements in respect of expected credit losses.
<p>2. IT systems and controls</p> <p>The financial accounting and reporting processes, especially in the financial services sector, are fundamentally reliant on IT systems and IT controls to process significant voluminous transactions.</p> <p>IT environment controls, which include IT governance, general IT controls over program development and changes, access to programs and data and IT operations, are required to be designed and to operate effectively to ensure reliable financial reporting.</p> <p>Hence, we identified IT systems and IT general controls (ITGC) as a key audit matter for the Company.</p>	<ul style="list-style-type: none">• We tested the design and operating effectiveness of the Company's IT access controls over the IT applications that are important to financial reporting and other identified application controls.• We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing requests for access to systems were reviewed and authorized.• We tested the company's periodic review of access roles, user id deactivation.• We reviewed the IS policy.• Tested change management control. We tested requests of changes to systems for approval and authorization• In addition to the above, we tested the design and operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting.



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

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under section 133 of the Act, read with relevant rules issued thereunder.

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

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

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

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.



D. KOTHARY & CO. **Chartered Accountants**

- 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 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the 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 "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.



D. KOTHARY & CO. Chartered Accountants

- (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2024 taken on record by the Board of Directors, none of the directors of the Company 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the financial statements.
- (g) With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations on its financial position in its financial statements.
 - 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 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)/ entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented that, to best of its knowledge and belief, other than as disclosed in note to the financial statements, no funds have been received by the company from any person(s)/entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has neither declared nor paid any dividend during the year.



D. KOTHARY & CO.

Chartered Accountants

- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account and Loan management system for maintaining loan portfolio for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Mehul N. Patel
Partner
Membership No. 132650
UDIN:
Place: Mumbai
Date: April 30, 2024



Annexure A to the Independent Auditor's report.

Referred to in Para 1 under 'Report on Other Legal and Regulatory Requirements' of our Report to the members of the Company on the financial statements for the year ended March 31, 2024:

Statement on Matters Specified in paragraphs 3 and 4 of the Companies (Auditors Report) Order, 2020

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant, and Equipment and relevant details of Right to Use assets.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Property, Plant, and Equipment, including Right of Use assets have been physically verified by management at reasonable intervals. No material discrepancies were noticed on such verification.

(c) The Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) as at the balance sheet date and therefore the provisions of paragraph 3 (i) (c) of the Order are not applicable.

(d) The Company has not revalued any of its Property, Plant, and Equipment (including Right of Use assets) or intangible assets or both during the year, and therefore the provisions of paragraph 3 (i) (d) of the Order are not applicable.

(e) According to the information and explanation given to us and based on the examination of the records of the Company we report that no proceedings have been initiated during the year or are pending against the Company as of 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii. (a) The Company does not have any inventories and hence reporting under paragraph 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, during the year, from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. (a) The company being a Non-Banking Housing Finance Company, the provision of paragraph 3(iii) (a) does not apply to the company.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that, the 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 provided, if any, during the year are, prima facie not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have been regular as per repayment schedules except for 23 cases having loan outstanding balance at year end aggregating to Rs. 492.74 Lakhs wherein the repayments of principal and interest are not regular.

(d) The total amount overdue for more than ninety days is Rs. 21.47 Lakh with respect to two borrower as per Note 5.1 of the financial statement. Based on the information and explanations given to us and in our opinion reasonable steps have been taken by the company for recovery of principal and interest.

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



D. KOTHARY & CO. Chartered Accountants

- (f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year.
- iv. According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not provided any loans, investment, guarantees, or security as covered under Section 185 and 186 of the Companies Act, 2013 and therefore, the provisions of paragraph 3(iv) of the Order are not applicable.
- v. According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other applicable provisions of the Act and the rules framed there under and therefore the provisions of paragraph 3(v) of the Order are not applicable.
- vi. The maintenance of cost records is not applicable to the Company pursuant to the provision of section 148(1) of the Companies Act, 2013 and therefore the provisions of paragraph 3(vi) of the Order are not applicable.
- vii. (a) The Company is regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income tax, and any other statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income tax, and any other statutory dues in arrears as of 31st March 2024 for a period of more than six months from the date they became payable.
- (b) There are no statutory dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, and any other statutory dues applicable to it which have not been deposited on account of any disputes.
- viii. According to the information and explanations given to us, and based on the audit procedures performed by us, we have not come across any transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of any loans or other borrowing or the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, and based on the audit procedures performed by us, the term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and based on the audit procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on a short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiaries, associates or joint ventures and therefore the provisions of paragraph 3 (ix) (e) of the Order are not applicable.
- (f) The Company does not have any subsidiaries, associates or joint ventures and therefore the provisions of paragraph 3 (ix) (f) of the Order are not applicable.



D. KOTHARY & CO. Chartered Accountants

- x. (a) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments), and therefore the provisions of paragraph 3(x) (a) of the Order are not applicable.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not made any preferential allotment or private placement of shares or convertible debenture (fully, partially, or optionally convertible) during the year, and therefore the provisions of paragraph 3(x) (b) of the Order are not applicable.
- xi. (a) During the course of our examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, no fraud by and on the company has been noticed or reported during the year. We have not been informed of any such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us and 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 and therefore provisions of paragraph 3(xii) (a) to (c) of the Order are not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details of such related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of business.
- (b) Reports issued by the Internal auditors for the period under audit which has been provided by the management have been considered by us.
- xv. According to the information and explanations given to us, and based on the audit procedures performed by us, the Company has not entered into any non-cash transactions with Directors or persons connected with him, and therefore the provisions of paragraph 3(xv) of the Order are not applicable.
- xvi. (a) The Company is a Housing Finance Company having a valid Certificate of Registration under Section 29A of the NHB Act, 1987, and is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, and therefore the provisions of paragraph 3(xvi) (a) of the Order are not applicable.
- (b) According to the information and explanation given to us, we report that the company is registered with a valid Certificate of Registration (CoR) issued by National Housing Bank Act, 1987, and conducted housing finance activities.
- (c) According to the information and explanation given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, and therefore the provisions of paragraph 3(xvi) (c) of the Order are not applicable.
- (d) According to the information and explanation given to us, the Company does not have more than one Core Investment Company (CIC) in the Group therefore provisions of paragraph 3(xvi) (d) of the Order are not applicable to the Company.



D. KOTHARY & CO.

Chartered Accountants

- xvii. The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- xviii. There is no resignation of the statutory auditor of the Company during the year and therefore the provisions of paragraph 3(xviii) of the Order are not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the 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 indicating 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. The Company is not required to incur any expenditure towards Corporate Social Responsibility (CSR) during the period under audit as per provision of Section 135 of the said Act, therefore, the provisions of paragraph 3(xx) (a) and (b) of the Order are not applicable.
- xxi. The Company is not required to prepare consolidated financial statements and therefore the provisions of paragraph 3 (xxi) of the Order are not applicable.

For D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Mehul N. Patel
Partner
Membership No. 132650
UDIN:
Place: Mumbai
Date: April 30, 2024



Annexure B to the Independent Auditor's Report

The Annexure referred to in Para 2(f) under 'Report on Other Legal and Regulatory Requirements' of our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2024:

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 **Godrej Housing Finance Limited** ("the Company") as at 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls 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 criteria for internal financial 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 D. Kothary & Co.
Chartered Accountants
Firm Registration No. 105335W

Mehul N. Patel
Partner
Membership No. 132650
UDIN:
Place: Mumbai
Date: April 30, 2024

Godrej Housing Finance Limited

Balance Sheet as at March 31, 2024

(Currency : Indian Rupees in lakhs)

	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	3	12,527.07	61,834.51
(b) Bank balances other than (a) above	4	2,649.45	2,520.68
(c) Loans	5	5,44,728.93	3,79,828.04
(d) Investments	6	9,313.10	-
(e) Other financial assets	7	3,511.46	1,672.95
		5,72,730.01	4,45,856.18
(II) Non Financial Assets			
(a) Current tax assets (net)	26	1,169.28	-
(b) Deferred tax assets (net)	26	530.67	530.67
(c) Property, plant and equipment	8	587.73	415.82
(d) Right-of-use assets	8	1,125.63	846.24
(e) Intangible assets under development	8	15.44	-
(f) Other intangible assets	8	3,216.35	3,702.62
(g) Other non financial assets	9	619.00	313.52
		7,264.10	5,808.87
Total Assets		5,79,994.11	4,51,665.05
LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial Liabilities			
(a) Payables	10		
(i) Trade payables			
total outstanding dues of micro enterprises and small enterprises	10.1	10.91	20.27
total outstanding dues of creditors other than micro enterprises and small enterprises	10.1	1,055.09	1,072.01
(b) Debt securities	11	93,265.91	49,982.98
(c) Borrowings (Other than debt securities)	12	3,88,604.23	3,26,764.87
(d) Lease liabilities	33	1,147.13	858.16
(e) Other financial liabilities	13	5,298.30	4,990.41
		4,89,381.57	3,83,688.70
(II) Non-Financial Liabilities			
(a) Current tax liabilities (Net)	26	-	199.98
(b) Provisions	14	84.22	73.76
(c) Other non-financial liabilities	15	104.93	135.40
		189.15	409.14
(III) EQUITY			
(a) Equity share capital	16	34,182.11	31,024.66
(b) Other equity	17	56,241.28	36,542.55
		90,423.39	67,567.21
Total Liabilities and Equity		5,79,994.11	4,51,665.05

Material Accounting Policies and accompanying notes forming part of the Financial Statements.

2-45

As per our report of even date attached
For D. Kothary & Co.
Chartered Accountants
Firm Registration No.: 105335W

For and on behalf of the Board of Directors
Godrej Housing Finance Limited
CIN: U65100MH2018PLC315359

Mehul N. Patel
Partner
Membership No. - 132650

Pirojsha Godrej
Director
DIN - 00432983
Mumbai
April 30, 2024

Manish Shah
Managing Director & CEO
DIN - 06422627
Mumbai
April 30, 2024

Mumbai
April 30, 2024

Kunal Karnani
Chief Financial Officer
Mumbai
April 30, 2024

Chunni Singh
Company Secretary
Mumbai
April 30, 2024

Godrej Housing Finance Limited
Statement of cash flow for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A Cash flow from operating activities		
(Loss) before tax	8,012.39	3,802.15
Adjustments for		
Net gain on fair value change	(959.43)	(530.45)
Impairment on financial assets	247.81	638.09
Depreciation, amortisation and impairment	1,296.53	1,204.19
Unrealised (Gain)/loss on investments	1.23	-
Interest on security deposits	(10.94)	(12.46)
(Gain)/Loss on sale of fixed assets	14.35	(0.70)
Remeasurements of the defined benefit plans	4.53	28.11
Operating cash flow before working capital changes	8,606.47	5,128.93
<i>Add / (Less): Adjustments for working capital changes</i>		
(Increase)/ Decrease in Loans	(1,65,147.85)	(2,06,335.68)
(Increase)/ Decrease in Other Financial Assets	(1,843.45)	(740.83)
(Increase)/ Decrease in Other non financial assets	(305.47)	111.44
(Increase)/ Decrease in Other Bank balances	(128.77)	(2,520.68)
Increase/ (Decrease) in Provisions	10.45	(55.62)
Increase/ (Decrease) in Trade Payables	(26.27)	(416.53)
Increase/ (Decrease) in Other financial liabilities	307.03	(3,191.99)
Increase/ (Decrease) in Other non-financial liabilities	(30.47)	(233.05)
Cash (used in) operations	(1,58,558.33)	(2,08,254.01)
Income taxes paid (Net of refunds received)	(1,369.26)	(122.87)
Net cash (used in) operating activities - A	(1,59,927.59)	(2,08,376.88)
B Cash flow from investing activities		
Purchase of property, plant and equipment	(434.40)	(127.11)
Purchase of intangible assets	(263.17)	(703.22)
(Increase)/Decrease in intangible assets under development	(15.44)	99.07
Proceeds from sale of property, plant and equipment	0.41	1.40
Purchase of investments	(5,52,742.67)	(4,07,286.06)
Proceeds from sale of investments	5,44,387.76	4,07,816.51
Net cash generated from/(used in) investing activities - B	(9,067.51)	(199.41)
C Cash flow from financing activities		
Proceeds from issue of equity shares (including securities premium)	14,839.26	22,100.00
Repayment of Lease Obligations	(273.89)	(245.20)
Proceeds from issue of debt securities	1,65,211.97	1,34,478.05
Repayment of debt securities	(1,21,929.03)	(94,416.25)
Proceeds from borrowings (other than Debt securities)	1,06,657.22	2,74,247.23
Repayment of borrowings (other than Debt securities)	(44,817.87)	(86,185.72)
Net cash generated from financing activities - C	1,19,687.66	2,49,978.11
Net increase / (Decrease) in cash and cash equivalents (A+B+C)	(49,307.44)	41,401.82
Cash and cash equivalent as at the beginning of the year	61,834.51	20,432.69
Cash and cash equivalent as at the end of the year	12,527.07	61,834.51

Godrej Housing Finance Limited
Statement of cash flow for the year ended March 31, 2024

(Currency : Indian Rupees in lakhs)

Notes:

i) **Reconciliation of cash and cash equivalents as per the statement of cash flow**

Particulars	March 31, 2024	March 31, 2023
Cash and Cash Equivalents as per above comprise of the following		
- Cash in hand	0.86	-
- In Current accounts	5,522.03	14,652.92
- In Fixed deposits	4,504.73	10,193.62
- In certificate of deposit	2,499.45	36,987.97
Balances as per statement of cash flow	<u>12,527.07</u>	<u>61,834.51</u>

ii) The above Statement of Cash Flow has been prepared under the indirect method as set out in Indian Accounting Standard - 7 " Statement of Cash flow ".

iii) There is no amount of cash and cash equivalent balances held by the entity that are not available for use by the group.

Material Accounting Policies and accompanying notes forming part of the Financial Statements. 2-45

As per our report of even date attached
For D. Kothary & Co.
Chartered Accountants
Firm Registration No.: 105335W

For and on behalf of the Board of Directors
Godrej Housing Finance Limited
CIN: U65100MH2018PLC315359

Mehul N. Patel
Partner
Membership No. - 132650

Pirojsha Godrej
Director
DIN - 00432983
Mumbai
April 30, 2024

Manish Shah
Managing Director & CEO
DIN - 06422627
Mumbai
April 30, 2024

Mumbai
April 30, 2024

Kunal Karnani
Chief Financial Officer
Mumbai
April 30, 2024

Chunni Singh
Company Secretary
Mumbai
April 30, 2024

Godrej Housing Finance Limited
Statement of changes in equity As at March 31, 2024

(Currency : Indian Rupees in lakhs)

A. Equity Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	31,02,46,587	31,024.66	26,13,31,138	26,133.11
Add: Shares issued during year	3,15,74,468	3,157.45	4,89,15,449	4,891.55
Add: Conversion during the year	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	34,18,21,055	34,182.11	31,02,46,587	31,024.66

B. Other Equity

Particulars	Reserves and Surplus			Items of Other Comprehensive Income	Total Other Equity
	Securities premium	Special reserve	Retained Earnings	Remeasurement of defined benefit liabilities / assets	
Balance As at April 01, 2022	30,124.04	-	(14,597.24)	(15.88)	15,510.90
Profit for the year	-	-	3,802.15	-	3,802.15
Other comprehensive income/(loss) for the year	-	-	-	21.04	21.04
Issue of equity shares	17,208.46	-	-	-	17,208.46
Transfer from / (to)	-	760.43	(760.43)	-	-
Share issue expenses	-	-	-	-	-
Balance As at March 31, 2023	47,332.50	760.43	(11,555.52)	5.16	36,542.55
Profit for the year	-	-	8,012.39	-	8,012.39
Other comprehensive income/(loss) for the year	-	-	-	4.53	4.53
Issue of equity shares	11,681.81	-	-	-	11,681.81
Transfer from / (to)	-	1,602.47	(1,602.47)	-	-
Share issue expenses	-	-	-	-	-
Balance As at March 31, 2024	59,014.31	2,362.90	(5,145.60)	9.69	56,241.28

Nature and purpose of reserve - Refer Note 17.A

Material Accounting Policies and accompanying notes forming part of the Financial Statements.

2-45

As per our report of even date attached
For D. Kothary & Co.
Chartered Accountants
Firm Registration No.: 105335W

For and on behalf of the Board of Directors
Godrej Housing Finance Limited
CIN: U65100MH2018PLC315359

Mehul N. Patel
Partner
Membership No. - 132650

Pirojsha Godrej
Director
DIN - 00432983
Mumbai
April 30, 2024

Manish Shah
Managing Director & CEO
DIN - 06422627
Mumbai
April 30, 2024

Mumbai
April 30, 2024

Kunal Karnani
Chief Financial Officer
Mumbai
April 30, 2024

Chunni Singh
Company Secretary
Mumbai
April 30, 2024

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024

1. Corporate Information

Godrej Housing Finance Limited ("the Company") was incorporated on October 05, 2018 having Corporate Identity Number (CIN): U65100MH2018PLC315359 as a company limited by shares. The Company obtained the certificate of registration from the Reserve Bank of India (RBI) as required under Section 29A of the National Housing Bank (NHB) Act, 1987 on October 26, 2020. The Company is registered as a non deposit taking housing finance company. The main objects of the Company, inter alia are to carry out the business of housing finance and provide financial assistance to construct, purchase, expand, renovate property. The Company is a wholly owned subsidiary of Godrej Capital Limited w.e.f from March 30, 2023.

2 Basis of preparation and Material accounting policies

2.1 Statement of compliance

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 by the Companies (Indian Accounting Standards) Rules, 2016. These financial statements together with the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS, prescribed under Section 133 of the Companies Act, 2013 ('the Act') and the provisions of the National Housing Bank Act, 1987 and the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by Reserve Bank of India (RBI), as amended from time to time.

The Company uses accrual basis of accounting except in case of significant uncertainties. The accounting policies are applied consistently to all the financial years presented in the financial statements.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources.

The financial statements of the Company for the year ended March 31, 2024 were approved for issue in accordance with the resolution of the Board of Directors on April 30, 2024.

2.2 Basis of measurement

The financial statements have been prepared on an accrual basis under the historical cost convention as modified by the application of fair value measurements required or allowed by the relevant standards under Ind AS.

Historical cost is generally the amount of cash or cash equivalents paid or the fair value of the consideration given in exchange for goods and services.

The financial statements have been prepared on a historical cost basis except for the fair value through other comprehensive income (FVOCI) instruments and certain financial assets and financial liabilities measured at fair value through profit and loss statement (FVTPL).

2.3 Functional and Presentation Currency

The financial statements are presented in Indian Rupees (rounded to the nearest lakhs) which is determined to be the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

2.4 Presentation of financial statements

The Balance Sheet and the Statement of profit and loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") as amended from time to time. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flow". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Ind AS, RBI, NHB and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

2.5 Use of estimates and judgements

The preparation of financial statements in conformity with Ind-AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities (including contingent liabilities) and disclosures as of the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. Actual results could differ from these estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and could change from period to period. Appropriate changes in estimates are recognised in the periods in which the Company becomes aware of the changes in circumstances surrounding the estimates. Any revisions to accounting estimates are recognised prospectively in the period in which the estimate is revised and future periods. The estimates and judgements that have significant impact on the carrying amount of assets and liabilities at each balance sheet date listed here in below under critical accounting estimates and judgements.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

A. Useful lives of property, plant and equipment and intangible assets

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period or even earlier in case, circumstances change such that the amount recorded value of an asset may not be recoverable.

B. Determination of lease term:

Ind AS 116 – Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

C. 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. For further details about determination of fair value please see Note - 37.

D. Business model assessment

Classification and measurement of financial asset depends upon the results of the solely payment of principal and interest (SPPI) and the business model test. The Company determines the business model at a level that reflects how groups of financial asset are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the asset is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

E. 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 amount recognized as a provision is the best estimate of the consideration required to settle the present obligation as at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

F. Contingent liabilities

Contingent liabilities are possible obligations whose existence will be confirmed only by uncertain future events or present obligations where the transfer of economic benefits is not probable or cannot be reliably measured. Contingent liabilities are disclosed unless the possibility of an outflow of resources embodying economic benefit is remote.

G. Employee Benefits

i) Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related service is rendered.

ii) Defined Contribution Plan

The Company's contribution paid/payable during the year towards Provident and other funds is charged to the statement of profit and loss in the year in which employee renders the related service.

iii) Measurement of defined benefit obligations

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the actuary considers the interest rates of government bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

The Company has an obligation towards gratuity, a non funded defined benefit plan covering eligible employees. Vesting for gratuity occurs upon completion of five years of service.

Details of the unfunded defined benefit plans for its employees are given in Note - 35 which is as certified by the actuary using projected unit credit method.

iv) Compensated Absences

Eligible employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation using projected unit credit method for the unused entitlement that has accumulated as at the balance sheet date.

H. Effective interest rate

The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments and other fee income/expense that are integral parts of the instrument.

I. Measurement of impairment of loans and advances

Judgement is required by management in the estimation of the amount and timing of future cash flows when determining an impairment loss for loans and advances in new businesses. In estimating these cash flows, the Company makes judgements about the borrower's financial situation compare the borrower's profile with customers having similar profile to estimate probability of default and the net realisable value of collateral, if any. These estimates are based on assumptions about a number of factors including forward looking information, and actual results may differ, resulting in future changes to the impairment allowance.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

2.6 Recent Pronouncements:

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

2.7 Material accounting policies

2.7.1 Financial Instruments

Financial assets and financial liabilities are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument. The Company determines the classification of its financial assets and financial liabilities at initial recognition based on its nature and characteristics.

2.7.1.1 Financial assets

i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

The financial assets include investments in mutual funds, trade and other receivables, loans and advances and cash and bank balances. However, trade and other receivables that do not contain a significant financing component are measured at transaction price.

ii) Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified in the following categories:

- At amortised cost, and
- At fair value through other comprehensive income (FVOCI), and
- At fair value through profit and loss (FVTPL).

Debt instruments at amortised cost

A 'debt instrument' 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 the asset 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 on the principal amount outstanding.

Financial Assets at Amortised Cost

Financial assets at amortised cost include loans receivable, and other financial assets that are held with the objective of collecting contractual cash flows. 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 discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). The effective interest rate (EIR) amortisation is included in interest income in the statement of Profit and Loss.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

Fair value through other comprehensive income (FVOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of profit and loss and recognised in other gains/(losses) (net). Interest income from these financial assets is included in other income using the effective interest rate (EIR) method.

Fair value through Profit and Loss (FVTPL)

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit and loss ('FVTPL').

iii) Reclassifications

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

iv) Impairment

The provision for credit risks, which is recognized in accordance with the expected credit loss method specified by Ind AS 109 and in accordance with uniform standards applied, encompasses all financial assets measured at amortised cost. The calculation of the provision for credit risks generally takes into account the exposure at default, the probability of default and the loss given default.

Financial assets are subject to credit risks, which are taken into account by recognising the amount of the expected loss; such allowances are recognised for both financial assets with objective evidence of impairment and non-impaired financial assets.

The general approach is used for financial assets measured at amortised cost on initial recognition. Financial assets are broken down into three stages in the general approach.

Stage 1 consists of financial assets that are being recognised for the first time or that have not demonstrated any significant increase in probability of default since initial recognition. In this stage, the model requires the calculation of an expected credit loss for the next twelve months.

Stage 2 consists of financial assets for which there is a significant increase in credit risk. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Stage 3 Financial assets demonstrating objective indications of impairment are allocated to stage 3. The Company assumes that the financial asset is credit impaired if it is 90 days or more past due.

In stage 2 and 3, an expected credit loss is calculated for the entire remaining maturity of the asset.

The Company considers a financial asset to be in default when :

- the borrower is unlikely to pay its credit obligations to the Company in full or in part, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is 90 days or more past due.

Both historical information, such as average historical default probabilities for each portfolio, and forward-looking information is used to determine the measurement parameters for calculating the provision for credit risks.

Impairment arises in a number of situations, such as delayed payment over a certain period, the initiation of enforcement measures, the threat of insolvency or over indebtedness, application for or the initiation of insolvency proceedings, or the failure of restructuring measures.

Reviews are regularly carried out to ensure that the allowances are appropriate. Uncollectible loans or receivables that are already subject to a workout process and for which all collateral has been recovered and all further options for recovering the loan or receivable have been exhausted are written off directly. Any valuation allowances previously recognised are utilised. Income subsequently collected in connection with loans or receivables already written off is recognised in the statement of profit and loss.

Loans are reported in the balance sheet at the net off Expected Credit Loss (ECL) provision.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

Measurement of ECL

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

The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

The Exposure at Default (EAD) is an estimate of the exposure at a Balance sheet date.

The Loss Given Default (LGD) 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.

When estimating the ECLs, the company adds a management override to account for stressed scenarios which are then reviewed on a periodic basis. This takes into account the expected inherent risk for different segments in the portfolio and the macro economic environment. The assumptions are periodically validated and modified as appropriate.

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

v) Write - offs

Financial assets are written off either partially or in their entirety when the Company has no reasonable expectations of recovery. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts. 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 impairment of financial instruments in the statement of profit and loss. However, financial assets that are written off may be subject to enforcement activities to comply with the Company's procedures for recovery of amounts due.

2.7.1.2 Financial liabilities

i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities classified at amortised cost, net of directly attributable transaction costs. The financial liabilities include trade and other payables, term loans and borrowings, lease liabilities etc.

ii) Subsequent measurement

For the purpose of subsequent measurement, financial liabilities are classified as financial liabilities at amortised cost.

Financial liabilities at amortised cost

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate (EIR). The effective interest rate (EIR) amortisation is included as finance costs in the statement of profit and loss.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

2.7.1.3 De-recognition, Modification and Transfer

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primary derecognised when ;

- The rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that 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 that the Company could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in the statement of profit and loss.

If the terms of a financial assets are modified, the Company evaluates whether the cash flow of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset as the present value of the renegotiated or modified contractual cashflows that are discounted at the financial asset's original effective interest rate and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the the statement of profit and loss. Any costs or fees incurred adjust the carrying amount of modified financial asset and are amortised over the remaining term of the modified financial asset. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses, in other cases, it is presented as interest income.

Financial Liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

2.7.1.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance sheet, if there is currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

2.7.1.5 Derivative financial instruments

The Company enters into derivative financial instruments such as foreign exchange forward contracts to manage its exposure to foreign exchange rate risk and are measured at fair value through profit or loss.

2.7.1.6 Cash and Cash equivalents

Cash and cash equivalents consist of cash on hand, balances with bank, deposits with bank (with original maturity of three months or less). For the purposes of presentation in the statement of cash flow, cash and cash equivalents include cash on hand and current account balances with banks that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

2.7.1.7 Fair value measurement

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. The management regularly reviews significant unobservable inputs and valuation adjustments.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques are as follows :

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

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

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

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

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.7.2 Share capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

2.7.3 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

2.7.4 Foreign currency transactions and balances

i) Initial recognition:

Foreign currency transactions are recorded in the reporting currency (which is Indian Rupees), by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii) Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii) Exchange differences:

All exchange differences arising on settlement or translation of monetary items are recognized as income or as expenses in the period in which they arise.

2.7.5 Property, Plant and Equipment (Tangible assets) & Depreciation

i) Recognition and measurement

Property, Plant and Equipment ("PPE") are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

ii) Subsequent measurement

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the part will flow to the Company and its cost can be measured reliably. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

iii) Depreciation

Depreciation on PPE is provided on a straight-line basis to allocate their cost, net of their residual value over the estimated useful life of the respective asset. The Company has estimated the useful lives to depreciate its PPE which is in accordance with those prescribed under Schedule II of the The Companies Act ,2013, except vehicles, in whose case the life of the assets has been assessed based on the nature of the asset, the estimated usage of the asset. The following are the estimates of the useful lives to depreciate its PPE: The following are the estimates of the useful lives to depreciate its PPE:

Particulars	Estimated useful life by the Company
Computer Hardware	3 - 5 Years
Office Equipment	5 Years
Vehicles	5 Years
Furniture and Fixtures	10 Years

Leasehold improvements are amortized on a straight line basis over the period of lease of the asset.

2.7.6 Intangible assets

i) Recognition and measurement

The Company's intangible assets primarily consist of computer softwares. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognised as intangible assets.

Development costs include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognised in the statement of profit and loss when the asset is derecognised.

ii) Amortisation of intangible assets

Intangible assets are amortized on a straight line basis over the estimated useful economic life. Intangible assets are amortised as per management's estimate over a period of 3 to 10 years or license period whichever is earlier. Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Costs associated with maintaining software programmes are recognised as an expense as incurred.

On review of estimates related to the intangible assets following changes have been made prospectively during the year:

- Life of certain core intangible assets is increased from 5 years to 10 years
- Residual value of intangible assets updated to zero

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

2.7.7 Employee Benefits Expenses

2.7.7.1 Short Term Employee Benefits

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

2.7.7.2 Post-Employment Benefits

Defined contribution schemes

All eligible employees of the company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employee and the company contribute monthly at a stipulated percentage of the covered employee's salary. Contributions are made to Employees Provident Fund Organization in respect of Provident Fund, Pension Fund and are charged to Statement of Profit and Loss at actuals. The company has no liability for future provident fund benefits other than its annual contribution.

Defined Benefit schemes

Gratuity

The Company provides for gratuity covering eligible employees under which a lumpsum payment is paid to vested employees at retirement, death, incapacitation or termination of employment, of an amount reckoned on the respective employee's salary and his tenor of employment with the Company. The Company accounts for its liability for future gratuity benefits based on actuarial valuation determined at each Balance Sheet date by an Independent Actuary using Projected Unit Credit Method.

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

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

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

Other Long term employee benefits

Accumulated compensated absences

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

2.7.8 Employee Share Based Payments

Equity-settled scheme:

Equity-settled share-based payments made by the parent Company to the employees of the Company are measured at the fair value of the equity instruments at the grant date. 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 period, based on the Company's estimate of equity instruments that will eventually vest. Fair value determined at the grant date is reduced by payment, If any, made to the parent, is recognised as deemed contribution to equity from parent.

2.7.9 Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

2.7.10 Earnings per share

Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares which may involve issue of equity shares. The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

2.7.11 Income Taxes

Income tax expense comprises current tax and deferred tax and is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in OCI.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted by the balance sheet date and applicable for the period.

Current tax items in correlation to the underlying transaction relating to OCI and equity are recognized in OCI and in equity respectively.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 assets to be utilised.

Unrecognised deferred tax assets are re-assessed at each balance sheet 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 balance sheet date.

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

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

2.7.12 Leases

The Company's lease assets primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee. Short term leases (lease term of twelve months or less) and low value leases are recognized as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.7.13 Segment reporting

The Company is engaged in the business segment of Financing, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated and to assess its performance, and for which discrete financial information is available. Further other business segments do not exceed the quantitative thresholds as defined by the Ind AS 108 on "Operating Segment". Hence, there are no separate reportable segments, as required by the Ind AS 108 on "Operating Segment".

2.7.14 Revenue and Expense Recognition

2.7.14.1 Interest income

Interest income is presented in the statement of profit and loss includes interest on financial assets measured at amortised cost calculated on an effective interest basis. Fee income and expense that are integral to the effective interest rate on a financial asset are included in the effective interest rate computation. The amortization of income and expenses for financial assets under EIR approach is done on a systematic basis that exactly discounts estimated future cash flows of the financial assets through the expected life of the assets.

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

2.7.14.2 Commission and fee income

Commissions earned by the Company which are not directly attributable to disbursement of loans are recognised in the statement of profit and loss as and when incurred.

Fee and commission income include fees other than those that are an integral part of EIR. The Company recognises the fee and commission income in accordance with the terms of the relevant contracts / agreement and when it is probable that the Company will collect the consideration.

2.7.14.3 Profit or loss earned on sale of investments

is recognised on trade date basis, determined based on the weighted average cost of the investments sold.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

2.7.14.4 Dividend income

Dividend income is recognized when:

- the right to receive dividend is established which is generally when shareholders approve the dividend,
- it is probable that the economic benefits associated with the dividend will flow to the entity and
- amount of dividend can be measured reliably.

2.7.14.5 Other income

Revenue from services is recognised net of taxes as and when the service is performed as per the relevant agreements.

2.7.14.6 Interest expenses

Interest expense is presented in the statement of profit and loss includes interest on liabilities measured at amortised cost calculated on an effective interest basis. Fee and borrowing costs that are integral to the effective interest rate on a financial liability are included in the effective interest rate computation. The amortization of expenses for financial liabilities under EIR approach is done on a systematic basis that exactly discounts estimated future cash flows of the financial liabilities through the expected life of the financial liability.

2.7.14.7 Borrowing costs

Borrowing costs incurred in connection with the borrowing of funds including the ancillary cost are amortised and accounted as interest expense using the EIR method.

Other borrowing costs are recognised as expense in the period in which they are incurred.

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)**

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
3. Cash and cash equivalents		
a) Cash on hand	0.86	-
b) Balances with Banks		
i) in current accounts	5,522.03	14,652.92
ii) in deposit accounts having original maturity less than 3 months	4,504.73	10,193.62
iii) in certificate of deposits	2,499.45	36,987.97
Total	<u><u>12,527.07</u></u>	<u><u>61,834.51</u></u>
4. Bank balances other than (a) above		
Other Bank balances		
a) In fixed deposit accounts		
i) in deposit accounts having original maturity more than 3 months	2,649.45	2,520.68
Total	<u><u>2,649.45</u></u>	<u><u>2,520.68</u></u>

Note: Balance with Banks in deposit accounts comprises deposits that have an original maturity exceeding 3 months at balance sheet date.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
5. Loans		
At amortised cost		
A. Product wise Details		
At Amortised cost		
a) Term loans	4,50,290.21	3,55,387.44
b) Pass through certificates	96,042.36	25,796.93
Total (A) - Gross	<u>5,46,332.57</u>	<u>3,81,184.37</u>
Less: Impairment loss allowance	(1,603.64)	(1,356.33)
Total (A) - Net	<u><u>5,44,728.93</u></u>	<u><u>3,79,828.04</u></u>
B. Security wise Details		
At Amortised cost		
a) Secured by tangible assets	5,34,219.77	3,73,637.85
b) Unsecured	12,112.80	7,546.52
Total (B) - Gross	<u>5,46,332.57</u>	<u>3,81,184.37</u>
Less: Impairment loss allowance	(1,603.64)	(1,356.33)
Total (B) - Net	<u><u>5,44,728.93</u></u>	<u><u>3,79,828.04</u></u>
C. Region wise Details		
At Amortised cost		
a) Loans in India		
- Public sector	-	-
- Others	5,46,332.57	3,81,184.37
b) Loans outside India	-	-
Total (C) - Gross	<u>5,46,332.57</u>	<u>3,81,184.37</u>
Less: Impairment loss allowance	(1,603.64)	(1,356.33)
Total (C) - Net	<u><u>5,44,728.93</u></u>	<u><u>3,79,828.04</u></u>
D. Nature of Loan wise Details		
At Amortised cost		
a) Housing Loans	4,08,563.75	2,80,728.44
b) Non Housing Loans	41,726.46	74,659.00
c) Pass through certificates	96,042.36	25,796.93
Total (D) - Gross	<u>5,46,332.57</u>	<u>3,81,184.37</u>
Less: Impairment loss allowance	(1,603.64)	(1,356.33)
Total (D) - Net	<u><u>5,44,728.93</u></u>	<u><u>3,79,828.04</u></u>

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

5. Loans (Continued)

5.1 Analysis of changes in the gross carrying amount and corresponding Impairment loss allowance in relation to loans:

Particulars	As at March 31, 2024							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
Balance as at the beginning of the year	3,81,171.86	1,354.81	12.51	1.52	-	-	3,81,184.37	1,356.33
New Assets Originated or Purchased, net of repayments	1,09,888.65	447.88	-	-	-	-	1,09,888.65	447.88
Assets derecognised or repaid (excluding write offs)	(57,968.49)	(290.31)	-	-	-	-	(57,968.49)	(290.31)
Transfer during the year	-	-	-	-	-	-	-	-
Transfer to Stage 1	10.73	1.31	(10.73)	(1.31)	-	-	-	-
Transfer to Stage 2	(148.03)	(1.42)	148.03	1.42	-	-	-	-
Transfer to Stage 3	(20.29)	(0.23)	-	-	20.29	0.23	-	-
Changes in opening credit exposures (additional disbursement net of repayments)	1,13,227.11	75.61	(0.25)	-	1.18	-	1,13,228.04	75.61
Impact of changes in credit risk on account of stage movements	-	(1.18)	-	3.91	-	11.39	-	14.12
Amounts written off	-	-	-	-	-	-	-	-
Balance as at the end of the year	5,46,161.53	1,586.47	149.57	5.54	21.47	11.63	5,46,332.57	1,603.64

Particulars	As at March 31, 2023							
	Stage 1		Stage 2		Stage 3		Total	
	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance	Term loans (Gross)	Impairment loss allowance
Balance as at the beginning of the year	1,74,849.53	718.24	-	-	-	-	1,74,849.53	718.24
New Assets Originated or Purchased, net of repayments	2,06,334.84	638.09	-	-	-	-	2,06,334.84	638.09
Transfer during the year	-	-	-	-	-	-	-	-
Transfer to Stage 1	163.00	54.52	-	-	(163.00)	(54.52)	-	-
Transfer to Stage 2	(12.51)	(1.52)	12.51	1.52	-	-	-	-
Transfer to Stage 3	(163.00)	(54.52)	-	-	163.00	54.52	-	-
Changes in opening credit exposures (additional disbursement net of repayments)	-	-	-	-	-	-	-	-
Amounts written off	-	-	-	-	-	-	-	-
Balance as at the end of the year	3,81,171.86	1,354.81	12.51	1.52	-	-	3,81,184.37	1,356.33

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
6. Investments		
Investments Carried at fair value through profit and loss		
a) Treasury Bills Investments (Quoted)	9,313.10	-
Total - Gross	<u><u>9,313.10</u></u>	<u><u>-</u></u>
Of the Above		
a) Investment in India	9,313.10	-
b) Investments outside India	-	-
Total Gross	<u><u>9,313.10</u></u>	<u><u>-</u></u>
7. Other financial assets		
Unsecured, considered good		
a) Security deposits	252.54	256.73
b) Excessive Interest Spread (EIS) Receivable	2,508.91	656.10
c) Other Receivables	750.01	760.12
Total	<u><u>3,511.46</u></u>	<u><u>1,672.95</u></u>

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

8. Property, plant and equipment, Intangible assets and Right of use assets

Particulars	Property, plant and equipment					Right-of-use assets*		Other intangible assets		
	Leasehold Improvements	Office Equipments	Furniture & Fixtures	Vehicles	Computers	Total	Premises	Total	Computer Software	Total
	(A)	(B)	(C)	(D)	(E)	F = (A+B+C+D+E)				
A. Gross carrying amount										
Balance at April 01, 2022	25.25	41.99	20.09	166.27	447.28	700.88	1,391.93	1,391.93	4,627.44	4,627.44
Addition	-	5.64	-	-	121.49	127.13	307.03	307.03	703.22	703.22
Disposal/Adjustments	-	-	-	-	(13.91)	(13.91)	-	-	-	-
Balance at March 31, 2023	25.25	47.63	20.09	166.27	554.86	814.10	1,698.96	1,698.96	5,330.66	5,330.66
Addition	211.22	3.57	100.87	49.92	68.82	434.40	914.69	914.70	263.17	263.17
Disposal/Adjustments	(3.04)	(3.48)	(17.85)	-	(4.16)	(28.53)	(1,131.07)	(1,131.07)	-	-
Balance at March 31, 2024	233.43	47.72	103.11	216.19	619.52	1,219.97	1,482.59	1,482.59	5,593.83	5,593.83
B. Accumulated Depreciation / amortisation										
Balance at April 01, 2022	4.52	7.73	2.82	49.76	139.41	204.24	562.48	562.48	921.34	921.34
Depreciation / Amortisation expense	4.81	9.11	1.91	33.89	157.52	207.24	290.24	290.24	706.70	706.70
Disposal/Adjustments	-	-	-	-	(13.20)	(13.20)	-	-	-	-
Balance at March 31, 2023	9.33	16.84	4.73	83.65	283.73	398.28	852.72	852.72	1,628.04	1,628.04
Depreciation / Amortisation expense	30.77	9.98	7.89	44.94	154.14	247.72	299.35	299.35	749.44	749.44
Disposal/Adjustments	(2.25)	(1.51)	(6.11)	-	(3.89)	(13.76)	(795.12)	(795.12)	-	-
Balance at March 31, 2024	37.85	25.31	6.51	128.59	433.98	632.24	356.96	356.96	2,377.48	2,377.48
C. Net carrying amount (A-B)										
As at March 31, 2023	15.92	30.79	15.36	82.62	271.13	415.82	846.24	846.24	3,702.62	3,702.62
As at March 31, 2024	195.58	22.41	96.60	87.60	185.54	587.73	1,125.63	1,125.63	3,216.35	3,216.35

*Refer note 33 for detailed disclosure related to Leases

D. Ageing schedule

Particulars	Amount in Intangibles under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024					
Project in progress*	15.44	-	-	-	15.44
Project temporarily suspended	-	-	-	-	-
As at March 31, 2023					
Project in progress*	-	-	-	-	-
Project temporarily suspended	-	-	-	-	-

* There are no projects whose completion are overdue or has exceeded its cost compared to its original plan.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023			
9. Other non financial assets					
Unsecured, considered good					
a) Balances with statutory authorities	151.37	(1.56)			
b) Advances to vendors	124.13	186.40			
c) Prepaid expenses	341.08	127.13			
d) Advances to employees	2.42	1.55			
Total	619.00	313.52			
10. Payables					
10.1 Trade payables * #					
a) total outstanding dues of micro enterprises and small enterprises	10.91	20.27			
b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,055.09	1,072.01			
Total	1,066.00	1,092.28			
10.1.1 Trade Payable Ageing	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
i) MSME	10.91	-	-	-	10.91
ii) Others	94.88	4.15	0.56	-	99.58
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-
Total	105.79	4.15	0.56	-	110.49
As at March 31, 2023					
i) MSME	20.27	-	-	-	20.27
ii) Others	83.42	6.69	-	-	90.11
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-Others	-	-	-	-	-
Total	103.69	6.69	-	-	110.38
*Note:					
Particulars	As at March 31, 2024	As at March 31, 2023			
Trade payables as per above ageing	110.49	110.38			
Add: Unbilled dues	955.51	981.90			
Total	1,066.00	1,092.28			
# Refer note 31: Dues to Micro, Small Enterprises					

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
11 Debt securities		
11.1 At amortised cost		
A. Secured (Refer Note 11.3)		
a) Non convertible debentures (listed, fully paid and privately placed)	20,916.12	20,913.51
(A)	<u>20,916.12</u>	<u>20,913.51</u>
B. Unsecured (Refer Note 11.4)		
a) Commercial Papers	72,349.79	29,069.47
(B)	<u>72,349.79</u>	<u>29,069.47</u>
Total	<u>93,265.91</u>	<u>49,982.98</u>
11.2 Of the Above		
i) Debt securities in India	93,265.91	49,982.98
ii) Debt securities outside India	-	-
Total	<u>93,265.91</u>	<u>49,982.98</u>

11.3 Terms of repayment of Secured Non convertible debentures As at March 31, 2024

Original maturity (In no. of days) Issued at par and redeemable at par	Due within 1 year	Due 1 to 3 Years	More than 3 years	Total
365 days to 3 years	10,400.00	9,600.00	-	20,000.00
Interest accrued and impact of EIR	916.58	(0.46)	-	916.12
Total	<u>11,316.58</u>	<u>9,599.54</u>	<u>-</u>	<u>20,916.12</u>

Listed and Secured Non Convertible Debentures

Particulars	Face Value	Types of Charge	ROI	Amount
8% Secured Rated Listed Redeemable NCD. Series A. Date Of Maturity 29/07/2025	9,600.00	Pari-pasu	8.00%	10,118.30
7.75% Secured Rated Listed Redeemable NCD Series B. Date Of Maturity 03/10/2024.	10,400.00	Pari-pasu	7.75%	10,798.60
Less: EIR Impact				0.78
Total	<u>20,000.00</u>			<u>20,916.12</u>

Interest rate ranges from 7.75 % p.a. to 8.00 % p.a. as at 31 March 2024

Face value of non convertible debentures is 20,000 lakhs as at 31 March 2024

The secured non-convertible debentures issued by the Company are fully secured by way of pari-passu charge in favour of debenture trustee on the Standard Assets/receivables, and cash & cash equivalents to the extent required to maintain Asset Cover of 100% of debenture outstanding except those receivables exclusively charged to NHB. Further the Company has at all times, for the non-convertible debentures issued, maintained asset cover as stated in the respective information memorandum which is sufficient to discharge the principal amount, interest accrued thereon and such other sums as mentioned therein.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Terms of repayment of Secured Non convertible debentures As at March 31, 2023

Original maturity (In no. of days)	Due within 1 year	Due 1 to 3 Years	More than 3 years	Total
Issued at par and redeemable at par				
365 days to 3 years	-	20,000.00	-	20,000.00
Interest accrued and impact of EIR	915.09	(1.58)		913.51
Total	915.09	19,998.42	-	20,913.51

Listed and Secured Non Convertible Debentures

Particulars	Face Value	Types of Charge	ROI	Amount
8% Secured Rated Listed Redeemable NCD. Series A. Date Of Maturity 29/07/2025	9,600.00	Pari-pasu	8.00%	10,117.61
7.75% Secured Rated Listed Redeemable NCD Series B. Date Of Maturity 03/10/2024.	10,400.00	Pari-pasu	7.75%	10,797.48
Less: EIR Impact				1.58
Total	20,000.00			20,913.51

Interest rate ranges from 7.75 % p.a. to 8.00 % p.a. as at 31 March 2023

Face value of non convertible debentures is 20,000 lakhs as at 31 March 2023

Non convertible debentures are secured by way of pari-passu charge in favour of debenture trustee on the Standard Assets/ receivables and cash & cash equivalents to the extent required to maintain Asset Cover of 100% of debenture outstanding except those receivables exclusively charged to NHB. Further the Company has at all times, for the non-convertible debentures issued, maintained asset cover as stated in the respective information memorandum which is sufficient to discharge the principal amount, interest accrued thereon and such other sums as mentioned therein.

11.4 Terms of repayment of Commercial paper As at March 31, 2024

Original maturity (In no. of days)	Due within 1 year	Due 1 to 3 Years	More than 3 years	Total
Issued at discount and redeemable at par				
Upto 365	71,789.66	-	-	71,789.66
Discount accrued	560.13			560.13
Total	72,349.79	-	-	72,349.79

Interest rate ranges from 7.20% p.a. to 8.30% p.a. as at 31 March 2024

Face value of commercial paper is 74,000 lakhs as at 31 March 2024

Terms of repayment of Commercial paper As at March 31, 2023

Original maturity (In no. of days)	Due within 1 year	Due 1 to 3 Years	More than 3 years	Total
Issued at discount and redeemable at par				
Upto 365	27,988.22	-	-	27,988.22
Discount accrued	1,081.25	-	-	1,081.25
Total	29,069.47	-	-	29,069.47

Interest rate ranges from 4.00 % p.a. to 7.20 % p.a. as at 31 March 2023

Face value of commercial paper is 30,000 lakhs as at 31 March 2023

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
12 Borrowings (Other than debt securities)		
12.1 At amortised cost		
Secured * #		
a) Term loans from banks	3,88,604.23	3,26,017.64
b) Loan repayable on demand from banks	-	747.23
Total	3,88,604.23	3,26,764.87
12.2 Of the Above		
i) Borrowings in India	3,88,604.23	3,26,764.87
ii) Borrowings outside India	-	-
Total	3,88,604.23	3,26,764.87

*Note: Loans taken from a banks are secured by first ranking pari passu charge on standard receivables of the borrower, both present and future, however standard receivable excludes receivables which are / or will be exclusively charged to National Housing Bank (NHB). There is also first ranking pari passu charge on cash and cash equivalents of the borrower, both present and future, to the extent required to make up any shortfall in the stipulated security cover over the standard receivables.

The quarterly returns/statements of current assets filed by the Company with the banks are in agreement with the books of accounts.

12.3 Repayment terms of Borrowings (Other than debt securities)
Terms of repayment of Borrowings (Other than debt securities) As at March 31, 2024

Original maturity of loan (No. of days)	Due within 1 year		Due 1 to 3 years		More than 3 years		Total
	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	Amount
Monthly							
Upto 365 Days	-	-	-	-	-	-	-
366 to 1095 Days	-	-	-	-	-	-	-
More than 1095 Days	-	-	-	-	-	-	-
Quarterly							
Upto 365 Days	78	41,295.40	-	-	-	-	41,295.40
366 to 1095 Days	-	-	170	1,50,211.75	-	-	1,50,211.75
More than 1095 Days	-	-	-	-	163	1,71,656.64	1,71,656.64
On maturity (bullet)							
Upto 365 Days	12	23,878.33	-	-	-	-	23,878.33
366 to 1095 Days	-	-	7	437.28	-	-	437.28
More than 1095 Days	-	-	-	-	-	-	-
Interest accrued and impact of EIR	-	-	-	-	-	-	1,124.84
TOTAL							3,88,604.23

Interest rates range from 6.48% p.a. to 8.99% p.a.

Terms of repayment of Borrowings (Other than debt securities) As at March 31, 2023

Original maturity of loan (No. of days)	Due within 1 year		Due 1 to 3 years		More than 3 years		Total
	No. of Instalments	Amount	No. of Instalments	Amount	No. of Instalments	Amount	Amount
Monthly							
Upto 365 Days	-	-	-	-	-	-	-
366 to 1095 Days	-	-	-	-	-	-	-
More than 1095 Days	12	666.67	-	-	-	-	666.67
Quarterly							
Upto 365 Days	-	-	-	-	-	-	-
366 to 1095 Days	22	7,791.67	4	2,291.67	-	-	10,083.34
More than 1095 Days	54	21,432.25	133	87,515.47	158	1,86,039.78	2,94,987.50
On maturity (bullet)							
Upto 365 Days	1	747.23	-	-	-	-	747.23
366 to 1095 Days	-	-	-	-	-	-	-
More than 1095 Days	-	-	2	20,000.00	-	-	20,000.00
Interest accrued and impact of EIR	-	-	-	-	-	-	280.13
TOTAL							3,26,764.87

Interest rates range from 7.80% p.a. to 9.32% p.a.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

	As at March 31, 2024	As at March 31, 2023
13. Other financial liabilities		
a) Book overdraft	3,677.49	4,030.59
b) Payable to Employees	627.86	512.55
c) Advances received from customers	26.09	11.30
d) Other Financial Liabilities	966.86	435.97
Total	5,298.30	4,990.41
14. Provisions		
a) Provision for Employee Benefits		
i) Gratuity (Refer Note 35)	65.04	51.19
ii) Compensated absences (Refer Note 35)	19.18	22.57
Total	84.22	73.76
15. Other non-financial liabilities		
a) Statutory dues payable	104.93	135.40
Total	104.93	135.40

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)**

(Currency : Indian Rupees in lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
17. Other equity		
a) Securities premium	59,014.31	47,332.50
b) (Deficit) in Statement of Profit and Loss	(5,145.62)	(11,555.54)
c) Impairment reserve	-	-
d) Special Reserve	2,362.90	760.43
e) Other comprehensive income	9.69	5.16
Total	56,241.28	36,542.55

A. Nature and purpose of reserves**a. Securities premium**

Securities premium represents the amount of premium received by the Company on the issuance of shares. The utilisation of the Securities premium is in accordance with the provisions of the Companies Act, 2013.

b. (Deficit) in Statement of Profit and Loss

Retained earnings comprises of the Company's undistributed earnings after taxes.

c. Impairment reserve

Impairment reserve is created when impairment allowance under Ind AS 109 is lower than the provisioning required (including standard asset provisioning) under prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP), as directed by RBI vide circular DOR (NBFC).CC.PD.No.109/22.10.106/2019- 20 dated 13th March, 2020.

d. Special Reserve

Reserve Fund is created as per the Section 29C of the National Housing Bank Act, 1987, which requires every housing finance company to create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the Profit and Loss Account and before any dividend is declared.

e. Other Comprehensive income

It represents the gain / (loss) on account of actuarial valuation of defined benefit obligation.

B. Movement in Other equity

Particulars	As at March 31, 2024	As at March 31, 2023
a) Securities premium		
Balance as at beginning of the year	47,332.50	30,124.04
Add : Premium Received on issue of shares	11,681.81	17,208.46
Less : Share issue expenses	-	-
Balance as at end of the year (a)	59,014.31	47,332.50
b) Retained Earnings / (Deficit) in Statement of Profit and Loss		
Balance as at beginning of the year	(11,555.54)	(14,597.24)
Add : Profit / (Loss) for the year	8,012.39	3,802.15
Less: Transferred to Special Reserve	(1,602.47)	(760.43)
Balance as at end of the year (b)	(5,145.62)	(11,555.54)
c) Other comprehensive income		
Balance as at beginning of the year	5.16	(15.88)
Add : Other comprehensive income for the year (net of tax)	4.53	21.04
Balance as at end of the year (c)	9.69	5.16
d) Impairment reserve		
Balance as at beginning of the year	-	-
Add : Transfer from retained earnings	-	-
Balance as at end of the year (d)	-	-
e) Special Reserve		
Balance as at beginning of the year	760.43	-
Add : Transfer from retained earnings	1,602.47	760.43
Balance as at end of the year (e)	2,362.90	760.43
Total (a+b+c+d+e)	56,241.28	36,542.55

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

16. Equity share capital**a) Share capital authorised, issued, subscribed and paid up**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Authorised Share Capital				
Equity shares of Rs.10/- each	85,00,00,000	85,000.00	85,00,00,000	85,000.00
Total	85,00,00,000	85,000.00	85,00,00,000	85,000.00
Issued, Subscribed and fully paid up:				
Equity Shares of Rs. 10 each	34,18,21,055	34,182.11	31,02,46,587	31,024.66
Total	34,18,21,055	34,182.11	31,02,46,587	31,024.66

b) Reconciliations of the number of shares and equity share capital :

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
Equity Shares				
Outstanding at the beginning of year	31,02,46,587	31,024.66	26,13,31,138	26,133.11
Add: Shares issued during year	3,15,74,468	3,157.45	4,89,15,449	4,891.55
Outstanding at the end of the year	34,18,21,055	34,182.11	31,02,46,587	31,024.66

c) Details of Shares held by Holding Entity, Ultimate holding Entity, their subsidiaries and associates -

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% Holding	No. of shares	% Holding
(i) Equity shares held by holding entity:				
Godrej Capital Limited (including 1 share each held by its nominees)	34,18,21,055	100.00%	31,02,46,587	100.00%

d) Shareholder holding more than 5% shares as at the end of the year :

Name of Shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% Holding	No. of shares	% Holding
Equity Shares				
Godrej Capital Limited (including 1 share each held by its nominees)	34,18,21,055	100.00%	31,02,46,587	100.00%

e) Shareholding of Promoters

Name of Promoter	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% Holding	No. of shares	% Holding
Godrej Capital Limited (including 1 share each held by its nominees)*	34,18,21,055	100.00%	31,02,46,587	100.00%

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)**

(Currency : Indian Rupees in lakhs)

16. Equity share capital

* There is no change in promoter holding percentage during the period.

f) Terms/rights attached to Equity Shares

The Company has one class of equity shares. Each equity share entitles the holder to one vote. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

g) There are no equity shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

h) The Company has not allotted any shares as fully paid up pursuant to contracts without payment being received in cash, or as bonus shares from the date of incorporation. The Company has not bought back any of its equity shares.

i) There are no calls unpaid on any equity shares, and forfeited shares.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
18. Interest income		
a) On financial assets measured at amortised cost		
i) Interest income on loans	41,674.80	22,450.84
ii) Interest income on investments / debt instruments	11.64	-
iii) Interest income on deposits	952.17	269.18
b) On financial assets measured at Fair value through profit and loss (FVTPL)		
i) Interest income on investments / debt instruments	338.09	14.07
Total	42,976.70	22,734.09
19. Fee and commission income		
a) Fee income and other charges	699.24	294.45
b) Commission income	1.70	-
Total	700.94	294.45
20. Net gain on fair value change		
A. On trading portfolio		
Investments at Fair value through profit and loss (FVTPL)		
i) Profit on liquid mutual funds	818.83	515.78
ii) Profit on debt securities and other investments held for trade (net)	34.23	0.60
Total	853.06	516.38
i) Realised	854.29	516.38
ii) Unrealised	(1.23)	-
Total	853.06	516.38
20a. Net gain on de-recognition of financial assets at amortized cost		
a) Net gain on derecognition of financial instruments under amortised cost category	1,874.88	717.40
Total	1,874.88	717.40
Total	-	-
21. Other income		
a) Interest income on security deposits	10.94	12.46
b) Gain on Lease Modification	25.01	-
c) Gain on Foreign Exchange Translation	-	0.28
d) Interest on I.T.Refund	18.74	10.98
e) Service Charges	2,594.07	3,679.69
f) Profit on sale of assets (net)	-	0.70
g) Miscellaneous income	8.67	1.68
Total	2,657.43	3,705.79

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)**

(Currency : Indian Rupees in lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
22. Finance costs		
a) On Financial liabilities measured at amortised cost		
i) Interest on borrowings (other than debt securities)	27,912.76	13,318.46
ii) Interest on debt securities	4,644.16	3,153.78
iii) Interest on lease liabilities	76.12	59.97
iv) Other Borrowing costs	162.80	80.17
Total	32,795.84	16,612.38
23. Impairment on financial assets		
a) On Financial assets measured at amortised cost		
i) Loans (Refer Note - 5)	247.31	638.09
b) Write off	0.50	-
Total	247.81	638.09
24. Employee Benefits Expenses		
a) Salaries, bonus and allowances (net)*	3,455.64	3,035.36
b) Contribution to provident fund and other funds	103.29	96.81
c) Gratuity expense (Refer note - 35)	23.46	52.77
d) ESOP Expenses (Refer Note - 36)	24.90	5.28
e) Staff welfare expenses	309.72	176.74
Total	3,917.01	3,366.96
*Notes:		
Salaries, bonus and allowances is net of salary cost recovered/reimbursed from related parties. Refer related party transaction Note - 34		
25. Other expenses		
a) Advertisement and Sales Promotion expenses	140.78	167.68
b) Auditor's fees and expenses (Refer note below)	30.04	22.77
c) Commission and Brokerage	24.18	19.82
d) Travelling and Conveyance	73.97	212.99
e) Computer & IT Expenses	486.53	419.06
f) Communication Expenses	38.68	63.49
g) Electricity Expenses	49.18	26.74
h) Housekeeping Expenses	150.70	88.40
i) Legal and Professional Fees	471.65	355.80
j) Loan sourcing cost	1,020.53	642.46
k) Membership and Subscription Fees	24.87	7.19
l) Office expenses	86.89	56.63
m) Printing and stationery	18.19	81.80
n) Rates, duties and taxes	10.19	5.20
o) Recruitment Expenses	18.00	43.62
p) Rent Expenses	55.05	43.66
q) Repair and Maintenance- Others	52.69	77.10
r) Miscellaneous Expenses	26.75	9.93
s) Loss on sale of fixed assets	14.35	-
t) Loans related other charges	0.01	-
u) Loss on Foreign Exchange Translation	0.20	-
Total	2,793.43	2,344.34
25.1 Auditors' fees and expenses		
Payments to auditor		
a) Audit fees	24.53	16.62
b) Certification	2.62	0.70
c) Previous Auditor	2.89	-
d) Tax audit fee	-	5.45
Total	30.04	22.77

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Particulars

**For the year ended
March 31, 2024**

**For the year ended
March 31, 2023**

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

26. Tax expense and related balances

A. Amounts recognised in statement of profit and loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax expense		
Current period	-	537.74
Changes in estimated related to prior years	-	-
Total current tax expense (A)	-	537.74
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	-	(537.74)
Deferred tax expense (B)	-	(537.74)
Total tax expense for the year (A) + (B)	-	-

B. Amounts recognised in other comprehensive income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Items that will not be reclassified to profit and loss		
(i) Remeasurement gains and (losses) on defined benefit obligations	4.53	28.11
(ii) Income tax relating to items that will not be reclassified to profit and loss	-	(7.07)
Total (a)	4.53	21.04
(b) Items that will be reclassified to profit and loss	-	-
Total (b)	-	-
Total (a+b)	4.53	21.04

C. Reconciliation of effective tax rate

	For the year ended March 31,2024		For the year ended March 31,2023	
	Amount	%age	Amount	%age
Profit before tax as per Statement of profit and loss	8,012.39		3,802.15	-
Tax using the Company's domestic tax rate	2,016.56	25.17	956.93	25.17
Tax effect of:				
Non-deductible expenses	(854.52)	(10.67)	(214.88)	(5.65)
Others	(1,162.04)	(14.50)	(204.31)	(5.37)
Total tax expense	-	-	537.74	14.14

D. Deferred tax balances

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets (DTA)		
Business loss and others	1,705.24	3,140.33
DTA restricted to	530.67	530.67
Deferred Tax Liabilities (DTL)		
WDV of tangible and intangible assets and others	(1,699.90)	(1,392.02)
Total DTL	(1,699.90)	(1,392.02)

Deferred tax asset on unabsorbed depreciation, business losses, EIR impact on financial instruments at amortised cost, lease related adjustments, unrealised net gain/(loss) on fair value changes, disallowances under u/s 43B of Income Tax Act, 1961 and others are not created on conservative basis but it restricted to current period tax.

E. Tax balances

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax assets (net)		
Advance Income Taxes (net)	1,169.28	-
[Net of provision for income tax Rs. 537.74 Lakhs (Previous year - Rs. Nil)]		
Total	1,169.28	-
Current tax liabilities (Net)		
(Net of Advance tax Rs.Nil Lakhs (Previous year Rs.337.06 Lakhs)	-	199.98
Total	-	199.98

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

27. Earning per Share

	For the year ended March 31, 2024	For the year ended March 31, 2023
Basic and Diluted earning per share		
a) Profit/(Loss) after tax attributable to equity shareholders for Basic EPS (Numerator)	8,012.39	3,802.15
b) Weighted average no. of equity shares outstanding during the year for Basic EPS (Denominator)	33,50,05,801	30,10,19,660
c) Nominal value of equity shares (Rs. per share)	10.00	10.00
d) Basic and diluted earnings per share (EPS) (Rs. per share)	2.39	1.26

28. Commitments and contingencies

A. Contingent liabilities

The contingent liabilities and litigations which are pending against the company as at 31st March, 2024 are Nil (As at 31st March, 2023: Nil).

B. Capital commitments

Particulars	As at March 31, 2024	As at March 31, 2023
i) Estimated amount of contracts remaining to be executed on capital account and not provided for	331.25	277.64
ii) Undisbursed commitments in respect of the loan agreements	2,91,421.10	2,58,906.91

The Holding Company has given a coprate guarantee for an amount of Rs. 25,000 lakh in favour of National Housing Bank as a security of refinance assistance on behalf of the Company. (Previous Year Rs. Nil)

29. Investor Education and Protection Fund

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2024 (as at 31st March, 2023: Nil).

30. Unhedged foreign currency exposures

The Company has unhedged foreign currency exposure of Rs. Nil As at March 31, 2024 (as at 31st March, 2023: Nil).

31. Dues to Micro, Small Enterprises

During the year micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company. The disclosures pursuant to MSMED Act based on the books of account are as under:

	As at March 31, 2024	As at March 31, 2023
i) The principal amount remaining unpaid to any supplier as at the end of the accounting year;	10.91	20.27
ii) The interest due thereon remaining unpaid to any supplier as at the end of the accounting year;	-	-
iii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
iv) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	-	-
v) The amount of interest accrued and remaining unpaid at the end of accounting year;	-	-
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Disclosure of outstanding dues of Micro and Small Enterprise under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006. There is no undisputed amount overdue during the year ended and as at March 31, 2024 and March 31, 2023 to Micro, Small and Medium Enterprises on account of principal or interest.

32. Segment Reporting

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.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

33. Leases

Information about leases for which the Company is a lessee is presented below:

(i) Right of use Asset

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Right of use Asset	846.24	829.45
Add: Addition for new leases	914.69	307.03
Less: Reduction for termination / closure	(1,131.07)	-
Less: Depreciation charge for the year (net of deduction)	495.77	(290.24)
Closing Right of use Asset	1,125.63	846.24

(ii) Movement in Lease liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Opening lease liabilities	858.15	803.94
Add: Addition for new leases	882.90	299.41
Less: Reduction for termination / closure	(345.32)	-
Add: Interest on lease liabilities	76.12	59.97
Add: Lease adjustment	-	-
Less: Lease payments	(324.72)	(305.17)
Closing lease liabilities	1,147.13	858.15

(iii) Amount recognised in Statement of Profit and Loss

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Depreciation charge of right-of-use assets	(495.77)	290.24
(b) Interest on lease liabilities	76.12	59.97
(c) Expense relating to short-term leases	55.05	43.66
Total	(364.60)	393.87

(iv) The total cash outflow for leases for the year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
The total cash outflow of leases	324.72	305.17

(v) Maturity analysis (undiscounted amounts)

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	347.48	329.09
One to five years	987.63	623.36
	-	-
Total undiscounted lease liabilities	1,335.11	952.45

Lease liabilities included in the statement of financial position

Current	269.19	281.41
Non-Current	877.94	576.76
Weighted average effective interest rate %	6.50% to 8.50%	6.50% to 7.00%

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

34. Related Party Disclosure

As per the requirement of Ind AS 24, on related party disclosures, the name of the related parties with the description of the relationship and transactions between the reporting enterprise and its related parties, as identified by the management are as follows :

34.1 List of related parties

A. Ultimate Holding Company

Godrej Industries Limited (w.e.f. August 24, 2021)

B. Holding Company / Entity

Godrej Capital Limited (w.e.f. August 24, 2021)

C. Fellow Subsidiaries

Godrej Consumer Products Limited (w.e.f. August 24, 2021)

Godrej One Premises Management Private Limited (w.e.f. August 24, 2021)

Godrej Finance Limited (w.e.f. August 24, 2021)

Godrej Properties Limited (w.e.f. August 24, 2021)

D. Company under common ownership

Godrej Boyce Manufacturing Company

E. Firm in which a director, manager or his relative is a partner

Anamudi Real Estates LLP

D. Key management personnel (KMP)

Mr. Pirojsha Godrej (Non Executive Chairperson) (w.e.f October 05, 2018)

Mrs. Rosemary Sebastian (Independent Director) (w.e.f January 28, 2021)

Mr. Saibal Ghosh (Independent Director) (w.e.f. October 17,2022)

Mr. Hemant Adarkar (Independent Director) (w.e.f January 10, 2024)

Mr. Manish Shah (Managing Director & CEO) (w.e.f. September 04, 2019)

Mr. Kunal Karnani (Chief Financial Officer) (w.e.f. January 03, 2020)

Ms. Chunni Singh (Company Secretary) (w.e.f. June 01, 2022)

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

Sr. No.	Nature of Transaction	Ultimate Holding Company		Holding Company/ Entity		Fellow Subsidiaries		Company under common ownership		Firm in which a director, manager or his relative is a partner		Key management personnel	
		FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023
1	Issue of equity shares												
	Godrej Capital Limited	-	-	14,840.00	22,100.00	-	-	-	-	-	-	-	-
2	Expenses/ Reimbursement Paid To												
	Godrej Industries Limited	162.65	366.34	-	-	-	-	-	-	-	-	-	-
	Godrej One Premises Management Private Limited	-	-	-	-	46.72	62.96	-	-	-	-	-	-
	Godrej Properties Limited	-	-	-	-	-	0.20	-	-	-	-	-	-
	Godrej Capital Limited	-	-	24.90	4.85	-	-	-	-	-	-	-	-
	Godrej Finance Limited	-	-	-	-	53.43	958.47	-	-	-	-	-	-
	Anamudi Real Estates LLP	-	-	-	-	-	-	-	-	61.25	-	-	-
3	Expenses/ Reimbursement Recovered From												
	Godrej Industries Limited	-	2.60	-	-	-	-	-	-	-	-	-	-
	Godrej Capital Limited	-	-	26.99	12.75	-	-	-	-	-	-	-	-
	Godrej Properties Limited	-	-	-	-	5.28	5.28	-	-	-	-	-	-
	Godrej Finance Limited	-	-	-	-	510.05	635.62	-	-	-	-	-	-
4	Purchase of Goods												
	Godrej Boyce Manufacturing Company	-	-	-	-	-	-	298.98	-	-	-	-	-
	Godrej Consumer Products Limited	-	-	-	-	0.77	0.25	-	-	-	-	-	-
5	Remuneration to Key Management Personnel												
	Short term employee benefit	-	-	-	-	-	-	-	-	-	-	441.09	383.71
	Post employment benefit	-	-	-	-	-	-	-	-	-	-	18.60	17.66
	Sitting Fees	-	-	-	-	-	-	-	-	-	-	43.60	36.00
7	Security deposit received back												
	Godrej Industries Limited	148.62	-	-	-	-	-	-	-	-	-	-	-
8	Security deposit paid												
	Anamudi Real Estates LLP	-	-	-	-	-	-	-	-	44.96	-	-	-
6	Trade Payables												
	Godrej Industries Limited	0.46	1.06	-	-	-	-	-	-	-	-	-	-
	Godrej Capital Limited	-	-	7.84	5.24	-	-	-	-	-	-	-	-
	Godrej One Premises Management Private Limited	-	-	-	-	3.77	5.21	-	-	-	-	-	-
	Godrej Finance Limited	-	-	-	-	37.62	27.08	-	-	-	-	-	-
9	Other Receivables												
	Godrej Properties Limited	-	-	-	-	1.78	2.30	-	-	-	-	-	-
	Godrej Finance Limited	-	-	-	-	230.28	206.51	-	-	-	-	-	-
	Godrej Industries Limited	-	2.13	-	-	-	-	-	-	-	-	-	-
	Godrej Capital Limited	-	-	3.58	6.50	-	-	-	-	-	-	-	-
10	Security Deposits												
	Godrej Industries Limited	-	148.62	-	-	-	-	-	-	-	-	-	-
	Anamudi Real Estates LLP	-	-	-	-	-	-	-	-	44.96	-	-	-
11	Corporate Gurantee Taken												
	Godrej Capital Limited	-	-	25,000.00	-	-	-	-	-	-	-	-	-

Note: All related party transactions entered during the year were in ordinary course of business and are on arm's length basis.

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)**

(Currency : Indian Rupees in lakhs)

35. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits'**35.1 Defined contribution plans**

The Company makes Provident fund contributions which are defined contribution plans for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits.

The Company has recognised the following amounts in the statement of profit and loss towards contribution to defined contribution plans which are included under contribution to provident and other funds:

	Year Ended March 31,	
	2024	2023
Provident fund	103.29	96.81

35.2 Defined Benefit Plan

The Company has an obligation towards gratuity, a non funded defined benefit plan covering eligible employees. Vesting for gratuity occurs upon completion of five years of service. Details of the unfunded post retirement benefit plans for its employees are given below which is as certified by the actuary.

Gratuity Disclosure Statement as Per Indian Accounting Standard 19 (Ind AS 19) as below.

a) Changes in Present Value of Defined Benefit Obligation

	Year Ended March 31,	
	2024	2023
Present Value of Benefit Obligation at the Beginning of the year	51.19	84.04
Current Service Cost	19.72	47.65
Past service cost	-	-
Interest Expense/(Income)	3.73	5.12
Liability transferred in	3.21	0.80
Liability transferred out	(7.52)	(58.31)
Settlement Cost (Credit)/Cost	-	-
Benefit Paid Directly by the Employer	(0.77)	-
Actuarial (Gains)/Losses on obligations - due to experience	11.13	(24.37)
Actuarial (Gains)/Losses on obligations - due to change in demographic assumptions	(12.82)	(5.55)
Actuarial (Gains)/Losses on obligations - due to change in financial assumptions	(2.83)	1.81
Experience (gains)/losses	-	-
Present Value of Benefit Obligation at the End of the year	65.04	51.19

Change in plan assets:

Fair value of plan assets, beginning of the year	-	-
Expected return on Plan Assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial Gain (loss) on plan assets	-	-
Fair value of plan assets, end of the year	-	-

b) Amount recognized in the balance sheet consists of:

	As at March 31,	As at March 31,
	2024	2023
Present value of defined benefit obligation	65.04	51.19
Fair value of plan assets	-	-
Net liability	65.04	51.19

c) The amounts recognised in the Statement of Profit and Loss are as follows:

	Year Ended March 31,	
	2024	2023
Service Cost		
Current service cost	19.72	47.65
Past service cost	-	-
Total Service cost	19.72	47.65
Net interest cost		
Interest expense on DBO	3.73	5.12
Interest expense / (income) on plan assets	-	-
Total Interest cost	3.73	5.12
Defined benefit cost included in Statement of Profit and Loss	23.45	52.77
Total remeasurement in other comprehensive income (OCI)	(4.52)	(28.11)
Total Defined benefit cost included in Statement of Profit and loss and OCI	18.93	24.66

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

35. Employee benefits - Disclosure pursuant to Ind AS 19 'Employee Benefits' (Continued)

	As at March 31, 2024	As at March 31, 2023
d) The amounts recognised in the Balance Sheet are as follows:		
Opening Net Liability	51.19	84.04
Expenses Recognized in Statement of Profit or Loss	23.46	52.77
Expenses Recognized in OCI	(4.53)	(28.11)
Net Liability/(Asset) Transfer In	3.21	0.80
Net (Liability)/Asset Transfer Out (Benefit Paid Directly by the Employer) (Employer's Contribution)	(7.52) (0.77)	(58.31) -
Net Liability/(Asset) Recognized in the Balance Sheet	65.04	51.19

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

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans and post retirement medical benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2024	As at March 31, 2023
Discount rate	7.14%	7.29%
Salary growth rate	8.00%	10.00%
Employee attrition rate	36.00%	24.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
Expected average remaining working lives of employees	2 Years	3 Years

f) Impact on defined benefit obligation - Sensitivity Analysis

Particulars	March 31, 2024		March 31, 2023	
	Increase	Decrease	Increase	Decrease
i) Discount rate (1% movement)	(1.46)	1.54	(2.34)	2.54
ii) Change in salary growth rate (1% movement)	1.51	(1.46)	2.45	(2.31)
iii) Change in employee attrition rate (1% movement)	(0.73)	0.75	(1.40)	1.45

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the benefit obligation as recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

g) Maturity

The defined benefit obligations shall mature after year end as follows:

Particulars	As at March 31,	
	2024	2023
i) 1st Following Year	13.91	0.17
ii) 2nd Following Year	15.25	5.82
iii) 3rd Following Year	13.08	8.92
iv) 4th Following Year	10.43	9.81
v) 5th Following Year	8.03	8.92
vi) Sum of Years 6 to 10	14.98	26.66
vii) Sum of Years 11 and above	2.59	15.93

The weighted average duration of the defined benefit obligation is 3 years (previous year - 6 years).

h) Risk Exposure

Gratuity is a defined benefit plan and Company is exposed to the Following Risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Company has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

i) Accumulated Compensated Absences

The Company provides for accumulated compensated absences as at the balance sheet date on the basis of an actuarial valuation. The Company recognized 12.89 lakhs (Previous year 10.13 lakhs) for Compensated Absences in the Statement of Profit and Loss.

35.3 Impact of Code on Social Security, 2020

The Indian Parliament has approved the Code on social security, 2020 which may impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying and financial impact are yet to be determined. The Company will complete its evaluation and will give appropriate impact in the financial statements in the year in which, the code becomes effective and the related rules to determine the financial impact are notified.

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)**

(Currency : Indian Rupees in lakhs)

36. Share based payment arrangement (Employee Stock Option Plan)

36.01 The Godrej Capital Employee Stock Option Scheme 2021 ("ESOP Scheme 2021") of the Parent Company was approved and adopted by its members at an Extraordinary General Meeting held on January 5, 2021 and Employee Stock Option Scheme 2022 ("ESOP Scheme 2022") of the Company was approved and adopted by its members at an Annual General Meeting held on June 1, 2022. The Scheme is administered by Company's Board of Directors. The Scheme applies to all the Eligible Employees, who are the permanent employees of the Company or any Subsidiary of the Company, on the date of Grant of Options. The Compensation Committee of the Company would decide the entitlement of each employee based on his/her performance, level, grade, seniority and such other parameters as may be decided by the Compensation Committee. The Exercise Price will be as decided by the Compensation Committee. The Options granted would vest after twenty one months but not later than fifty seven months from the date of Grant of Options or as may be decided by Compensation committee. Exercise period is 7 (seven) years from the date of Vesting of Options or such other period as may be decided by the Compensation Committee, within which the Employee should exercise his right to apply for transfer of Equity Shares of the Company to him pursuant to the Option Vested in him in accordance with the ESOP Scheme 2021 and ESOP Scheme 2022.

The fair value of the options at grant date is determined using Black Scholes Model which takes into account the exercise price, the term of the option, the share price at the grant date and expected price volatility of the underlying shares, the expected dividend yield and the risk free interest rate for the term of the options. The compensation costs, if any, is amortised on a straight line basis.

During the year, the Company granted stock options to employees under the ESOP 2022 Plan where the exercise price was linked to the fair value of shares on the date of the grant.

36.02 Movements in the number of share options outstanding under the ESOP Scheme 2021 is set out below:

	As at March 31, 2024		As at March 31, 2023	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Options outstanding at the beginning of the year	416	10.00	347	10.00
Granted	-	-	69	10.00
Vested	-	-	-	-
Exercised	-	-	-	-
Forfeited/Cancelled	-	-	-	-
Lapsed/Expired	(139)	10.00	-	-
Options outstanding at the end of the year	277	10.00	416	10.00
Options exercisable at the end of the year	72		-	

36.03 Movements in the number of share options outstanding under the ESOP Scheme 2022 is set out below:

	As at March 31, 2024		As at March 31, 2023	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
Options outstanding at the beginning of the year	184	80,496.49	-	-
Granted	215	1,08,556.00	184	80,496.49
Vested	-	-	-	-
Exercised	-	-	-	-
Forfeited/Cancelled	-	-	-	-
Lapsed/Expired	(32)	80,496.49	-	-
Options outstanding at the end of the year	367	96,934.62	184	80,496.49
Options exercisable at the end of the year/ period	-		-	

36.04 Vesting period

Vesting period	As at March 31, 2024		As at March 31, 2023	
	No. of Options		No. of Options	
Less than 1 Year	208		211	
1 to 3 years	199		297	
More than 3 years	237		92	
Total	644		600	

Weighted average contractual life of options remaining outstanding at end of year is 10.21 years.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

36. Share based payment arrangement (Employee Stock Option Plan) (Continued)

36.05 Fair value options

The fair value of options have been estimated as on the date of the grant using "Black Scholes" model. The key assumptions used in the model for calculating the fair value as on the date of grant are as follows:

	Grant Date	Share price	Exercise price	Risk-free interest rate	Expected life of the option	Expiry Date (from vesting date)	Expected volatility	Expected dividend yield	Fair Value of Options
ESOP 2021	January 29, 2021	4.29	10	5.71% to 6.61%	7 years	3 years	42.4% to 43%	0.00%	0.9 to 1.6
ESOP 2021	February 3, 2021	4.29	10	5.71% to 6.61%	7 years	3 years	42.4% to 43%	0.00%	0.9 to 1.6
ESOP 2021	May 10, 2021	4.29	10	5.71% to 6.61%	7 years	3 years	42.4% to 43%	0.00%	0.9 to 1.6
ESOP 2022	November 09, 2022	80,496.49	80,496.49	6.69% to 7.34%	7 years	3 years	20.51% to 29.79%	0.00%	12836.81 to 33681.63
ESOP 2022	March 10, 2023	80,496.49	80,496.49	7.26% to 7.33%	7 years	3 years	24.27% to 23.93%	0.00%	21055.68 to 33172.25
ESOP 2022	July 03, 2023	1,08,556.00	1,08,556.00	6.9% to 6.98%	7 years	3 years	20.26% to 27.78%	0.00%	24640.57 to 45534.12
ESOP 2022	September 04, 2023	1,08,556.00	1,08,556.00	7.07% to 7.09%	7 years	3 years	19.71% to 24%	0.00%	25532.32 to 44058.86
ESOP 2022	January 08, 2024	1,08,556.00	1,08,556.00	7% to 7.08%	7 years	3 years	18 % to 23.95%	0.00%	24610.08 to 44092.14
ESOP 2022	March 23, 2024	1,08,556.00	1,08,556.00	6.92% to 6.94%	7 years	3 years	16.73% to 23.98%	0.00%	23565.57 to 43579.38

The expected life of the share option is based on the management's current expectations and not necessarily indicative of exercise pattern that may occur. The volatility of the options is based on the historical volatility of listed comparable companies.

36.06 Expenses recognised in statement of profit and loss

	For the year ended March 31, 2024	For the year ended March 31, 2023
ESOP expenses/Share based payments recognised in profit and loss	24.90	5.28

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

37. Fair Value Measurement

The fair value is the amount at which financial instruments could be sold on fair terms as of the reporting date. Where market prices (e.g. for marketable securities) were available, we have used these prices without modification for measuring fair value. If no market prices were available, the fair values for loans/receivables and liabilities were calculated by discounting using a maturity-matched discount rate appropriate to the risk.

37.1 Classification of financial assets and financial liabilities:

The following table shows the carrying amounts and fair values of Financial assets and Financial liabilities which are classified as Amortised Cost, Fair value through Profit and Loss (FVTPL) and Fair value through other comprehensive income (FVTOCI).

37.1.1 As at March 31, 2024

	At Amortised cost	FVTPL	FVTOCI	Total carrying Value	Total Fair value
Financial Assets					
Cash and cash equivalents	12,527.07	-	-	12,527.07	12,527.07
Other Bank balances	2,649.45	-	-	2,649.45	2,649.45
Loans	5,44,728.93	-	-	5,44,728.93	5,44,728.93
Investments	-	9,313.10	-	9,313.10	9,313.10
Other financial assets	3,511.46	-	-	3,511.46	3,511.46
Total	5,63,416.91	9,313.10	-	5,72,730.01	5,72,730.01
Financial Liabilities					
Trade payables	1,066.00	-	-	1,066.00	1,066.00
Debt securities	93,265.91	-	-	93,265.91	93,265.91
Borrowings (other than debt securities)	3,88,604.23	-	-	3,88,604.23	3,88,604.23
Lease liabilities	1,147.13	-	-	1,147.13	1,147.13
Other financial liabilities	5,298.30	-	-	5,298.30	5,298.30
Total	4,89,381.57	-	-	4,89,381.57	4,89,381.57

37.1.2 As at March 31, 2023

	At Amortised cost	FVTPL	FVTOCI	Total carrying Value	Total Fair value
Financial Assets					
Cash and cash equivalents	61,834.51	-	-	61,834.51	61,834.51
Other Bank balances	2,520.68	-	-	2,520.68	2,520.68
Loans	3,79,828.04	-	-	3,79,828.04	3,79,828.04
Other financial assets	1,672.95	-	-	1,672.95	1,672.95
Total	4,45,856.18	-	-	4,45,856.18	4,45,856.18
Financial Liabilities					
Trade payables	1,092.28	-	-	1,092.28	1,092.28
Debt securities	49,982.98	-	-	49,982.98	49,982.98
Borrowings (other than debt securities)	3,26,764.87	-	-	3,26,764.87	3,26,764.87
Lease liabilities	858.16	-	-	858.16	858.16
Other financial liabilities	4,990.41	-	-	4,990.41	4,990.41
Total	3,83,688.70	-	-	3,83,688.70	3,83,688.70

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

37. Fair Value Measurement (Continued)

37.2 Fair value hierarchy of financial instruments

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

Level 1: Financial instruments measured using quoted prices and that are traded in active market are categorized under level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using observable market data and not the entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The instruments are valued based on quoted prices for the similar instruments but for which significant observables adjustments are required to reflect the difference between the instruments.

37.2.1 Financial instruments valued at carrying value:

The respective carrying values of certain on-balance sheet financial instruments approximated their fair value. These financial instruments include cash in hand and bank balances, trade receivables, trade payables, overdraft facility payable on demand certain other assets and liabilities that are considered financial instruments. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivable or payable on demand.

37.2.2 Valuation techniques used to determine fair value:

The Company's accounting policies and disclosures require measurement of fair values, for both financial assets and financial liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Board / Audit Committee has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Company uses the following hierarchy for determining and disclosing the fair value of financial assets by valuation technique:

i) Investments in Mutual Funds

The fair values of investments in mutual funds is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) Loans

Substantially all loans are at floating rate of interest, the carrying value of loans approximates their fair value.

iii) Borrowings and Debt Securities - (other than Market linked debt securities)

The Company's borrowings are at floating rate of interest and the carrying value of loans approximates their fair value.

Commercial Papers are short-term in nature and hence carrying value approximates their fair value.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

37. Fair Value Measurement (Continued)

37.2.3 Transfers between Levels

There are no transfers between Level 1, 2 and 3 of financial instruments.

37.2.4 Fair values of financial assets and financial liabilities not measured at fair value, including their levels in the fair value hierarchy, are presented below. It also includes the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Fair Value			Total
	Level 1	Level 2	Level 3	
As at March 31, 2024				
Financial Assets				
Cash and cash equivalents	12,527.07	-	-	12,527.07
Other Bank balances	2,649.45	-	-	2,649.45
Loans	-	-	5,44,728.93	5,44,728.93
Investments	9,313.10	-	-	9,313.10
Other financial assets	-	-	3,511.46	3,511.46
Total	24,489.62	-	5,48,240.39	5,72,730.01
Financial Liabilities				
Trade payables	-	-	1,066.00	1,066.00
Debt securities	-	-	93,265.91	93,265.91
Borrowings (other than debt securities)	-	-	3,88,604.23	3,88,604.23
Lease liabilities	-	-	1,147.13	1,147.13
Other financial liabilities	-	-	5,298.30	5,298.30
Total	-	-	4,89,381.57	4,89,381.57
As at March 31, 2023				
Financial Assets				
Cash and cash equivalents	61,834.51	-	-	61,834.51
Other Bank balances	2,520.68	-	-	2,520.68
Loans	-	-	3,79,828.04	3,79,828.04
Other financial assets	-	-	1,672.95	1,672.95
Total	64,355.19	-	3,81,500.99	4,45,856.18
Financial Liabilities				
Trade payables	-	-	1,092.28	1,092.28
Debt securities	-	-	49,982.98	49,982.98
Borrowings (other than debt securities)	-	-	3,26,764.87	3,26,764.87
Lease liabilities	-	-	858.16	858.16
Other financial liabilities	-	-	4,990.41	4,990.41
Total	-	-	3,83,688.70	3,83,688.70

37.2.5 Fair values of financial assets and financial liabilities measured at fair value, including their levels in the fair value hierarchy, are presented below. It also includes the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Fair Value			Total
	Level 1	Level 2	Level 3	
As at March 31, 2024				
Financial Assets				
Investments	9,313.10	-	-	9,313.10
Total	9,313.10	-	-	9,313.10
As at March 31, 2023				
Financial Assets				
Investments	-	-	-	-
Total	-	-	-	-

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

38. Risk Management framework

38.1 Introduction

As a financial institution, Godrej Housing Finance is exposed to various types of risks namely credit risk, liquidity risk, market risks, operational risk, strategic risk (including emerging & external risks) and compliance & reputation risk.

We have adopted a holistic and data driven enterprise level risk management approach which includes monitoring both internal and external indicators. We as an organization periodically adjust our strategy, incognizance with industry risk dynamics and emergence of new challenges and opportunities. Godrej Housing Finance's risk management framework has been laid down with long term sustainability and value creation in mind.

Important pillars of the risk management approach are developing a strong risk management culture within the Company, alignment of risk with business strategy, creating, preserving and realizing value. The key risks are being monitored by way of various policies covering these areas.

The policies provide guiding principles by setting various guardrails, procedures, risk assessment and control frameworks etc. which are regularly tracked and reviews are presented to various senior management committees and board committees. An effort is also made to understand the best practices in risk management across industries which are then customized to our business requirements.

38.2 Company's Risk Management Framework for Measuring and Managing Risk

Risk management framework

Risk Management forms an integral part of the Company's operations. The company's Board of Directors with support of risk function has overall responsibility for the establishment and oversight of the risk management framework. The Board of Directors has constituted following committees and defined their role for monitoring the risk management policies of the company.

Board level committees

Risk Management Committee of the Board (RMC): The purpose of the Committee is to assist the Board in its oversight of various risks

- i) Credit Risk
- ii) Liquidity and Interest Rate Risk
- iii) Operational Risk (Process, HR, Technology and Fraud)
- iv) Strategic Risks (including emerging and external risks)
- v) Compliance and Reputation Risk (compliance risk and reputation risk are covered through compliance risk management charter).

Borrowing and Investment Committee: Provide guidance on nature of investments that shall be undertaken, and approve credit limits for various counterparties, where exposures in aggregate exceed a certain level.

Asset Liability Management Committee of the Board (ALCO): ALCO shall review the Liquidity Risk and Interest Rate Risk on a regular basis and suggest necessary actions based on its view and expectations on the liquidity and interest rate profile. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the activities of the Company. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Risk Management Committee oversees how the management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The **Audit Committee** is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Credit Committee (MCC): Committee members include Managing Director (MD), Chief Risk Officer (CRO), Chief Financial Officer (CFO) and Chief Business Officer (CBO). Committee approves policies on recommendation of concerned credit committee. It approves/ modifies/disapproves business proposal based on delegation of authority (DOA) approved by the Board and recommends proposals.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

38. Risk Management framework (Continued)

38.2 Company's Risk Management Approach for handling various type of risks

(A) Credit risk management:

The credit risk is governed by defined credit policies and Board approved DOA which undergo periodic review. The credit policies outline the type of products that can be offered, customer categories, targeted customer profile, credit approval process, DOA and limits etc. Each business unit is required to implement company's credit policies and procedures and maintain the quality of its credit portfolio.

Credit Risk assessment methodology

The Company has a structured credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The credit appraisal process involves critical assessment of quantitative and qualitative parameters subject to review and approval as per defined DOA. The credit assessment involves detailed analysis of industry, business, management, financials, end use etc. An internal rating is also assigned to the borrower based on defined parameters. For retail customers, the credit assessment is based on a parameterised approach. Credit risk monitoring and portfolio review. The company measures, monitors and manages credit risk at an individual borrower level. The credit risk for retail borrowers is being managed at portfolio level.

The credit assessment is carried out based on an internal risk assessment framework which rates the customers accordingly to various parameters. Data analytics is extensively used for effective risk monitoring.

(B) Market Risk

Risk due to change in market prices – e.g. interest rates, equity prices, foreign exchange rates and credit spreads, but not relating to changes in the obligor's/issuer's credit standing and will affect the Company's income or the value of its holdings of financial instruments. The objective of the Company's market risk management is to manage and control market risk exposures within acceptable risk tolerances levels to ensure the solvency while optimising the return on risk. ALCO sets up limits for each significant type of risk/aggregated risk and various products in the portfolio, with market liquidity being a primary factor in determining the level of limits.

Exposure to Market Risk

Interest rate risk

Core business of the Company is borrowing and lending as permitted by the Reserve Bank of India, exposing us to interest rate risk. Interest rate risk is measured through Interest rate sensitivity report where gaps are being monitored classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to earliest of contracted/behavioural maturities or anticipated re-pricing date. The Company monitors interest rate risk through above measures on a monthly basis. The interest rate risk limits are approved by the ALCO. A regular stress testing on liquidity scenarios and interest rate scenarios is carried out and presented to the ALCO.

Interest rate risk on investments

As at March 31, 2024			
Particulars	Carrying value	@ 100bps change increase	@ 100bps change decrease
Investment at FVTPL	9,313.10	93.13	(93.13)
As at March 31, 2023			
Particulars	Carrying value	@ 100bps change increase	@ 100bps change decrease
Investment at FVTPL	-	-	-

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)**

(Currency : Indian Rupees in lakhs)

38. Risk Management framework (Continued)**Interest rate risk (Continued)**

Below table illustrates impact on earnings on account of 100 bps change on in interest rate on the loans and borrowings due for repayment / rate reset in one year.

As at March 31, 2024

Rate sensitive	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
i) Loans	4,48,584.65	4,485.85	(4,485.85)
ii) Borrowings (Other than debt securities)	3,88,604.23	3,886.04	(3,886.04)
iii) Net Gap (iii) = (i-ii)	59,980.42	599.80	(599.80)

As at March 31, 2023

Rate sensitive	Less than 1 Year	@ 100bps change increase	@ 100bps change decrease
i) Loans	3,54,293.57	3,542.94	(3,542.94)
ii) Borrowings (Other than debt securities)	3,26,764.87	3,267.65	(3,267.65)
iii) Net Gap (iii) = (i-ii)	27,528.70	275.29	(275.29)

The following table sets forth, for the periods indicated, the break-up of borrowings into variable rate and fixed rate

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	81%	87%
Fixed rate borrowings	19%	13%
Total borrowings	100%	100%

Currency Risk

The company is currently not exposed to currency risk since its primary dealings are in INR.

Equity price risk

The Company does not have any exposure to equities and hence it not exposed to any equity price risk.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

38. Risk Management framework (Continued)

(C) Liquidity risk

A risk that the Company will encounter difficulty in meeting its day to day financial obligations is known as liquidity risk. Management of liquidity risk is done as follows:

- ALCO sets the strategy for managing liquidity risk commensurate with the business objectives.
- ALCO has delegated the responsibility of managing overall liquidity risk and interest rate risk to Treasury. ALCO has set various gap limits for tracking liquidity risk. The CFO and head of treasury monitor the gap limits with actuals and present the same to the MD & CEO.
- Treasury department manages the liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of the Company. Treasury team ensures the regulatory compliance to the liquidity risk related limits approved in the ALM policy by ALCO.
- The Company's approach to managing liquidity is to ensure sufficient liquidity to meet its liabilities when they are due without incurring unacceptable losses or risking damage to the Company's reputation.

The key elements of the Company's liquidity risk management strategy are as follows:

- Maintaining a diversified funding through market and bank borrowings resources such as debentures, commercial papers, subordinated debt, perpetual debt, Inter-corporate deposits (ICD's), overdraft and bank term loans. Unused bank lines constitute the main liquidity back up to meet the contingency funding plan. Additionally, based on Market scenario, the company also maintains a portfolio of highly liquid mutual fund units.
- Under the ALM guidelines, the dynamic liquidity statement and structural liquidity statement are being prepared periodically to monitor the maturity gaps in the Assets and Liabilities cash flows.
- The company carries out stress testing of cash flows on periodic basis and shares the results with ALCO to gauge the adequacy of liquidity.

The below table analyses the Company's financial liabilities and financial assets into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date.

As at March 31, 2024

Particulars	Total	Contractual cash flows				
		Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
Financial liabilities						
Trade payables	1,066.00	1,066.00	-	-	-	-
Debt securities*	93,265.91	10,400.00	73,266.37	9,599.54	-	-
Borrowings (other than debt securities)*	3,88,604.23	22,492.34	43,806.22	76,022.82	2,06,117.89	40,164.96
Lease Liabilities	1,147.13	303.40	574.54	162.13	107.06	-
Other financial liabilities	5,298.30	5,272.21	-	-	-	26.09
Total	4,89,381.57	39,533.95	1,17,647.13	85,784.49	2,06,224.95	40,191.05

*Impact of EIR on Borrowings (other than debt securities) & Debt securities is shown in "More than 5 years" bucket.

Particulars	Total	Contractual cash flows				
		Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
Financial assets						
Cash and cash equivalents	12,527.07	12,527.07	-	-	-	-
Bank balance other than cash and cash equivalents above	2,649.45	-	2,649.45	-	-	-
Loans*	5,44,728.93	49,352.17	40,473.70	27,084.75	42,138.76	3,85,679.55
Investments	9,313.10	-	9,313.10	-	-	-
Other financial assets	3,511.46	83.83	953.15	187.78	529.20	1,757.50
Total	5,72,730.01	61,963.07	53,389.40	27,272.53	42,667.96	3,87,437.05

*Impact of EIR on Loans is shown in "More than 5 years" bucket.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

38. Risk Management framework (Continued)**(C) Liquidity risk (continued)**

As at March 31, 2023

Particulars	Total	Contractual cash flows				
		Less than 6 months	6 to 12 months	1 to 2 years	2 to 5 years	More than 5 years
Financial liabilities						
Trade payables	1,092.28	1,092.28	-	-	-	-
Debt securities*	49,982.98	17,651.28	12,333.28	10,399.20	9,599.22	-
Borrowings (other than debt securities)*	3,26,764.87	15,778.33	15,725.74	52,822.32	1,60,567.39	81,871.09
Lease Liabilities	858.16	137.42	143.99	307.63	269.12	-
Other financial liabilities	4,990.41	4,979.11	-	-	-	11.30
Total	3,83,688.70	39,638.42	28,203.01	63,529.15	1,70,435.73	81,882.39
Financial assets						
Cash and cash equivalents	61,834.51	61,834.51	-	-	-	-
Bank balance other than cash and cash equivalents above	2,520.68	-	2,520.68	-	-	-
Loans*	3,79,828.04	15,870.11	10,994.12	16,403.88	32,727.32	3,03,832.61
Other financial assets	1,672.95	731.94	-	140.01	116.72	684.28
Total	4,45,856.18	78,436.56	13,514.80	16,543.89	32,844.04	3,04,516.89

*Impact of EIR on on Borrowings (other than debt securities), Debt securities and Loans is shown in "More than 5 years" bucket.

(D) Operational Risk

The risk of direct or indirect potential loss arising from a wide variety of causes associated with the company's processes, personnel, systems, or from external factors other than credit, compliance, reputation, market and liquidity risks. Management of operational risk forms an integral part of the Company's enterprise wide risk management systems. Clear strategies and oversight by the Board of Directors and senior management, a strong operational risk management culture, effective internal control and reporting and contingency planning are crucial elements of the Company's operational risk management framework.

Cyber Security Risk

Various measures are adopted to effectively protect the company against phishing, social media threats and rogue mobile. Company ensures seamless accessibility of critical systems through virtual private network (VPN), thereby minimizing the risk of security/data breaches and cyber-attacks.

(E) Regulatory and Compliance Risk

Company being a debt listed NBFC is required to comply with variety of regulations such as RBI regulations, SEBI regulations, Companies Act, 2013, labor law and other administrative regulations. These regulations are undertaken by respective teams and are reviewed through central compliance management system.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

39. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2024			As at March 31, 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
I Assets						
A. Financial assets						
a) Cash and cash equivalents	12,527.07	-	12,527.07	61,834.51	-	61,834.51
b) Other Bank balances	2,649.45	-	2,649.45	2,520.68	-	2,520.68
c) Loans	90,399.73	4,54,329.20	5,44,728.93	27,231.47	3,52,596.57	3,79,828.04
d) Investments	9,313.10	-	9,313.10	-	-	-
e) Other financial assets	1,036.98	2,474.48	3,511.46	788.77	884.18	1,672.95
B. Non-financial assets						
a) Current tax assets (net)	-	1,169.28	1,169.28	-	-	-
b) Deferred tax assets (Net)	-	530.67	530.67	530.67	-	530.67
c) Property, plant and equipment	-	587.73	587.73	-	415.82	415.82
d) Right of use asset	-	1,125.63	1,125.63	-	846.24	846.24
e) Intangible assets under development	15.44	-	15.44	-	-	-
f) Other intangible assets	-	3,216.35	3,216.35	-	3,702.62	3,702.62
g) Other non-financial assets	541.92	77.08	619.00	290.36	23.16	313.52
Total Assets	1,16,483.69	4,63,510.42	5,79,994.11	93,196.46	3,58,468.59	4,51,665.05
II Liabilities						
A. Financial liabilities						
a) Trade payables	1,066.00	-	1,066.00	1,092.28	-	1,092.28
b) Debt securities	83,666.37	9,599.54	93,265.91	29,983.75	19,999.23	49,982.98
c) Borrowings (other than debt securities)	66,630.94	3,21,973.28	3,88,604.23	31,348.84	2,95,416.03	3,26,764.87
d) Lease liabilities	269.19	877.94	1,147.13	281.40	576.76	858.16
e) Other financial liabilities	5,298.30	-	5,298.30	4,990.41	-	4,990.41
B. Non-financial Liabilities						
a) Current tax liabilities (Net)	-	-	-	199.98	-	199.98
b) Provisions	21.22	63.00	84.22	5.86	67.90	73.76
c) Other non-financial liabilities	104.93	-	104.93	135.40	-	135.40
Total Liabilities	1,57,056.95	3,32,513.76	4,89,570.72	68,037.92	3,16,059.92	3,84,097.84

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)**

(Currency : Indian Rupees in lakhs)

40. Capital Management

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. These growth plans are aligned to assessment of risks- which include credit, liquidity and interest rate. The Company monitors its capital adequacy ratio (CRAR) on a monthly basis through its assets liability management committee (ALCO). Company has formulated an ICAAP document which tests the capital adequacy in stress scenarios. These include stress on loan portfolio, operational risks, liquidity risk. The objective is to define capital planning and budgeting approval which shall demonstrate that the capital is commensurate with the risk profile in normal and stressed scenarios.

40.1 Analytical Ratio

Ratio	Numerator	Denominator	As at 31st March 2024	As at 31st March 2023	% of variance	Reasons for Variance (if 25% above)
Capital to risk weighted assets ratio (CRAR)	85,397.41	3,42,790.48	24.91%	24.42%	2%	NA
Tier I CRAR	83,810.94	3,42,790.48	24.45%	23.90%	2%	NA
Tier II CRAR	1,586.47	3,42,790.48	0.46%	0.52%	-12%	NA
Debt Equity Ratio	4,81,870.14	90,082.31	5.35	5.59	-5%	NA
Liquidity Coverage Ratio	9,769.59	8,756.09	112%	-	100%	Applicable from Current year

41. Other statutory information

- i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- ii) The Company does not have any transactions with struck off companies.
- iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.
- iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Company has not entered into any such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- viii) 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.
- ix) 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.
- x) The Company has obtained various borrowings from banks/ FI on basis of security of current assets wherein the quarterly returns/ statements of current assets as filed with banks/ FI are in agreement with the books. The company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. The company is not declared as willful defaulter by any bank or financial Institution or other lender as at 31 March 2024.
- xi) The Company is not having any immovable property in its name. Therefore, there is no such immovable property, title deed of which is not held in name of the Company.
- xii) The Company is not having any subsidiary. Therefore, the provisions of lause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 in respect of Number of Layers is not applicable to the Company.
- xiii) There is no such scheme of arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
- xiv) No loans were granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person during the year.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

42. SEBI disclosures**42.1 Disclosures under Listing Agreement for Debt Securities****Disclosure under Regulation 53(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015****Debenture Trustees:**

Catalyst Trusteeship Limited

GDA House, Plot No. 85, Bhusari Colony (Right), Pand Road, Pune – 411 038, Tel No.(020)66807200

42. SEBI disclosures (Continued)**Disclosure under Regulation 53(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Related Party transactions (Refer Note 34)

Particulars	As at March 31, 2024	As at March 31, 2023
Loans and advances in the nature of loans to subsidiaries	-	-
Loans and advances in the nature of loans to associates	-	-
Loans and advances in the nature of loans to firms/companies in which directors are Interested	-	-
Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan	-	-

Disclosure under Regulation 54(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**Asset cover**

The secured non-convertible debentures issued by the Company are fully secured by (a) creation and maintenance of first ranking par-passu charge on the receivables except those exclusively charged to NHB and any other statutory regulatory authority as the case may be and (b) First ranking pari passu charge on cash and cash equivalents to the extent required to maintain the stipulated security cover. The assets of the Company provide coverage of 1.37 times of the interest and principal amount, which is in accordance with the terms of the issue / debenture trust deed.

Large Corporate details for financial year 2023-24

Company Name	Financial From	Financial To	Outstanding Qualified Borrowings at the start of the financial year	Outstanding Qualified Borrowings at the end of the financial year	Highest Credit rating of the Company (highest in case of multiple ratings) ("AA" to "AAA+"))	Incremental borrowing done during the year (qualified borrowings)	Borrowings by way of issuance of debt securities during the year
Godrej Housing Finance Limited	01-04-2023	31-03-2024	3,46,931.15	4,09,520.35	AA	92,657.22	-

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

42. SEBI disclosures (Continued)

42.4 Disclosure in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, for the year ended March 31, 2024

Sr. No.	Particulars	31-Mar-24
1	Debt equity ratio (No.of Times) ¹	5.35
2	Debt service coverage ratio ²	Not Applicable
3	Interest service coverage ratio ²	Not Applicable
4	Outstanding redeemable preference shares (quantity and value)	Nil
5	Capital redemption reserve/debenture redemption reserve	Nil
6	Net worth ³ (₹ in lakhs)	90,082.31
7	Net profit / (loss) after tax(₹ in lakhs)	8,012.39
8	Earning per equity share (annualised):	
	(a) Basic (₹)	2.39
	(b) Diluted (₹)	2.39
9	Current ratio ⁶	Not Applicable
10	Long term debt to working capital ⁶	Not Applicable
11	Bad debts to account receivable ratio ⁶	Not Applicable
12	Current liability ratio ⁶	Not Applicable
13	Total debts to Total assets (%) ⁴	83.08%
14	Debtors turnover ratio ⁶	Not Applicable
15	Inventory turnover ⁶	Not Applicable
16	Operating margin ⁶	Not Applicable
17	Net profit margin (%) ⁵	16.33%
18	Gross Stage 3 Loans (₹ in lakhs)	21.47
19	Net Stage 3 Loans (₹ in lakhs)	9.85
20	Provision Coverage Ratio % ("PCR") {On Stage 3 Loans}	54.14%

- 1 Debt-equity ratio = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Net worth.
- 2 Debt service coverage ratio and interest service coverage ratio shall not be applicable for Non Banking Financial Companies/Housing Finance Companies registered with the Reserve Bank of India as per Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 Net worth is calculated as defined in section 2(57) of Companies Act 2013.
- 4 Total debts to total assets = (Debt securities + Borrowings (other than debt securities) + Subordinated liabilities) / Total assets.
- 5 Net profit margin = Net profit/(loss) after tax / Total income.
- 6 The Company is registered under The Reserve Bank of India Act, 1934 as a Housing Finance Company, hence these ratios are generally not applicable.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI
43.1 Disclosure in notes to Financial statements as required under paragraph 2 (a) of RBI Notification No RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020
43.1.1 Comparison of provisions required under Income Recognition, Asset Classification and Provisioning (IRACP) and Impairment allowances made under Ind AS 109

As at March 31, 2024

Asset Classification		Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
As per RBI Norms	As per Ind AS 109					
Performing Assets						
Standard	Stage-1	5,46,161.53	1,586.47	5,44,575.06	1,513.27	73.20
	Stage-2	149.57	5.54	144.03	0.44	5.10
Sub total		5,46,311.10	1,592.01	5,44,719.08	1,513.71	78.30
Non Performing Assets (NPA)						
Substandard	Stage-3	21.47	11.63	9.85	3.22	8.41
Doubtful						
up to 1 year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 years	Stage-3	-	-	-	-	-
Sub total for Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal for NPA		21.47	11.63	9.85	3.22	8.41
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total		5,46,161.53	1,586.47	5,44,575.06	1,513.27	73.20
	Stage-2	149.57	5.54	144.03	0.44	5.10
	Stage-3	21.47	11.63	9.85	3.22	8.41
Total		5,46,332.57	1,603.64	5,44,728.93	1,516.93	86.71

As at March 31, 2023

Asset Classification		Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
As per RBI Norms	As per Ind AS 109					
Performing						
Standard	Stage-1	3,81,171.86	1,354.81	3,79,817.05	1,341.00	13.81
	Stage-2	12.51	1.52	10.99	0.03	1.49
Sub total		3,81,184.37	1,356.33	3,79,828.04	1,341.03	15.30
Non Performing Assets (NPA)						
Substandard	Stage-3	-	-	-	-	-
Doubtful						
up to 1 year	Stage-3	-	-	-	-	-
1 to 3 Years	Stage-3	-	-	-	-	-
More than 3 years	Stage-3	-	-	-	-	-
Sub total for Doubtful		-	-	-	-	-
Loss	Stage-3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total		3,81,171.86	1,354.81	3,79,817.05	1,341.00	13.81
	Stage-2	12.51	1.52	10.99	0.03	1.49
	Stage-3	-	-	-	-	-
Total		3,81,184.37	1,356.33	3,79,828.04	1,341.03	15.30

43.1.2 Company conducted sale of its business portfolio as per details provided at Note No. 43.3.6 as per Policy for Transfer of Loan Exposure approved by its Board of Directors.
43.1.3 There are no accounts which are past due beyond 90 days but not treated as impaired.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.2 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Particulars	As at March 31, 2024	As at March 31, 2023
No. of Significant Counterparties	25	13
Amount	4,81,870.14	3,72,210.06
Percentage of funding concentration to total deposits	-	-
Percentage of funding concentration to total liabilities	98.43%	96.86%

ii) Top 20 large deposits

Since the Company is registered as a Non - Deposit taking Non - Banking Financial Company - Housing Finance Company, this is not applicable.

iii) Top 10 Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Total amount of top 10 borrowings	3,99,076.73	3,53,584.06
Percentage of amount of top 10 borrowings to total borrowings	82.82%	94.04%

iv) Funding concentration based on significant instrument / product:

Particulars	As at March 31, 2024		As at March 31, 2023	
	₹ in lakh	% of Total liabilities	₹ in lakh	% of Total liabilities
a) Term Loans	3,88,604.23	79.38%	3,26,017.64	84.88%
b) Working Capital Bank Lines	-	-	747.23	0.19%
c) Non-Convertible Debentures	20,916.12	4.27%	20,913.51	5.44%
d) Commercial Papers	72,349.79	14.78%	29,069.47	7.57%

v) Stock Ratios:

Particulars	As at March 31, 2024	As at March 31, 2023
a) Commercial Papers to Total Liabilities	14.78%	7.57%
b) Commercial Papers to Total Assets	12.47%	6.44%
c) Commercial Papers to Public funds	15.01%	7.72%
d) NCD (Original Maturity < 1year) to Total Liabilities	NA	N.A
e) NCD (Original Maturity < 1year) to Total Assets	NA	N.A
f) NCD (Original Maturity < 1year) to Public funds	NA	N.A
g) Other Short Term Liabilities to Total Liabilities ##	1.35%	1.66%
h) Other Short Term Liabilities to Total Assets ##	1.14%	1.41%
i) Other Short Term Liabilities to Public funds ##	1.38%	1.69%

Other short term liabilities include all the financial liabilities as per IND As maturing within next 12 months other than Debt securities and Borrowings (other than debt securities).

vi) Institutional set-up for liquidity risk management:

Asset Liability Management Committee (ALCO) supervises liquidity risk management. Meetings of ALCO are held periodically.

Notes:

- 1 A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the total liabilities.
- 2 Total Liabilities has been computed as sum of all liabilities (Balance Sheet figure) less Equities and Reserves/Surplus.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

43.3.1 Schedule to the Balance Sheet

Particulars	As at March 31, 2024		As at March 31, 2023	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
1 Liabilities side				
Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
a) Debentures:				
Secured	20,916.12	-	20,913.51	-
Unsecured	-	-	-	-
b) Deferred Credits	-	-	-	-
c) Term Loans	3,88,604.23	-	3,26,017.64	-
d) Inter-corporate loans and borrowing	-	-	-	-
e) Commercial Paper	72,349.79	-	29,069.47	-
f) Public Deposits	-	-	-	-
g) Other Loans (Loan repayable on demand from banks)	-	-	747.23	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
a) In the form of Unsecured debentures	-	-	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
c) Other public deposits	-	-	-	-
Assets side			Amount outstanding	
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:			As at March 31, 2024	As at March 31, 2023
a) Secured			5,34,219.77	3,73,637.85
b) Unsecured			12,112.80	7,546.52
4 Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities				
i) Lease assets including lease rentals under sundry debtors				
a) Financial lease			-	-
b) Operating lease			-	-
ii) Stock on hire including hire charges under sundry debtors				
a) Assets on hire			-	-
b) Repossessed Assets			-	-
iii) Other loans counting towards asset financing activities				
a) Loans where assets have been repossessed			-	-
b) Loans other than (a) above			-	-
5 Break-up of Investments				
Current Investments				
Quoted				
i) Shares				
a) Equity			-	-
b) Preference			-	-
ii) Debentures and Bonds			-	-
iii) Units of mutual funds			-	-
iv) Government Securities			-	-
v) Others (Treasury Bills)			9,313.10	-
Unquoted				
i) Shares				
a) Equity			-	-
b) Preference			-	-
ii) Debentures and Bonds			-	-
iii) Units of mutual funds			-	-
iv) Government Securities			-	-
v) Others (please specify)			-	-

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)

Assets side (Continued)		Amount outstanding			
		As at March 31, 2024		As at March 31, 2023	
Long Term investments					
Quoted					
i) Shares					
a) Equity		-	-	-	
b) Preference		-	-	-	
ii) Debentures and Bonds		-	-	-	
iii) Units of mutual funds		-	-	-	
iv) Government Securities		-	-	-	
v) Others (please specify)		-	-	-	
Unquoted					
i) Shares					
a) Equity		-	-	-	
b) Preference		-	-	-	
ii) Debentures and Bonds		-	-	-	
iii) Units of mutual funds		-	-	-	
iv) Government Securities		-	-	-	
v) Others (please specify)		-	-	-	
6 Borrower group-wise classification of assets financed as in (3) and (4) above:					
Category		Amount net of provisions			
		As at March 31, 2024			
		Secured	Unsecured	Total	
a) Subsidiaries		-	-	-	
b) Companies in the same group		-	-	-	
c) Other related parties		-	-	-	
Other than related parties		5,32,709.17	12,019.76	5,44,728.93	
Category		Amount net of provisions			
		As at March 31, 2023			
		Secured	Unsecured	Total	
Related Parties					
a) Subsidiaries		-	-	-	
b) Companies in the same group		-	-	-	
c) Other related parties		-	-	-	
Other than related parties		3,72,325.04	7,503.00	3,79,828.04	
7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :					
Category		As at March 31, 2024		As at March 31, 2023	
		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
Related Parties					
a) Subsidiaries		-	-	-	-
b) Companies in the same group		-	-	-	-
c) Other related parties		-	-	-	-
Other than related parties		9,313.10	9,314.33	-	-
8 Other information					
Particulars		Amount			
		As at March 31, 2024		As at March 31, 2023	
i) Gross Non-Performing Assets					
a) Related parties		-	-	-	
b) Other than related parties		21.47	-	-	
ii) Net Non-Performing Assets					
a) Related parties		-	-	-	
b) Other than related parties		9.85	-	-	
iii) Assets acquired in satisfaction of debt		-	-	-	

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)
43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)
43.3.2 Capital to risk assets ratio (CRAR)

Particulars	As at March 31,	
	2024	2023
CRAR (%)	24.91%	24.42%
CRAR - Tier 1 capital (%)	24.45%	23.90%
CRAR - Tier 2 Capital (%)	0.46%	0.52%
Amount of Subordinated debt raised as Tier II capital	-	-
Amount raised by issue of perpetual debt instruments	-	-

43.3.3 Reserve Fund u/s 29C of NHB Act, 1987

Particulars	As at March 31,	
	2024	2023
Balance at the beginning of the year		
a) Statutory Reserve under Section 29C of the NHB Act, 1987	760.43	-
b) Amount of Special Reserve under Section 36 (1)(viii) of the Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Total	760.43	-
Addition / Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred under Section 29C of the NHB Act, 1987	1,602.47	760.43
b) Amount of Special Reserve under Section 36 (1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Less:		
a) Amount appropriated from Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from Special Reserve under Section 36 (1)(viii) of the Income Tax Act, 1961 which has been taken into account for the purpose of provision under Section 29C of the NHB Act, 1987	-	-
Balance at the end of the year	2,362.90	760.43
a) Statutory Reserve under Section 29C of the NHB Act, 1987	2,362.90	760.43
b) Amount of Special Reserve under Section 36 (1)(viii) of the Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Total	2,362.90	760.43

43.3.4 Investments

Particulars	As at March 31,	
	2024	2023
I) Value of Investment		
(i) Gross value of investments*		
(a) In India	9,313.10	-
(b) Outside India	-	-
(ii) Provisions for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	9,313.10	-
(b) Outside India	-	-
II) Movement of provisions held towards depreciation on investments.		
Opening balance	-	-
Add : Provisions made during the year	-	-
Less : Write-off / written-back of excess provisions during the year	-	-
Closing balance	-	-

(*includes Mark to Market loss of Rs. 1.23 lakhs (previous Year Rs. Nil))

43.3.5 Derivatives
a) Forward rate agreement (FRA) / interest rate swap

Particulars	As at March 31,	
	2024	2023
i) The notional principal of swap agreements	-	-
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
iii) Collateral required by the HFC upon entering into swaps	-	-
iv) Concentration of credit risk arising from the swaps ⁵	-	-
v) The fair value of the swap book ⁶	-	-
Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.		
⁵ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.		
⁶ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.		

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)

b) Exchange traded interest rate (IR) derivatives

Particulars	As at March 31,	
	2024	2023
i) Notional principal amount of exchange traded IR derivatives undertaken during the year	-	-
ii) Notional principal amount of exchange traded IR derivatives outstanding	-	-
iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

c) Disclosures on risk exposure in derivatives

Qualitative disclosure

Considering no trade in Derivatives have been carried out "Nil" disclosure is being made.

Quantitative disclosure

Particulars	As at March 31, 2024		As at March 31, 2023	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
Derivatives (notional principal amount)	-	-	-	-
Marked to market positions	-	-	-	-
Assets (+)	-	-	-	-
Liability (-)	-	-	-	-
Credit exposure	-	-	-	-
Unhedged exposures	-	-	-	-

43.3.6 As per Paragraph 86 of Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021.

a) The Company has not acquired any loans through assignment in respect of loans not in default during the year ended March 31, 2024.

b) Details of loans transferred through assignment in respect of loans not in default during the year ended March 31, 2024

Particulars	Transferred	
	HFCs	Bank
Count of loan accounts assigned (in numbers)	109	603
Amount of loan account assigned (in lakhs)	5,463.75	31,759.41
Retention of beneficial economic interest (MRR)**	10.00%	10.00%
Weighted average maturity (residual maturity in months)	291.74	191.55
Weighted average holding period (in months)	21.58	21.97
Coverage of tangible security	100.00%	100.00%
Rating-wise distribution of rated loans	N/A	N/A

**Retained by the originator

c) The Company has not transferred/acquired any stressed loans during the year ended March 31, 2024

d) The Company has not transferred/acquired through novation and loan participation during the year ended March 31, 2024

43.3.7 Disclosures pursuant to RBI Notification - RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021.

No securitization has been done by the company during the year

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)

43.3.8 Asset liability management

a) Maturity pattern of certain items of assets and liabilities As at March 31, 2024

Particulars	Liabilities			
	Deposits	Borrowings from Banks	Market Borrowings	Foreign Currency Liabilities
1 day to 7 days	-	1,801.74	193.00	-
8 days to 14 days	-	12.35	-	-
15 days to 30/31 days	-	2,760.32	1,991.04	-
Over One month up to 2 months	-	6,353.69	32,188.46	-
Over 2 months up to 3 months	-	11,254.10	17,247.45	-
Over 3 months up to 6 months	-	22,839.16	20,965.07	-
Over 6 months up to 1 year	-	21,609.59	11,081.35	-
Over 1 year up to 3 years	-	1,50,649.81	9,599.54	-
Over 3 years up to 5 years	-	1,31,500.69	-	-
Over 5 years	-	39,822.79	-	-
Total	-	3,88,604.23	93,265.91	-

Particulars	Assets		
	Advances	Investments	Foreign Currency Assets
1 day to 7 days	3,527.64	9,313.10	-
8 days to 14 days	567.53	-	-
15 days to 30/31 days	6,482.38	-	-
Over One month to 2 months	8,220.24	-	-
Over 2 months up to 3 months	7,836.77	-	-
Over 3 months up to 6 months	22,717.61	-	-
Over 6 months up to 1 year	40,473.71	-	-
Over 1 year up to 3 years	27,084.75	-	-
Over 3 years up to 5 years	42,138.76	-	-
Over 5 years	3,85,679.55	-	-
Total	5,44,728.93	9,313.10	-

b) Maturity pattern of certain items of assets and liabilities As at March 31, 2023

Particulars	Liabilities			
	Deposits	Borrowings from Banks	Market Borrowings	Foreign Currency Liabilities
1 day to 7 days	-	1,613.49	-	-
8 days to 14 days	-	-	4,991.99	-
15 days to 30/31 days	-	55.56	-	-
Over One month up to 2 months	-	693.06	-	-
Over 2 months up to 3 months	-	5,845.03	-	-
Over 3 months up to 6 months	-	7,571.20	12,659.29	-
Over 6 months up to 1 year	-	15,725.74	12,333.28	-
Over 1 year up to 3 years	-	1,09,807.14	19,998.42	-
Over 3 years up to 5 years	-	1,03,582.57	-	-
Over 5 years	-	81,871.08	-	-
Total	-	3,26,764.87	49,982.98	-

Particulars	Assets		
	Advances	Investments	Foreign Currency Assets
1 day to 7 days	2,883.91	-	-
8 days to 14 days	63.72	-	-
15 days to 30/31 days	1,429.03	-	-
Over One month to 2 months	2,907.69	-	-
Over 2 months up to 3 months	2,673.19	-	-
Over 3 months up to 6 months	5,912.57	-	-
Over 6 months up to 1 year	10,994.12	-	-
Over 1 year up to 3 years	26,927.38	-	-
Over 3 years up to 5 years	22,203.83	-	-
Over 5 years	3,03,832.60	-	-
Total	3,79,828.04	-	-

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)

43.3.9 Exposure

i) Exposure to real estate sector

Category	As at March 31,	
	2024	2023
a) Direct exposure		
Residential mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	3,82,294.44	3,03,444.99
Commercial real estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based (NFB) limits.	42,096.19	34,318.48
Investments in mortgage backed securities (MBS) and other securitised exposures -		
- Residential	-	-
- Commercial Real Estate	-	-
b) Indirect exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total exposure to Real Estate Sector	4,24,390.63	3,37,763.47

(Note: Loans for third dwelling unit onwards are being classified as CRE exposure)

ii) Exposure to Capital Market

Particulars	As at March 31,	
	2024	2023
a) 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	-	-
b) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
c) 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	-	-
d) 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	-	-
e) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
f) 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	-	-
g) Bridge loans to companies against expected equity flows / issues	-	-
h) 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	-	-
i) Financing to stockbrokers for margin trading	-	-
j) All exposures to Alternative Investment Funds:		
(i) Category I	-	-
(ii) Category II	-	-
(iii) Category III	-	-
Total exposure to Capital Market	-	-

43.3.10 Details of financing of parent company products:

No parent company products were financed during the year (Previous Year: Nil).

43.3.11 Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the Company:

The Company has not exceeded prudential exposure limit stipulated by RBI prudential norms applicable to HFC as on reporting date (Previous Year: Nil).

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)

43.3.12 Unsecured advances

The Company has unsecured advances of Rs.12,112.8 lakhs As at March 31, 2024 (As at March 31, 2023: 7,546.52 lakhs). The Company has not granted any advances against intangible collateral.

43.3.13 Exposure to group companies engaged in real estate business

Description	As at March 31, 2024		As at March 31, 2023	
	Amount	% of Owned Fund	Amount	% of Owned Fund
i) Exposure to any single entity in a group engaged in real estate business	-	-	-	-
ii) Exposure to all entities in a group engaged in real estate business	-	-	-	-

Note: Company has funded the customers of the Godrej Properties Limited and/or its subsidiaries/associates though no exposure has been taken on Godrej Properties Limited and/or its subsidiaries/associates.

43.3.14 Registration obtained from other financial sector regulators

The Company is registered with following regulators effective As at March 31, 2024:

Regulator	Registration No.
i) Ministry of Company Affairs	U65100MH2018PLC315359
ii) Reserve Bank of India	DOR - 00184
iii) Legal Entity Identifier	33580013ZGNIERZRLU44

43.3.15 Disclosure of penalties imposed by NHB/RBI and other regulators

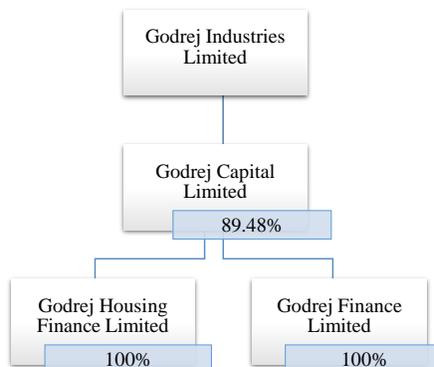
There were no penalties imposed on the Company by NHB/RBI or any other regulator during the year (Previous Year: Nil).

43.3.16 Related Party Transactions

Details of all material transactions with related parties are disclosed in Note 34 to Financial Statements.

43.3.17 Group Structure

Ultimate Holding Company	Godrej Industries Limited (w.e.f. August 24, 2021)
Holding Company	Godrej Capital Limited (w.e.f. August 24, 2021)
Subsidiaries of Holding Company	Godrej Finance Limited (w.e.f. August 24, 2021)



Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)

43.3.18 Rating assigned by credit rating agencies

Instruments	Credit Rating Agency	Migration in Ratings During the year	As at March 31,	
			2024	2023
Bank Borrowings	CRISIL Ltd.	NO	CRISIL AA/Stable	CRISIL AA/Stable
Commercial Paper	ICRA Ltd.		ICRA A1+	ICRA A1+/Stable
Commercial Paper	CRISIL Ltd.		CRISIL A1+	CRISIL A1+/Stable
Non Convertible Debentures	CRISIL Ltd.		CRISIL AA/Stable	CRISIL AA/Stable

43.3.19 Remuneration of Directors

Details of all pecuniary transactions with Non-Executive Independent Directors

Particulars	As at March 31,	
	2024	2023
Directors sitting fees paid to		
i) Rosemary Sebastian	20.00	19.00
ii) Usha Sangwan	-	7.00
iii) Saibal M Ghosh	16.00	10.00
iv) Hemant Adarkar	4.00	-

There are no other pecuniary transactions with Non-executive Directors during the year (Previous Year: Nil).

43.3.20 Management Discussion and Analysis

Refer to the Management Discussion and Analysis report which is part of Director Report for relevant Disclosure.

43.3.21 Net Profit or Loss for the period, 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. The accounting policies regarding key areas of operations are disclosed in Note 1 & 2 to the Financial Statement for the year ended March 31, 2024.

43.3.22 Revenue Recognition

There have been no instances in which revenue recognition has been postponed pending the resolution of significant uncertainties. (Previous Year: Nil)

43.3.23 Consolidated Financial Statements (CFS)

The Company does not have any Subsidiary/Joint Venture/Associates As at March 31, 2024.

43.3.24 Provisions and contingencies

Breakup of provisions and contingencies shown under the head expenditure in the Statement of Profit and loss

Particulars	Year Ended March 31,	
	2024	2023
i) Provision made for depreciation on investment	-	-
ii) Provision made towards non performing assets	11.63	-
iii) Provision made towards income tax	-	-
iv) Provision made for gratuity	18.93	24.66
v) Provision made for leave encashment	(3.39)	10.14
vi) Provision made for standard assets: *	953.92	638.09

* This includes provision towards Commercial Real Estate (CRE) loans of Rs. 565.18 Lakhs as at 31st March 2024. (As at 31st March 2023 Rs. 219.17 Lakhs)

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)

43.3.25 Break up of Loan & Advances and Provisions thereon

Particulars	As at March 31, 2024		As at March 31, 2023	
	Housing	Non Housing	Housing	Non Housing
i) Standard Assets				
Total Outstanding Amount	4,08,563.75	1,37,747.35	2,80,728.44	1,00,455.93
Provisions made	(1,303.00)	(289.01)	(601.89)	(754.44)
ii) Sub-Standard Assets				
Total Outstanding Amount	-	21.47	-	-
Provisions made	-	(11.63)	-	-
iii) Doubtful Assets – Category-I				
Total Outstanding Amount	-	-	-	-
Provisions made	-	-	-	-
iv) Doubtful Assets – Category-II				
Total Outstanding Amount	-	-	-	-
Provisions made	-	-	-	-
v) Doubtful Assets – Category-III				
Total Outstanding Amount	-	-	-	-
Provisions made	-	-	-	-
vi) Loss Assets				
Total Outstanding Amount	-	-	-	-
Provisions made	-	-	-	-
vii) Total				
Total Outstanding Amount	4,08,563.75	1,37,768.82	2,80,728.44	1,00,455.93
Provisions made	(1,303.00)	(300.64)	(601.89)	(754.44)

43.3.26 Draw down from reserves

No drawdown from the reserves during the year. (Previous Year: Nil)

43.3.27 Concentration of deposits, advances, exposures and NPA assets

Particulars	As at March 31,	
	2024	2023
i) Concentration of public deposits		
Total deposits of twenty largest depositors	N.A	N.A
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	N.A	N.A
ii) Concentration of Loans & Advances		
Total loans & advances to twenty largest borrowers	12,126.57	14,883.39
Percentage of loans & advances to twenty largest borrowers to Total Advances of the HFC	2.69%	4.19%
iii) Concentration of all Exposure (including off-balance sheet exposure)		
Total Exposures to twenty largest borrowers / Customers	13,703.54	16,920.84
Percentage of Exposures to twenty largest borrowers / Customers to Total Exposure of the HFC on borrowers /	1.71%	2.67%
iv) Concentration of NPAs		
Total Exposures to top ten NPA accounts	21.47	-

43.3.27 Concentration of deposits, advances, exposures and NPA assets (Continued)

v) Sector-wise NPAs

Sectors	Percentage of NPAs to Total Advances in that sector	
	As at March 31,	
	2024	2023
a. Housing Loans:		
i) Individual	-	-
ii) Builder/Project Loans	-	-
iii) Corporates	-	-
b. Non-Housing Loans:		
i) Individual	0.00%	-
ii) Builder/Project Loans	-	-
iii) Corporates	-	-

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)**43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under: (Continued)****43.3.28 Movement in non-performing assets (NPAs)**

Particulars	As at March 31,	
	2024	2023
(i) Net NPAs to net advances (%)	0.00%	0.00%
(ii) Movement of NPAs (gross)		
(a) Opening balance	-	-
(b) Additions during the year	21.47	163.00
(c) Reductions during the year	-	(163.00)
(d) Closing balance	21.47	-
(iii) Movement of net NPAs		
(a) Opening balance	-	-
(b) Additions during the year	9.85	108.48
(c) Reductions during the year	-	(108.48)
(d) Closing balance	9.85	-
(iv) Movement of provisions for NPAs (excluding provision on standard assets)		
(a) Opening Balance	-	-
(b) Provisions made during the year	11.63	54.52
(c) Write off/write back of excess provision	-	(54.52)
(d) Closing balance	11.63	-

43.3.29 Overseas Assets

The Company does not own any overseas assets As at March 31, 2024. (As at March 31, 2023: Nil)

43.3.30 Off-balance Sheet SPVs sponsored

Particulars	As at March 31,	
	2024	2023
Name of the SPV sponsored	NA	NA
Domestic	Nil	Nil
Overseas	Nil	Nil

43.3.31 Details of customers complaints

Particulars	As at March 31,	
	2024	2023
i) No. of complaints pending at the beginning of the year	0	0
ii) No. of complaints received during the year	21	8
iii) No. of complaints redressed during the year	21	8
iv) No. of complaints pending at the end of the year	0	0

43.3.32 Disclosure of principal business criteria

Particulars	As at March 31,	
	2024	2023
i) Financial assets, in the business of providing finance for housing, to total assets (netted off by intangible assets)	68.60%	62.74%
ii) Housing finance to individuals to total assets (netted off by intangible assets)	68.34%	62.31%

43.3.33 Disclosure of frauds as per Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

There were no cases as fraud reported to NHB during the financial year ended March 31, 2024 (Previous Year: Nil)

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.3 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

43.3.34 Liquidity Coverage Ratio

Particulars	Average Q1 2023-24		Average Q2 2023-24		Average Q3 2023-24		Average Q4 2023-24	
	Total Unweighted Value	Total Weighted Value						
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)*	#	-	#	-	#	-	9,783.33	9,769.59
Cash Outflows								
2 Deposits (for deposit taking companies)	#	-	#	-	#	-	-	-
3 Unsecured wholesale funding	#	-	#	-	#	-	15,857.14	18,235.71
4 Secured wholesale funding	#	-	#	-	#	-	8,317.46	9,565.08
5 Additional requirements, of which	-	-	-	-	-	-	5,990.65	6,889.25
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	5,990.65	6,889.25
6 Other contractual funding obligations	-	-	-	-	-	-	290.70	334.31
7 Other contingent funding obligations	-	-	-	-	-	-	-	-
8 TOTAL CASH OUTFLOWS	-	-	-	-	-	-	30,455.96	35,024.35
Cash Inflows								
9 Secured lending	-	-	-	-	-	-	-	-
10 Inflows from fully performing exposures	-	-	-	-	-	-	16,092.66	12,069.49
11 Other cash inflows	-	-	-	-	-	-	55,417.76	41,563.32
12 TOTAL CASH INFLOWS	-	-	-	-	-	-	71,510.41	53,632.81
								Total Adjusted Value
13 TOTAL HQLA		-		-		-	-	9,769.59
14 TOTAL NET CASH OUTFLOWS		-		-		-	-	8,756.09
15 LIQUIDITY COVERAGE RATIO (%)		NA		NA		NA	-	112%

High Quality Liquid Assets (HQLA)	Average Q1 2023-24		Average Q2 2023-24		Average Q3 2023-24		Average Q4 2023-24	
	Total Unweighted Value	Total Weighted Value						
1 Cash & callable FDs	-	-	-	-	-	-	625.09	625.09
2 G-sec/T-bills	-	-	-	-	-	-	9,158.24	9,158.24
3 Any other - please specify	-	-	-	-	-	-	-	-

Qualitative Disclosure

(a) The main drivers of their LCR results and the evolution of the contribution of inputs to the LCR's calculation over time;

RBI had introduced the liquidity coverage ratio (LCR) to ensure that NBFC has an adequate stock of unencumbered high-quality liquid assets (HQLA) to survive a significant liquidity stress lasting for a period of 30 days. LCR is defined as a ratio of HQLA to the total net cash outflows estimated for the next 30 calendar days. At March 31, 2024, the applicable minimum LCR required to be maintained by HFC is 85%.

The Company has an Asset Liability Management Committee (ALCO), a management level committee to handle liquidity risk. The ALCO meets at periodic intervals. At the apex level, the Risk Management Committee (RMC), a sub-committee of the Board of Directors of the Company, oversees the liquidity risk management. The RC subsequently updates the Board of Directors on the same.

(b) The composition of HQLAs:

Particulars	As at 31st March 2024	As at 31st March 2023
Cash & callable FDs	625.09	-
G-sec/T-bills	9,158.24	-
Total	9,783.33	-

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

43.4.1 Exposure to real estate sector

Refer Note 43.3.9

43.4.2 Exposure to capital market

Refer Note 43.3.9

43.4.3 Intra-group exposures

Nil

43.4.4 Unhedged foreign currency exposure

Nil

43.4.5 Sectoral exposure

Sectors	Current Year			Previous Year		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	305.45	-	-
2. Industry (2.1 to 2.4)	22,128.78	21.47	-	9,914.95	-	-
2.1 Micro and Small	3,458.96	-	-	-	-	-
2.2 Medium	25.00	-	-	-	-	-
2.3 Large	-	-	-	-	-	-
2.4 Others	18,644.82	21.47	0.12%	9,914.95	-	-
3. Services (3.1 to 3.4)	98,557.08	-	-	37,216.15	-	-
3.1 Commercial Real Estate	79,169.19	-	-	-	-	-
3.2 Professional Services	4,420.87	-	-	9,691.68	-	-
3.3 Trade	6,813.82	-	-	12,831.68	-	-
3.4 Other Services	8,153.21	-	-	14,692.79	-	-
4. Personal Loans	6,82,322.49	-	-	-	-	-
4.1 Housing Loan	6,45,423.04	-	-	-	-	-
4.2 Other Personal Loan	36,899.46	-	-	-	-	-
5. Retail Loans	-	-	-	5,66,858.60	-	-
Total	8,03,008.36	21.47	0.12%	6,14,295.15	-	-

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

43.4.6 Related Party Disclosure

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Key Management [®]		Relatives of Key Management Personnel [®]		Others*		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous Year	Current year	Previous year
Borrowings [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments [#]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase offixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/otherassets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of equity shares	14,840.00	22,100.00	-	-	-	-	-	-	-	-	-	-	14,840.00	22,100.00
Expenses/ Reimbursement Paid To	24.90	4.85	-	-	-	-	-	-	-	-	324.06	1,387.97	348.96	1,392.82
Expenses/ Reimbursement Recovered From	26.99	12.75	-	-	-	-	-	-	-	-	515.32	643.50	542.31	656.25
Purchase of Goods	-	-	-	-	-	-	-	-	-	-	299.75	0.25	299.75	0.25
Remuneration to Key Management Personnel	-	-	-	-	-	-	503.29	437.37	-	-	-	-	503.29	437.37
Security deposit received back	-	-	-	-	-	-	-	-	-	-	148.62	-	148.62	-
Security deposit paid	-	-	-	-	-	-	-	-	-	-	44.96	-	44.96	-
Corporate Guarantee	-	-	25,000.00	-	-	-	-	-	-	-	-	-	-	-

[®] Disclosures for directors and relatives of directors should be made separately in separate columns from other KMPs and relatives of other KMPs.

[#] The outstanding at the year end and the maximum during the year are to be disclosed

* Specify item if total for the item is more than 5 per cent of total related party transactions. Related parties would include trusts and other bodies in which the NBFC can directly or indirectly (through its related parties) exert control or significant influence.

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

1. Related party, in the context of the aforementioned disclosure, shall include all related parties as per the applicable accounting standards. Further, related party shall also include following related parties defined under Section 2(76) of the Companies Act, 2013.

- i. a director or his relative;
- ii. a key managerial personnel or his relative;
- iii. a firm, in which a director, manager or his relative is a partner;
- iv. a private company in which a director or manager or his relative is a member or director;
- v. a public company in which a director or manager is a director or holds along with his relatives, more than two per cent. of its paid-up share capital;
- vi. any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- vii. any person on whose advice, directions or instructions a director or manager is accustomed to act:

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

2. At a minimum, Key Management Personal (KMPs) shall include following key managerial personnel as per section 2(51) of the Companies Act, 2013.

- i. the Chief Executive Officer or the managing director or the manager
- ii. the company secretary
- iii. the whole-time director
- iv. the Chief Financial Officer
- v. such other officer, not more than one level below the Directors who is in whole-time employment, designated as key managerial personnel by the Board; and
- vi. such other officer as may be prescribed

3. Relatives of KMPs at the minimum, shall include following relatives as defined under section 2(77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of definitions details) Rules, 2014.

- (i) they are members of a Hindu Undivided Family;
- (ii) they are husband and wife; or
- (iii) one person is related to the other in such manner as may be prescribed;

A person shall be deemed to be the relative of another, if he or she is related to another in the following manner, namely:-

- (1) Father: Provided that the term "Father" includes step-father.
- (2) Mother: Provided that the term "Mother" includes the step-mother.
- (3) Son: Provided that the term "Son" includes the step-son.
- (4) Son's wife.
- (5) Daughter.
- (6) Daughter's husband.
- (7) Brother: Provided that the term "Brother" includes the step-brother;
- (8) Sister: Provided that the term "Sister" includes the step-sister.

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

43.4.7 Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman (applicable in case included under The Reserve Bank - Integrated Ombudsman Scheme 2021)

Sr. No	Particulars	Current Year	Previous Year
Complaints received by the HFC from its customers			
1.	Number of complaints pending at beginning of the year	-	-
2.	Number of complaints received during the year	21	8
3.	Number of complaints disposed during the year	21	8
3.1	Of which, number of complaints rejected by the HFC	-	-
4.	Number of complaints pending at the end of the year	-	-

Maintainable complaints received by the HFC from Office of Ombudsman*

Sr. No	Particulars	Current Year	Previous Year
5.*	Number of maintainable complaints received by the HFC from Office of Ombudsman	-	-
5.1.	Of 5, number of complaints resolved in favour of the HFC by Office of Ombudsman	-	-
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the HFC	-	-
6.*	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

*In FY 2023-24, 7 Complaints were on GRIDS which were resolved in favor of Company.

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 and covered within the ambit of the Scheme.

*Company is currently not included under The Reserve Bank - Integrated Ombudsman Scheme, 2021 and accordingly appropriate disclosures are not applicable.

2) Top five grounds of complaints received by the HFCs from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year					
Levy of charges without prior notice/ excessive charges/ foreclosure charges	-	3	300%	-	-
Mis-Selling	-	3	50%	-	-
Staff behaviour	-	4	100%	-	-
Loans and advances	-	2	(100%)	-	-
Others	-	9	900%	-	-
Total	-	21	163%	-	-
Previous Year					
Mis-Selling	-	2	200%	-	-
Staff behaviour	-	2	200%	-	-
Loans and advances	-	4	(33%)	-	-
Total	-	8	33%	-	-

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

43.4.8 Corporate governance

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Paragraph C of Schedule V - Annual Report) as amended from time to time, specifies disclosures to be made in the section on the corporate governance of the Annual Report. With respect to the corporate governance report, non-listed HFCs should also endeavor to make full disclosure in accordance with the requirement of SEBI (LODR) Regulation, 2015. Non-listed HFCs at the minimum should disclose following under the corporate governance section of the annual report.

1) Composition of the Board

Sl. No	Name of Director	Director since	Capacity (i.e.Executive/ Non- Executive/ Chairman/ Promoter nominee/ Independent)	DIN	Number of Board Meetings		No. of other Director ships	Remuneration			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Mr. Pirojsha Godrej	05-10-2018	Non – Executive Chairperson	00432983	4	4	14 (incl. this company)	-	-	-	1 (as Nominee of Godrej Capital Limited)
2	Mr. Manish Shah	04-09-2019	Managing Director & Chief Executive Officer (MD & CEO)	06422627	4	4	4 (incl. this company)	Rs. 423.84 lakhs	-	-	-
3	Mrs. Rosemary Sebast	28-01-2021	Independent Director	07938489	4	4	3 (incl. this company)	-	Rs. 20 Lakhs	-	-
4	Mr. Saibal Ghosh	17-10-2022	Independent Director	09766300	4	4	1 (incl. this company)	-	Rs. 16 Lakhs	-	-
5	Mr. Hemant Adarkar	10-01-2024	Independent Director	03127893	1	1	5 (incl. this company)	-	Rs. 4 Lakhs	-	-

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

Current Financial Year (2023-24)

Sr No.	Name of Director	(Capacity i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change	Effective date
			(resignation, appointment)	
1	Mr. Hemant Adarkar	Independent Director	Appointment	10-01-2024

Previous Financial Year (2022-23)

Sr No.	Name of Director	(Capacity i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change	Effective date
			(resignation, appointment)	
1	Mrs. Usha Sangwan	Independent Director	Resignation*	30-07-2022
2	Mr. Saibal Ghosh	Independent Director	Appointment	17-10-2022

*- Reason for resignation: To ease the burden of regulatory restrictions on borrowing of Company due to her being on Board of subsidiaries of Bank/ Financial Institutions.

Godrej Housing Finance Limited**Notes to the financial statements for the year ended March 31, 2024 (Continued)****43. Regulatory disclosures - RBI (Continued)****43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:****2)Committees of the Board and their composition**

i. Mention the names of the committees of the Board along with summarized Terms of Reference.

Name of the Committee	Summarized Terms of Reference
Audit Committee of Board	Required under Section 177 of Companies Act, 2013, Paragraph 50.1 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and undertakes all matters prescribed for its working thereunder. It reviews and recommends all matters related to financials, auditors, compliances / regulatory matters, related party transaction review & approval, internal controls and other matters incidental thereto.
Nomination & Remuneration Committee	Required under Section 178 of Companies Act, 2013, Paragraph 50.2 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and undertakes all matters prescribed for its working thereunder. It reviews and recommends all matters related to Director / Key Management Person appointment, tenure, review of performance & pay and exit including those prescribed under Paragraph 52c of above Directions. It also reviews compliance with fit & proper criteria for Directors and annual declaration to compliance by Directors.
Risk Management Committee	Required under Paragraph 50.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and undertakes all matters prescribed for its working thereunder. Among other things it quarterly reviews risk which impact the organization and actions taken to mitigate them.
IT Strategy Committee	Required under Paragraph 6 of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023 and undertakes all matters prescribed for its working thereunder. It reviews working of IT Steering Committee and matters related to Information Technology such as Information Security and business continuity.
Grievance Redressal Committee	The Committee has been constituted to ensure that all matters related to customer & their grievances are regularly reviewed.
Corporate Social Responsibility Committee	Required under Section 135 of Companies Act, 2013 & oversees requirements placed on Company under the Act for corporate social responsibility.
Asset Liability Committee	Required under Paragraph 50.3 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and undertakes all matters prescribed for its working thereunder. It deals with all matters related to Asset-Liability and matters prescribed under Board approved Asset-Liability Management Policy and Borrowing & Investment Policy. Asset Liability Management Committee reports to Risk Management Committee.
Credit Committee	The Committee has been constituted to take decisions relating to credit. Among other things, committee approves cases above defined limit, reviews subsidiary credit policies, manual, products etc. It reviews working of Product Committee.
Borrowing & Investment Committee	This committee has been constituted to enable decisions with respect to borrowing & investments of the Company. The decisions are governed as per Board approved Borrowing & Investment policy of the Company.
Willful Defaulter Review Committee	Required under Annex XVII of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and undertakes all matters prescribed for its working thereunder. It reviews recommendation of Willful Defaulter Identification Committee with respect to any willful default.
IT Steering Committee	Required under Paragraph 7 of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023 and undertakes all matters prescribed for its working thereunder. It reviews matters related to Information Technology such as Information Security and business continuity. IT Steering Committee reports to IT Strategy Committee.
Whistle-blower Committee (Under Vigil Mechanism)	Required under Section 177 of Companies Act, 2013 and undertakes all matters prescribed for its working thereunder. It takes decisions with respect to whistle-blow complaints and matters incidental thereto. Whistleblower Committee will report to the Audit Committee.

Willful Defaulter Identification Committee	Required under Annex XVII of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and undertakes all matters prescribed for its working therein. It reviews matters related to wilful default. Willful Defaulter Identification Committee reports to Willful Defaulter Review Committee.
Internal Committee (constituted as per the provisions of Sexual Harassment of Women at Workplace (Prevention,	Required under Section 4 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and undertakes all matters prescribed for its working thereunder.
Product Committee	Required as per RBI notification on Compliance Function and Role of Chief Compliance Officer (CCO) – NBFCs dated April 11, 2022 and undertakes all matters prescribed for its working therein. It approves new products, changes in existing products and reviews their performance. Product Committee reports to Credit Committee.
Information Security Committee	Required as per Paragraph 24(b) of Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices dated November 7, 2023 and undertakes all matters prescribed for its working therein. It undertakes development / implementation of information/ cyber security policies, approving and monitoring information security projects and security awareness initiatives, reviewing cyber incidents etc. Information Security Committee reports to IT Strategy Committee.

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

ii. For each committee, mention the summarized terms of reference and provide the following details.

Terms of reference of each committee provided at 2 (i)

Audit Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mrs. Rosemary Sebastian	28-01-2021	Independent Director & Chairperson of the Committee	4	4	-
2	Mr. Saibal Ghosh	17-10-2022	Independent Director	4	4	-
3	Mr. Hemant Adarkar	10-01-2024	Independent Director	1	1	-

Nomination And Remuneration Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Saibal Ghosh	17-10-2022	Independent Director & Chairperson of the Committee	1	1	-
2	Mrs. Rosemary Sebastian	28-01-2021	Independent Director	1	1	-
3	Mr. Pirojsha Godrej	28-01-2021	Non – Executive Director	1	1	1(Nominee of Godrej Capital Limited)

Risk Management Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Saibal Ghosh	17-10-2022	Independent Director & Chairperson of the Committee	4	4	-
2	Mr. Manish Shah	28-01-2021	MD & CEO (Chief Executive Officer)	4	4	-
3	Mrs. Shalinee Mimani	17-10-2022	Authorised Person	4	4	-

IT Strategy Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Hemant Adarkar	10-01-2024	Independent Director & Chairperson of the Committee	1	1	-
2	Mrs. Rosemary Sebastian	17-10-2022	Independent Director	4	4	-
3	Mr. Manish Shah	28-01-2021	MD & CEO (Chief Executive Officer)	4	4	-
4	Mrs. Jyothiratha B.	28-01-2021	CTO (Chief Technology Officer)	4	4	-

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

Grievance Redressal Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mrs. Rosemary Sebastian	28-01-2021	Independent Director & Chairperson of the Committee	4	4	-
2	Mr. Manish Shah	28-01-2021	MD & CEO (Chief Executive Officer)	4	4	-
3	Mr. Nalin Jain	28-01-2021	CMO (Chief Marketing Officer)	4	4	-

Corporate Social Responsibility Committee (CSR):

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Pirojsha Godrej	17-10-2022	Non-Executive Director & Chairperson of the Committee	-	-	1(Nominee of Godrej Capital Limited)
2	Mr. Saibal Ghosh	17-10-2022	Independent Director	-	-	-
3	Mr. Manish Shah	17-10-2022	MD & CEO (Chief Executive Officer)	-	-	-

Asset Liability Management Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Manish Shah	28-01-2021	MD and CEO & Chairperson of the Committee	14	14	-
2	Mr. Pirojsha Godrej	28-01-2021	Non – Executive Director	14	-	1(Nominee of Godrej Capital Limited)
3	Mr. Kunal Karnani	28-01-2021	CFO (Chief Financial Officer)	14	14	-
4	Ms. Shalinee Mimani	11-05-2022	Authorised Person	14	13	-
5	Mr. Mayank Goel	11-05-2022	Head - Treasury	14	13	-

Credit Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Pirojsha Godrej	28-01-2021	Non – Executive Director & Chairperson of the Committee	12	-	1(Nominee of Godrej Capital Limited)
2	Mr. Manish Shah	28-01-2021	MD & CEO (Chief Executive Officer)	12	12	-
3	Mrs. Shalinee Mimani	28-01-2021	Authorised Person	12	12	-

Borrowing and Investment Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Manish Shah	28-01-2021	MD and CEO & Chairperson of the Committee	15	15	-
2	Mr. Kunal Karnani	28-01-2021	CFO (Chief Financial Officer)	15	15	-

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

Willful Defaulter Review Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Saibal Ghosh	17-10-2022	Independent Director & Chairperson of the Committee	2	2	-
2	Mrs. Rosemary Sebastian	28-01-2021	Independent Director	2	2	-
3	Mr. Manish Shah	28-01-2021	MD & CEO (Chief Executive Officer)	2	2	-

IT Steering Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Manish Shah	28-01-2021	MD and CEO & Chairperson of the Committee	4	4	-
2	Mr. Kunal Karnani	28-01-2021	CFO (Chief Financial Officer)	4	4	-
3	Mrs. Jyothirlatha B	28-01-2021	CTO (Chief Technology Officer)	4	4	-

Whistleblower Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Manish Shah	28-01-2021	MD and CEO & Chairperson of the Committee	-	-	-
2	Mrs. Shalinee Mimani	28-01-2021	Authorised Person	-	-	-
4	Mr. V Swaminathan	28-01-2021	Head – Corporate Audit & Assurance	-	-	-

Willful Default Identification Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Manish Shah	28-01-2021	MD and CEO & Chairperson of the Committee	2	2	-
2	Mr. Kunal Karnani	28-01-2021	CFO (Chief Financial Officer)	2	2	-
3	Mrs. Shalinee Mimani	28-01-2021	Authorised Person	2	2	-
4	Mr. Gaurav Tanna	28-01-2021	Chief Credit Officer	2	2	-

Internal Complaints Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the committee		No. of shares held in the NBFC
				Held	Attended	
1	Ms. Monika Gupta	03-08-2023	Chief of Staff -Presiding Officer	-	-	-
2	Mr. Nalin Jain,	25-06-2022	CMO (Chief Marketing Officer)	-	-	-
3	Mr. Debashish Majumdar	25-06-2022	Head- HR Business Partnering & Rewards	-	-	-

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

4	Ms. Deepa Padmanaban	31-10-2023	Head - Credit (Salaried Underwriting)	-	-	-
5	Mr. Kostubh Singh	31-10-2023	HRBP - Corporate Functions	-	-	-
6	Ms. Raheen Jummani	25-06-2022	External Member	-	-	-

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

Product Committee

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Kunal Karnani	31-10-2023	CFO (Chief Financial Officer)	1	1	-
2	Ms. Shalinee Mimani	31-10-2023	Authorised Person	1	1	-
3	Mr. Pankaj Gupta	31-10-2023	Chief Business Officer	1	1	-
4	Ms. Jyothiratha B	31-10-2023	CTO (Chief Technology Officer)	1	1	-
5	Mr. Nalin Jain	31-10-2023	CMO (Chief Marketing Officer)	1	1	-
6	Mr. Yogesh Jain	31-10-2023	Chief Compliance Officer	1	1	-

Information Security Committee#

Sl. No	Name of Director	Member of Committee since	Capacity (i.e.Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Number of Meetings of the		No. of shares held in the NBFC
				Held	Attended	
1	Mr. Vijay Jain	02-04-2024	Chief Risk Officer & Chairperson of the Committee	NA	NA	-
2	Ms. Jyothiratha B.,	02-04-2024	CTO (Chief Technology Officer)	NA	NA	-
3	Mr. Rupesh Poojary	02-04-2024	Chief Information Security Officer	NA	NA	-

#Committee was constituted on April 2, 2024 and shall hold its meeting in Q1 of FY 2024-25.

3)General Body Meetings

Sr. No	Type of Meeting (Annual / Extra-Ordinary)	Date and Place	Special Resolutions Passed
1	Annual General Meetings	May 22, 2023 at the Registered Office of the Company at Godrej One, Pirojshanagar, Eastern Express Highway Vikhroli (East), Mumbai -400 079	1. Amendment of the Memorandum of Association of the Company. 2. Amendment of Articles of Association of Company. 3. Remuneration payable to Mr. Manish Shah as the Managing Director & Chief Executive Officer of the Company. 4. Increase in the Borrowing limits of the Company. 5. Authorizing the Board to mortgage/create charge on the assets. 6. Issuance of Non-Convertible Debentures under Private
2	Extra Ordinary General Meeting	February 1, 2024 at the Registered Office of the Company at Godrej One, Pirojshanagar, Eastern Express Highway Vikhroli (East), Mumbai -400 079	1. Amendment of the Memorandum of Association of the Company.

4)Details of non-compliance with requirements of Companies Act, 2013

As of 31st March 2024, Company is in compliance with requirements of Companies Act, 2013, including with respect to compliance with accounting and secretarial standards.

5)Details of penalties and strictures

Not applicable. However fine of Rs. 11,800/- was levied by National Stock Exchange of India Limited for delay in filing of compliance with respect to Regulation 60(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The Company has paid the fine and put necessary checks and controls in place to ensure timely submission.

6)Remuneration of Directors

There were no pecuniary relationship/transactions of any of the Non-Executive Directors with the Company apart from sitting fees paid to Independent Directors for attending various Board/Committee Meetings

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

43. Regulatory disclosures - RBI (Continued)

43.4 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

7) Breach of covenant

There are no instances of breach of covenant of loan availed or debt securities issued.

8) Divergence in Asset Classification and Provisioning

No Divergence in asset classification and provisioning has been observed and neither conditions are satisfied:

Sr.	Particulars	Amount
1	Gross NPAs as on March 31, 2024 as reported by the HFC	NA
2	Gross NPAs as on March 31, 2024 as assessed by the NHB	
3	Divergence in Gross NPAs (2-1)	
4	Net NPAs as on March 31, 2024 as reported by the HFC	
5	Net NPAs as on March 31, 2024 as assessed by the NHB	
6	Divergence in Net NPAs (5-4)	
7	Provisions for NPAs as on March 31, 2024 as reported by the HFC	
8	Provisions for NPAs as on March 31, 2024 as assessed by the NHB	
9	Divergence in provisioning (8-7)	
10	Reported Profit before tax and impairment loss on financial instruments for the year ended March 31, 2024	
11	Reported Net Profit after Tax (PAT) for the year ended March 31, 2024	
12	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2024 after considering the divergence in provisioning	

Godrej Housing Finance Limited
Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - RBI (Continued)

43.5 Disclosure of details as required under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI dated February 17, 2021, DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 are given as under:

43.5.1 Loans to Directors, Senior Officers and relatives of Directors

Particulars	Current Year	Previous Year
Directors and their relatives	-	-
Entities associated with directors and their relatives	-	-
Senior Officers and their relatives	348.00	-

43.6 Disclosures pursuant to Scale Based Regulation (SBR): A Revised Regulatory Framework for NBFCs dated October 22, 2021 - DOR.CRE.REC.No.60/03.10.001/2021-22

i) Corporate Governance report containing composition and category of directors, shareholding of non-executive directors, etc. - Refer Note 43.4.8

ii) Disclosure on modified opinion, if any, expressed by auditors, its impact on various financial items and views of management on audit qualifications. - Not applicable

iii) Items of income and expenditure of exceptional nature. - Not applicable

iv) Breaches in terms of covenants in respect of loans availed by the HFC or debt securities issued by the HFC including incidence/s of default. - Refer Note 43.4.8

v) Divergence in asset classification and provisioning above a certain threshold to be decided by the Reserve Bank. - Refer Note 43.4.8

Godrej Housing Finance Limited

Notes to the financial statements for the year ended March 31, 2024 (Continued)

(Currency : Indian Rupees in lakhs)

43. Regulatory disclosures - (Continued)

43.7 Additional Disclosures

The Company has not granted any loans against collateral of gold jewellery during the year (Previous Year: Nil) and consequently no gold loan auction has been carried out.

There are no adverse comments during the year on the Company made in writing by the Bank or NHB on regulatory compliances with a specific communication to disclose the same to public (Previous Year: Nil).

The Company does not have any joint ventures and overseas subsidiaries As at March 31, 2024.

The Company has not issued any structured products during the year.

The Company does not conduct any insurance broking / agency business and has not received any fees / brokerage in respect thereof.

No loan extended by the Company has been restructured under moratorium offered under Covid.

No dividend has been declared by the Company.

44. Events after reporting date

There have been no major events which will cause changes to any numbers reported in the financial statements.

45. The previous year figures, which are considered to be immaterial, have been reclassified/regrouped to conform to the figures of the current year.

As per our report of even date attached
For D. Kothary & Co.
Chartered Accountants
Firm Registration No.: 105335W

For and on behalf of the Board of Directors
Godrej Housing Finance Limited
CIN: U65100MH2018PLC315359

Mehul N. Patel
Partner
Membership No. - 132650

Pirojsha Godrej
Director
DIN - 00432983

Mumbai
April 30, 2024

Manish Shah
Managing Director & CEO
DIN - 06422627

Mumbai
April 30, 2024

Mumbai
April 30, 2024

Kunal Karnani
Chief Financial Officer

Mumbai
April 30, 2024

Chunni Singh
Company Secretary

Mumbai
April 30, 2024