motilal oswal
Home Finance

Responsible GROWTH

Annual Report

2024 - 2025



What's Inside

01	Corporate Information	3 - 4
02	Message From Chairman	5 - 6
03	Board of Directors / KMP	7 - 10
04	Key Highlights	11 - 12
05	Our Presence	13
06	ESG Initiatives	14 - 15
07	Our Journey	17 - 18
08	Awards & Accolades	19
09	Key Strategic Initiatives	20
10	Management Discussion & Analysis	21 - 39
11	Board's Report	41 - 76
12	Report on Corporate Governance	77 - 109
13	Financial Statements	111 - 218

Responsible Growth

"At the heart of our mission is the belief that every individual deserves the opportunity to realize their dreams of homeownership. We are dedicated to supporting these aspirations by providing accessible and fair loan solutions, empowering people to build secure and promising futures. Our commitment to responsible growth ensures that while we expand, we do so with integrity, prioritizing the well being of our clients and communities. Together, we create a foundation for sustainable living, fostering a brighter tomorrow for everyone."



Corporate Information

BOARD OF DIRECTORS

Mr. Motilal Oswal
Chairman & Non-Executive Director

Mr. Raamdeo Agrawal
Non-Executive Director

Mr. Sukesh Bhowal
Managing Director and Chief Executive Officer

Mrs. Divya Momaya
Independent Director

Mr. Satinder Singh Rana
Independent Director

Mrs. Neha Gada
Independent Director

CHIEF FINANCIAL OFFICER
Mr. Bhavin Shah

COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. Sunny Ganatra

STATUTORY AUDITORS
M/s. MGB & Co. LLP, Chartered Accountants

INTERNAL AUDITOR / HEAD OF INTERNAL AUDIT
Mr. Pradip Singh

CHIEF RISK OFFICER
Mr. Anshuman Singh

Designated official for assisting & handling Investor Grievances:

Mr. Sunny Ganatra
Motial Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel St Depot, Prabhadevi,
Mumbai- 400 025.

Contact: +91 22 7193 4101
Email: corpsec@motilaloswal.com

AUDIT COMMITTEE
Mrs. Divya Momaya - Chairperson
Mr. Motilal Oswal - Member
Mr. Satinder Singh Rana - Member
Mrs. Neha Gada - Member

NOMINATION AND REMUNERATION COMMITTEE
Mrs. Divya Momaya - Chairperson
Mr. Motilal Oswal - Member
Mr. Satinder Singh Rana - Member
Mrs. Neha Gada - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE
Mr. Raamdeo Agrawal - Chairman
Mr. Motilal Oswal - Member
Mrs. Divya Momaya - Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Mrs. Divya Momaya - Chairperson
Mr. Motilal Oswal - Member
Mr. Raamdeo Agrawal - Member

RISK MANAGEMENT COMMITTEE
Mr. Satinder Singh Rana - Chairman
Mr. Motilal Oswal - Member
Mr. Raamdeo Agrawal - Member
Mr. Sukesh Bhowal - Member
Mr. Bhavin Shah - Member
Mr. Anshuman Singh - Member

ASSET LIABILITY MANAGEMENT COMMITTEE
Mr. Sukesh Bhowal - Chairman
Mr. Bhavin Shah - Member
Mr. Jithesh Narayanan - Member
Mr. Anshuman Singh - Member

IT STRATEGY COMMITTEE
Mr. Divya Momaya - Chairman
Mr. Sukesh Bhowal - Member
Mr. Satinder Singh Rana - Member
Mr. Tahir Shah, Head IT - Permanent Invitee
Mr. Shishupal Rathore, Chief Information Security Officer ("CISO") - Permanent Invitee

REGISTRAR & TRANSFER AGENT (FOR EQUITY & DEBENTURES) MUFG INTIME INDIA PRIVATE LIMITED
C 101, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai - 400083.
Toll-free Number: 1800 1020 878
Website: https://in.mpms.mufg.com/

REGISTERED OFFICE
Motial Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi,
Mumbai - 400 025.
Tel.: +91 8291889898
Website: https://motilaloswalhf.com/

BANKERS / LENDER
U.S. International Development Finance Corporation (DFC)
Axis Bank Limited
Bajaj Finance Limited
Bank of Baroda
Bank of India
Bank of Maharashtra
CSB Bank Limited
Dhanlaxmi Bank Limited
HDFC Bank
ICICI Bank Limited
IDBI Bank Limited
Indian Bank
IndusInd Bank Limited
Karnataka Bank Limited
Kotak Mahindra Bank Limited
LIC Housing Finance Limited
National Housing Bank (NHB)
Punjab National Bank
State Bank of India
The South Indian Bank Limited
Union Bank of India

DEBENTURE TRUSTEES
Beacon Trusteeship Limited
5W, 5th Floor, The Metropolitan, E-Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051
Direct: 022 26558759;
Website: www.beacontrustee.co.in

SECURITY TRUSTEE
Catalyst Trusteeship Limited
GDA House, Plot No. 85, Bhusari Colony (Right),
Kothrud, Pune – 411038.

Message from Chairman



Dear Shareholders,

It gives me great pleasure to address you as we conclude yet another year of focused execution and forward-thinking transformation at Motilal Oswal Home Finance. FY2025 was not merely a year of numbers it was a year of intent, recalibration, and agility. It was about deepening our commitment to inclusive growth while reinforcing the core principles that define us.

The Indian economy continued its impressive growth trajectory, cementing its position as one of the fastest-growing major economies globally. Against this backdrop, the housing finance sector in India demonstrated remarkable resilience, driven by strong structural enablers demographics, urbanization, increasing per capita income, and evolving aspirations for homeownership. The affordable housing segment, where we have firmly anchored our operations, emerged as a standout opportunity amidst these trends.

The long-term outlook for affordable housing remains highly promising. India's mortgage to GDP ratio, at ~12% in FY23, has nearly doubled from 6.7% in FY17. Furthermore, affordable housing remains significantly more underpenetrated than other housing segments in the country. This growth is supported by rising incomes, improved affordability, and strong policy push. While still significantly below developed economies like the US (~60%), this gap underscores the immense headroom for growth.

The ratio is expected to rise in the near term reinforcing our confidence in the sector's structural growth potential over the coming decade.

In line with our long-term vision, we continue to focus on strengthening the foundational pillars of our business: distribution, digital, and discipline

Performance Highlights

During the year, we made decisive investments to enhance productivity across the board. Our disbursements reached ₹1,794 crore, marking strong growth over the previous year of 78%, and our loan book expanded to ₹4,857 crore, growth of 19% over previous year. Today, we proudly serve over 50,657 families across 12 states and union territories through a network of 112 branches, with a balanced mix of urban and semi-urban presence.

Profitability remained healthy and resilient, with the year closing at a Profit After Tax of ₹130 crore. While profit growth was largely flat, this was a conscious strategic decision to invest significantly into scaling our sales engine and strengthening our talent base to drive long-term growth. Despite these upfront investments, we maintained strong fundamentals steady Net Interest Margins (NIM) of 7.3% and a controlled average cost of borrowings at 8.4%. Our funding profile remained well-diversified, drawing from a broad mix of banks, financial institutions, and capital markets, ensuring stability and financial flexibility. Our capital adequacy ratio stood comfortably at 40.8%, well above regulatory norms, reflecting our prudent capital management philosophy.

Strength in Asset Quality

Asset quality continued to be a key strategic priority, and we remain among the best in the industry on this front. Our collection efficiency, including prepayments, was sustained at a strong 124.3%, supported by a disciplined credit appraisal and monitoring framework. We concluded the year with industry leading GNPA and NNPA ratios of 0.8% and 0.4%, respectively, and a robust Provision Coverage Ratio of 157%. We have proactively bolstered our legal and recovery infrastructure, ensuring timely and fair resolution of delinquencies while safeguarding stakeholder interests.

Ratings & Governance
We are proud to share that CRISIL, ICRA, and India Ratings upgraded our credit rating outlook to AA 'Positive' from AA "Stable" during the year, a testament to the growing strength of our business model and governance standards. This upgrade reflects rating agencies' confidence in our improving scale, profitability, and financial flexibility, and underscores the robustness of our asset quality and risk management practices.

Technology & Innovation
A key enabler of our progress has been the significant strides we have made in technology. During the year, we rolled out several digital initiatives, including function specific mobile platforms that support real time data capture, enhance field productivity, and reduce turnaround time. Additionally, we invested in analytics driven credit underwriting tools and customer engagement solutions, which are already beginning to yield positive results in improving operational efficiency and customer experience. Our digital initiatives are designed not only to streamline internal processes but also to deliver superior experiences to our customers ensuring faster loan approvals, greater transparency, and convenience across their journey with us.

People & Culture
Our people remain the driving force of our progress. This year, sales team hiring has been a key area of focus, with the number of Sales Relationship Managers (RMs) increasing from 925 as on 31st March 2024 to 1,329 as on 31st March 2025, growth of 44%. This strategic expansion supports our agenda of deeper market penetration and improved customer service. In parallel, we continued investing in training, leadership development, and employee engagement to nurture a high-performing and motivated workforce.

Looking Ahead
As we look toward FY2026 and beyond, we remain committed to disciplined growth, risk calibrated expansion, and sustainable value creation. Our strategic priorities include:

- **Market Expansion:** Deepening our presence in underpenetrated geographies, especially in Tier II and III markets where housing demand remains robust.
- **Product Innovation:** Introducing innovative, customer-centric loan products to meet evolving needs and diversify our portfolio.
- **Digital Enablement:** Scaling up digital initiatives to drive efficiency, reduce costs, and enhance customer engagement.
- **Operational Excellence:** Sharpening our focus on productivity, cost optimization, and quality assurance across all levels of the organization.
- **Risk Management:** Strengthening credit underwriting, monitoring, and recovery mechanisms to maintain best-in-class asset quality.

Our company is also deeply committed to ESG principles, integrating environmental sustainability, social responsibility, and strong governance practices into our business model. During the year, we advanced efforts in financial inclusion, green financing, and community development, reinforcing our commitment to responsible growth. We have digitized our processes to enable a fully paperless loan journey, reinforcing our commitment to sustainability. Our Customer Retention Module and enhanced mobile app now reduce paper use and branch visits, offering greater convenience. We are also promoting our P+C (Plot + Construction) loan scheme, encouraging customers to adopt solar energy and rainwater harvesting, supporting greener living and construction.

We expect government initiatives like PMAY 2.0 to boost homeownership by improving affordability along with tax incentives on home loans. Ongoing infrastructure development in smaller cities are further supporting demand. Priority Sector Lending (PSL) status ensures steady credit flow to the affordable Housing Finance segment. We believe the affordable housing sector is well-positioned for strong, sustained growth over the coming decade.

In closing, I extend my heartfelt gratitude to our employees, whose dedication and passion continue to power our journey. To our shareholders, board members, lenders, and partners your unwavering trust and support remain our greatest strength. As we step into FY2026, we do so with optimism, clarity of purpose, and a roadmap for sustainable value creation.

Thank you for your continued trust.
Sincerely,



Motilal Oswal
Chairman, Motilal Oswal Home Finance Limited

Board of Directors



Mr. Motilal Oswal
Chairman and Non-Executive Director

Mr. Motilal Oswal is the Managing Director and CEO of Motilal Oswal Financial Services Limited, the parent company. He is a Chartered Accountant and started the business along with co-promoter, Mr. Raamdeo Agrawal in 1987.

Mr. Oswal has served on the Governing Board of the BSE, Indian Merchant's Chamber (IMC) and has also served on various committees of BSE, NSE, SEBI and CDSL. He has received the "Rashtriya Samman Patra" awarded by the Government of India for being amongst the highest Income Tax payers in the country for a period of 5 years from FY 1994-95 to FY 1998-99. He is our co-Promoter and has previously been the chairman and president of the Jain International Trade Organization.

He has received several awards including, "Rajasthan Ratna Manav Seva" award by Manav Seva Trust; "Durgadevi Saraf Puraskar" by Marwadi Sammelan for contributions in the field of Trade & Industry; and "Samaj Ratna" award by the Amravati Cancer Foundation. He has also authored two books titled "The Essence of Business & Management" and "The Essence of Life". He along with our co-Promoter, Raamdeo Agrawal started our Company in 1987.



Mr. Raamdeo Agrawal
Non-Executive Director

Mr. Raamdeo Agrawal is a Chartered Accountant and the Non-Executive Chairman of Motilal Oswal Financial Services Limited ("MOFSL"), the parent company. He is the man behind the strong research capabilities at MOFSL. A keen believer and practitioner of the QGLP philosophy, his wealth creation insights and decades-rich experience have played a pivotal role in MOFSL, transforming it from a small stock broking firm to a well-diversified financial services company.

He has been authoring the annual 'Motilal Oswal Wealth Creation Study' since 1996. In 1986, he authored a book titled "Corporate Numbers Game", along with co-author, Late. Ram K Piparia and "The Art of Wealth Creation"

Mr. Agrawal is also a member of the National Committee on Capital Markets of the Confederation of Indian Industry.He has received the "Rashtriya Samman Patra" awarded by the Government of India for being amongst the highest Income Tax payers in the country for a period of 5 years. He was also conferred with the 'Special contribution to Indian Capital Market Award' by Zee Business in 2011.



Mr. Sukesh Bhowal
Managing Director & Chief Executive Officer

Mr. Sukesh Bhowal has a rich experience of over 27 years in Business Management, Sales & Distribution, Retail Lending, Mortgage Lending, Real Estate Lending and Retail Banking.

He was associated with DCB Bank, where he headed the Mortgages, Micro Mortgages, Construction Finance and Gold Loans segments and was responsible for starting and scaling up these businesses. He was also associated with HDB Financial Services, Citibank and HSBC.

He has strong academic credentials of Bachelor of Technology from IIT Bombay and a PGDM in Finance & Marketing from IIM Lucknow.



Mr. Satinder Singh Rana
Independent Director

Dr. Satinder Singh Rana is a distinguished former civil servant (IRS, Batch 1988). He had a prolific career spanning over three decades in public service, particularly in the domain of taxation and corporate law. He is retired as Chief Commissioner of Income Tax. He has a vast experience in the tax administration, litigation and vigilance matters. Dr. Rana holds a master and doctorate degree in science and holds a law degree from University of Delhi. He also holds an MBA degree from Melbourne, Australia. He is enrolled as an Advocate with the Bar Council of Mumbai in the year 2023.

Dr. Rana is associated with a social enterprise YGROO, led by a global team of pioneers, domain experts, industry veterans. Using deep domain expertise, research and emerging technologies, YGROO have curated the most comprehensive and affordable, plug and play, managed learning services platform. Dr. Rana at present is CEO of the IRB Infrastructure Developers Limited, India's leading infrastructure developers specializing in roadways and highways, with an operating history of over 40 years. IRB has a fully integrated business model with two listed InvIT



Mrs. Divya Momaya
Independent Director

Mrs. Divya Sameer Momaya has done B.com from Garware College of Commerce, University of Pune and is a qualified member of Institute of Company Secretaries of India (ICSI) and Qualified Independent Director from IICA and an Alumni of Institute of Directors (IOD).

Mrs. Momaya is a founding Partner of D. S. Momaya & Co. LLP and possesses more than 21 years of industry experience. She has been into whole time Company Secretarial Practice for more than 16 years and is also a Board Mentor. Her Corporate Journey includes experience with Companies like BSEL Infrastructure Realty Limited and Bombay Stock Exchange Limited.

She is also the co-chairperson of IMC Chamber of Commerce and Industry, Navi Mumbai and member of JITO, MACCIA, FICCI FLO. She is also Mentor with Niti Ayog and JIIF. Throughout her career, as a Company Secretary, Divya has played a pivotal role in advising the Boards in key areas to both listed and private sector companies under securities, corporate laws, strategy, leadership and corporate governance. Her expertise to consult owners and corporations encouraged her to build MentorMyBoard.



Mrs. Neha Gada
Independent Director

Mrs. Neha Gada is a Chartered Accountant from Institute of Chartered Accountants, Insolvency Professional from Indian Institute of Insolvency Professionals of ICAI, and a Bachelor of Law from University of Mumbai with an experience of over 20 years. She has a vast experience in compliances pertaining to Securities Law and Corporate Law. She specializes in Restructuring, Acquisitions and Mergers, Due Diligence, Takeovers, SEBI Exemption and Consent applications, LODR & ICDR Compliances, Listing Matters, Insolvency, NBFC Registrations and Takeovers.



Mr. Shobhit Doru
Chief Operating Officer

Mr. Shobhit Doru is an Experienced and strategic executive with over 25 years in the finance and banking industry currently serving as Chief Operating Officer at Motilal Oswal Home Loans since June 2023. Career is marked by a robust track record in risk management, business strategy, and operational excellence.

With a strong background in managing complex financial portfolios, developing strategic initiatives, and leading high-performing teams, Shobhit's committed to driving operational efficiency and strategic growth within organizations.



Mr. Kiran Kuttappa
Chief Business Officer

Mr. Kiran Kuttapa is the Chief Business Officer at Motilal Oswal Home Finance, based in Mumbai. An alumnus of XLRI Jamshedpur, Kiran holds a Post Graduate Diploma in Management (PGDM) and brings with him over 20 years of rich experience in the financial services industry. His deep domain knowledge, strategic mindset, and customer-centric approach make him a valuable addition to our leadership team.

Prior to joining Motilal Oswal Home Finance, Kiran held the position of Business Head at DCB Bank Ltd, where he played a pivotal role in driving business growth and leading high-performing teams. His leadership is expected to further strengthen our business operations and fuel the next phase of growth.



Mr. Bhavin Shah
Chief Financial Officer

Mr. Bhavin Shah has a rich experience of over 13 years in Non-Banking & Housing Finance domain with expertise in Treasury, Asset-Liability management, Financial reporting and analysis, Budgeting, Business planning and Strategy.

Prior to joining Motilal Oswal Home Finance Limited, Mr. Shah held the position of Deputy Vice President at IIFL Finance Group, where he was responsible for overseeing the Treasury Front Office for the group.

Mr. Shah is a Chartered Accountant and a post graduate from Mumbai University



Mr. Sunny Ganatra
Company Secretary & Compliance Officer

Mr. Sunny Ganatra has an experience of over 6 years in handling secretarial and listing compliances. Prior to this, Mr. Ganatra was associated with Comfort Commotrade Limited as Company Secretary & Compliance Officer, and was responsible for leading the team to oversee & implement the compliances as applicable to Comfort Group Companies. In his past experiences, he was associated with Companies like Route Mobile Limited and Welspun Group.

He is a qualified Company Secretary and an Associate Member of the Institute of Company Secretaries of India. He is also a Law Graduate from G. J. Advani Law College and a Graduate in Commerce from Patkar Varde College.

Key Highlights

- The company reported a Profit After Tax (PAT) of ₹ 130 crore for the fiscal year 2025.
- Disbursements saw substantial growth, crossing the ₹ 1,700 crore mark to reach ₹ 1,794 crore in FY2025, positioning the business for further expansion.
- The credit rating improved from AA (Stable) to AA (Positive) as assessed by CRISIL, ICRA, and India Rating.
- The company operates with dedicated, independent teams for Sales, Credit, Collection, and Operations, employing over 2,800 personnel.
- The cost of borrowing was competitive at 8.4%, with ₹ 1,640 crore raised during FY2025.
- Asset quality remained strong, indicated by a Gross Non-Performing Asset (GNPA) ratio of 0.8% and a Net Non-Performing Asset (NNPA) ratio of 0.4%.
- The company successfully secured funding from various banks and institutions at favourable rates.
- Internal technology infrastructure includes proprietary Loan Management (LMS) and Loan Origination (LOS) systems, alongside specific mobile applications for different functions.
- Loans originated since April 2018, constituting approximately 70% of the total loan book, demonstrate particularly strong asset quality with a GNPA of just 0.4%.

BUSINESS PERFORMANCE:

- MOHFL achieved robust growth in loan disbursements, amounting to ₹ 1,794 crore in FY2025, an increase of 78%.
- Collection efforts are supported by a team of over 450 members and a strong legal framework.
- Collection efficiency, including prepayments, was notably high at 124.3% in FY2025.
- The company serves a large customer base, catering to over 50,600 families.
- Key portfolio metrics include a Loan to Value (LTV) ratio of 58% and a Fixed Obligation to Income Ratio (FOIR) of 43%.
- The company successfully secured funding from various banks and institutions at favourable rates.
- Internal technology infrastructure includes proprietary Loan Management (LMS) and Loan Origination (LOS) systems, alongside specific mobile applications for different functions.
- Loans originated since April 2018, constituting approximately 70% of the total loan book, demonstrate particularly strong asset quality with a GNPA of just 0.4%.

FINANCIAL PERFORMANCE:

- The total loan book stood at ₹ 4,857 crore as of March 31, 2025.
- Net Worth was recorded at ₹ 1,429 crore on the same date.
- Profit for FY2025 was ₹ 130 crore.
- Financial margins were healthy, with a yield of 13.7% and a Cost of Funds (COF) of 8.4%.
- This resulted in a Net Interest Margin (NIM) of 7.3% and a Spread of 5.3%.
- Asset quality ratios were strong, with GNPA at 0.8% and NNPA at 0.4%.
- The Stage 3 Provision Coverage Ratio was robust at 55.9%.
- The Net Debt to Equity ratio was 2.2x.
- The Cost to Income ratio was 56%.
- Capital adequacy remained strong at 40.8%.

Our Presence

Location **112** | States **12**



ESG Initiatives

Environmental

- Actively promote and finance energy-efficient and environmentally sustainable housing, especially in self-construction cases, to support a greener housing ecosystem.
- Encourage customers during loan counselling to choose properties that are ecologically sensitive and avoid harming the environment.
- Fund only those projects located on non-agriculture and non-forest land, with all necessary environmental clearances in place.
- Integrate climate-related risks (flood-prone/drought-prone zones) into the credit evaluation process to ensure long-term environmental sustainability.
- Ensure funded properties follow proper sanitation, hygiene, and safety standards.
- Review construction plans and estimates to confirm compliance with environmental norms and to avoid ecological degradation.
- Adopt digital documentation and paperless processes across operations to minimize paper usage and reduce the carbon footprint.
- Follow norms issued by the National Disaster Management Authority to avoid environmentally sensitive areas.
- Align practices with the **International Finance Corporation (IFC) Performance Standards** on environmental and social sustainability.
- Promote home ownership in tier 2 and tier 3 cities, reducing pressure on resources in already overburdened tier 1 urban areas.
- Installed FRG (Fire-Rated Glass) at all floor lift lobbies enhancing safety while maintaining energy efficiency through better insulation and daylight utilization.
- Undertook **tree plantation and maintenance** in and around office premises to support urban greening and environmental well-being.
- Implemented **energy-efficient LED lighting systems** that consume approximately **45% less electricity,** supplemented by **motion sensors** to optimize power usage in office spaces.
- Installed **sensor-based water taps** to minimize water wastage during hand washing, promoting responsible water usage.
- Enforced a **no single-use plastic policy**, replacing disposable items with **reusable glass bottles and mugs** across all office facilities.
- The office building design incorporates **aluminum fins** that **deflect nearly 70% of solar radiation**, significantly reducing the need for artificial cooling and contributing to lower energy consumption.
- Undertook a sapling plantation initiative in collaboration with Seva Charitable Trust at Sanjay Gandhi National Park. Over 100 saplings were planted by volunteers, contributing to enhanced green cover, improved air quality, and biodiversity conservation.





Social

- Focus on addressing the housing needs of Economically Weaker Sections (EWS) and Low-Income Groups (LIG) in alignment with government initiatives like PMAY 2.0 (Pradhan Mantri Awas Yojana).
- Offer home loans at concessional rates to women borrowers, including those employed in private firms and self-employed women entrepreneurs, promoting gender equality and financial empowerment.
- Ensure transparent communication of loan terms and follow responsible lending practices to prevent mis-selling and protect customer interests.
- Maintain a dedicated Customer Service department to address and resolve customer queries, complaints, and service requests in a timely and empathetic manner.
- Undertake CSR initiatives focused on education and healthcare in underserved and marginalized communities, enhancing social impact beyond core business activities.

- Uphold fair employment practices, promote diversity and inclusion, and invest in employee health, safety, and continuous learning to foster an equitable and growth-oriented work culture.
- Promote the social mission of increasing homeownership by offering affordable loans to first-time buyers and individuals from underpenetrated segments.
- Delivered structured programs such as onboarding certifications, the flagship NEEV training for new joiners, and DISHA training for underperforming teams, supporting skill development and professional growth.
- Shared micro-learning content such as 'Did You Know' (DYK) updates, PDFs, and video modules via Paathshala, enabling employees to access relevant training material anytime, anywhere.
- Focused Senior Leadership Development Programs & Young Leadership Program for Freshers.
- Supporting the development of an Agricultural College campus in Uttan, Maharashtra. The institution will impart education in sustainable farming, irrigation management, soil conservation, biodiversity, and water resource protectionempowering rural youth, improving food security, and promoting rural employment and environmental stewardship.
- Contributing to the establishment of Tattva University, a liberal studies institution integrating global academic standards with Indian cultural values.





Governance

Comprising a diverse and highly qualified group of leaders with significant credentials, our Board of Directors plays a pivotal role in shaping corporate policies, defining strategic direction and supervising day-to-day operations.

Operating in accordance with our Corporate Governance guidelines, the Board is dedicated to fostering the long-term success of the Company and providing strategic guidance to achieve impactful results.

Motilal Oswal Home Finance Limited is dedicated to practicing responsible corporate governance. We have structured our governance framework to facilitate the embodiment of our vision and values.

- Company has diversified Board with an appropriate combination of Executive, Non-Executive and Independent Directors who bring in a wide range of skills and experience to the Board.
- Board consists of 50% of Independent Directors including two independent woman director. The Board provides strategic guidance across all facets of operations, emphasizing optimal resource utilization, governance, and sustainability.
- Board follows regulatory norms of "Fit & Proper Criteria" in selection process of directors & also evaluation of annual performance of Board is carried out.
- The Company has implemented stringent risk management measures, encompassing Established a dedicated Risk Management Committee; Raised risk awareness through training, workshops, emailers, conferences, and seminars; developed comprehensive risk management policy & framework.
- Board has adopted Remuneration policy & details of all managerial remuneration is provided in Board's Report.
- The Company has IT Strategy Committee chaired by an Independent Director for ensuring overall compliance of Information Technology Systems.
- The Company has Vigil Mechanism/Whistle Blower Framework allowing employees to report any non-compliance & wrong practices and also have direct access to Chairperson of Audit Committee.
- The Company has a policy on Prevention of Sexual Harassment at workplace & have also creating awareness of the same through e-mailers;
- Policy for prohibition of Insider Trading & having system driven controls for employees;
- The Company's Corporate Governance Policy is in place which helps in ensuring highest level of corporate governance practice.

अब आपका भी
घर बनेगा।

कम
ब्याज दर

कम किस्त
(EMI)

एक्स्ट्रा
टॉप-अप लोन



2014

- Commencement of Business operations from 22nd May post receiving Certificate of Registration from the National Housing Bank
- First disbursement booked in June 2014 at Akola branch
- Loan book crosses ₹ 50 crs
- Rated "A/Stable" by CRISIL for ₹ 100 crs of NCDs.
- Rated A1+ by ICRA for ₹ 50 crs of CPs.
- First term loan drawdown

2015

- Presence across 14 locations
- Total staff: 160 employees
- Loan book at ₹ 357 crs with 3565 live accounts
- CRISIL upgrades rating for long term borrowings from "A/Stable" to "A+/Stable"

2016

- Awarded "Finnoviti 2016" for MALA program
- Rating Upgrade by ICRA to AA- Loan Book at ₹ 2,088 crs with 20,935 live accounts
- Present at 51 locations with Staff Count of ~500
- Received Fast 50 Brands 2016 award by WCRC
- Presence extended to 62 Locations with staff count of more than 600 Loan book of ₹ 2,492 crs and 25,134 live accounts

2017

- Awarded second prize for Best Performing Primary Lending Institution under CLSS for EWS/LIG by Ministry of Housing and Urban Poverty Alleviation.
- Awarded "The Innovative Marketing Practices Award" & the Innovative Product and Services Award" at 7th National Conference and Game Changers Awards, 2017.
- Expanded to 6 new states with a presence 121 locations with staff count of 1049.
- Provided subsidy to 1348 customers cumulatively under CLSS scheme of PMAY
- Loan book of ₹4,165 crs with 46,142 live accounts

2018

- Collection and legal team in place₹4,863 crs loan book
- Capital infusion by MOFSL of ₹150 crores

2019

- Name changed from Aspire Home Finance to 'Motilal Oswal Home Finance' with effect from 28th May, 2019
- Majority of stress recognition and higher provisioning done.
- Awarded the Customer Excellence Award at the India CX SUMMIT & AWARDS, 2019.
- Awarded "Digital Excellence in Urban Finance" at the Digital Customer Excellence Awards,2019
- Loan book of ₹4,357 crore with 52,000+ live accounts.
- Capital Infusion of ₹ 200 crore in FY19, taking the total cumulative Capital Infusion to ₹ 850 crore.

2020

- CRISIL has upgraded MOHFL's rating to AA- (stable outlook) from earlier A+ (stable) based on several positive changes undertaken.
- Sold NPA pool to ARC resulted into significant reduction into NPAs
- MOHFL has shifted to in-house developed software called "Loan Origination System" (LOS) and "Loan Management System" (LMS).
- Able to execute "Business Continuity Plan" in tough times like lockdown with limited impact on business.
- Management team with senior leaders having rich experience and expertise is in place.
- Profitability is back in FY20 after taking one time provisioning hit in FY19
- Liability mobilization at competitive rates

2021

- Strong PAT growth of 73% YoY (excl. one time tax impact)
- Received first refinance from NHB
- Completed first securitization transaction through PTC route
- Launched Digital MO Partner app for on-boarding partners
- Launched PMAY Portal
- Collection team of 500+ members along with robust legal team

2022

- Strong pick-up in disbursements, traction in login/sanction pipeline, expansion in sales force, diversification of liability franchisee and sharp reduction in cost of funds.
- Rating upgrade/assign by CRISIL/India Ratings.
- Highest ever PAT recorded in FY22 at ₹95 cr registering a growth of 136% YoY.
- Expanded presence in Northern India by entering into 3 new states/UTs
- Incremental COF at 7% in FY22 led by long term diversified liabilities
- Joined hands with U.S. Development Finance Corporation, world's largest development finance institution and has received commitment of USD 50 mn.
- Completed first direct assignment transaction.

2023

- Highest Ever PAT of ₹ 136 cr, up 44% YoY
- Disbursement crossed ₹ 1,000 cr mark
- Rating upgraded by ICRA to AA/Stable from AA-/Stable
- Presence expanded to 109 locations across 12 States/UTs

2024

- Management team with senior leaders having rich experience and expertise is in place.
- Expanded our Sales force by 2x, plan to double this in FY25
- Disbursement crossed ₹ 1,000 cr for the second consecutive year
- Added 2 new branches taking the presence to 111 Locations across 12 States/UTs
- Robust Asset Quality with Net NPA of 0.4%
- Motilal Oswal Home Finance awarded by Elets 5th NBFC100 Leader of Excellence Awards, 2024 in the Excellence in Technology Implementation category

2025

- Sales RM team increased 44% to 1,329, crossing the 1,000 mark.
- Disbursements grew 78% to ₹1,794 Cr.
- Presence expanded to 112 locations across 12 States/UTs.
- Industry best low delinquency rates: 1+ DPD 2.9%, 30+ DPD 2.0%.
- Gross NPA (GNPA) at 0.8%, reflecting excellent asset quality.
- Record high AUM (₹4,878 Cr) and Net Interest Income (₹343 Cr).
- Operational productivity improving year-on-year.
- Motilal Oswal Home Finance bags Silver at the 4th Chalo Rural Conclave & Awards 2025 for Best DVC Campaign "Sapnon Ke Taale Khole, Tajurbe Ki Chaabi!" Together, let's keep turning dreams into realities.



2024

We are proud to announce that Motilal Oswal Home Finance has been awarded by the **Elets 5th NBFC100 Leader of Excellence Awards, 2024 in the Excellence in Technology Implementation category.** This recognition highlights our commitment to embracing innovation and leveraging technology to drive operational efficiency and deliver superior customer experiences. It's a proud moment for our entire team, whose dedication and forward-thinking approach continue to push boundaries in the home finance sector. This award further motivates us to continue building smarter, more agile, and customer-centric financial solutions.

2025

Motilal Oswal Home Finance is proud to have bagged **Silver at the 4th Chalo Rural Conclave & Awards 2025 for the Best DVC Campaign titled "Sapnon Ke Taale Khole, Tajurbe Ki Chaabi!"** This achievement reflects our dedication to creating impactful and relatable communication that resonates with our rural audiences. It's a celebration of our journey in turning aspirations into achievements through the power of experience. Together, let's keep unlocking dreams and empowering lives across India.



Key Strategic Initiatives

- Continued focus on scaling up loan book and disbursements across core customer segments
- Strong emphasis on self construction (low delinquency) and ready to move in property loans
- Targeting self employed assessed income borrowers and salaried customers, especially first time homebuyers in self occupied units
- Expanding geographic footprint through the RRO (Resident Relationship Officer) model branch rollout to follow customer base development
- Nationwide rollout of direct sourcing channels to drive zero cost origination and reduce dependence on intermediaries
- Deepening presence in existing markets and entering new, underpenetrated regions
- Offering high yielding non housing loan products to low risk customer segments to diversify product mix
- Improving end-to-end TAT and reducing PDD/OTC pendency's through process enhancements
- Enhancing customer experience via digital tools, credit decision scorecards, and integrated rule engine
- Customizing product and process flows to meet local market dynamics, especially in self construction
- Strengthening independent credit structure alongside robust business, legal, valuation, and operations teams, aligned with the maker checker framework
- Driving RM productivity across regions and improving yield through channel mix optimization
- Focus on reducing cost of funds and increasing fee income per login
- Further diversification of liability mix and enhancement of ALM to manage interest rate and liquidity risks

Management Discussion & Analysis

MO EXPRESS
HOME LOAN

motilal oswal
Home Finance

Ab Loan Lena
Hua Pehle Se Bhi Aasaan!

Jaldi, Aasaan, Fatafat!

Steps Bahut Simple Hai!



Whatsapp par humse
chat karne ke liye,

8655605217

number par **'Hi'** bheje

OR

QR code Scan Kare

+91 82918 89898 | www.motilaloswalhf.com | loans@motilaloswal.com

FY25 Overview

The global economy remained resilient in the Calendar Year 2024, expanding at 3.2% (as per IMF World economic outlook, Apr'25). The rapid rise in trade tensions and heightened policy uncertainty are likely to exert a substantial drag on global economic activity. It is estimated to grow by 2.8% in CY2025 and 3% in CY2026, much below the historical average of 3.7% (2000–19) due to global challenges on various fronts. While strong real income growth and lower interest rates boosted activity, weaker government spending, sluggish consumer confidence, and external demand fluctuations restrained growth in some regions.

In advanced economies, the U.S. growth forecast for CY2025 is expected to slow down to 1.8%, on account of greater policy uncertainty, trade tensions and softer demand momentum, whereas the euro area is expected to grow at 0.8%, before rising to 1.4% in 2026 as financial conditions improve. Other advanced economies see stable growth, with recovering incomes offset by trade uncertainties. In emerging markets and developing economies, growth is growth is expected to slow down to 3.7% in 2025 due to various trade measures in recent times. On the back of the recently implemented tariffs and prolonged trade policy uncertainty, China's growth was revised downward to 4% in 2025. India's growth to remain stable at 6.2% in 2025 and 6.3% in 2026.

Chart: India's GDP growth highest amongst major peers

GDP growth rate (%)	2023	2024	2025	2026P
World Output	3.5%	3.3%	2.8%	3.0%
USA	2.9%	2.8%	1.8%	1.7%
China	5.4%	5.0%	4.0%	4.0%
Japan	1.5%	0.1%	0.6%	0.6%
Germany	-0.3%	-0.2%	0.0%	0.9%
India	**7.5%**	**6.5%**	**6.2%**	**6.3%**
UK	0.4%	1.1%	1.1%	1.4%
France	1.1%	1.1%	0.6%	1.0%
Italy	0.7%	0.7%	0.4%	0.8%
Canada	1.5%	1.5%	1.4%	1.6%
Russia	4.1%	4.1%	1.5%	0.9%

Source: IMF World economic outlook, Apr'25

Global trade expanded by nearly US$1.2 trillion in 2024, reaching US$33 trillion which is a result of 9% growth in services trade and 2% growth in goods trade. In 2024, trade growth in developing countries outpaced that of developed countries. Developing nations, particularly China and India, saw better than average trade expansion, while many developed nations experienced trade contractions. However, the global economy is entering a new phase of heightened trade tensions as the Trump 2.0 administration rolls out fresh tariffs, potentially triggering reciprocal measures from key trading partners. India's trade position remains resilient, supported by a strong services sector, proactive domestic policies, and strategic shifts toward higher-value exports such as electronics and pharmaceuticals. Global trade growth rate is expected to soften to 3.3% in CY2025 on account of the imposition of new bilateral tariff rates, the associated increase in policy and geopolitical uncertainties.

Indian Economy Overview

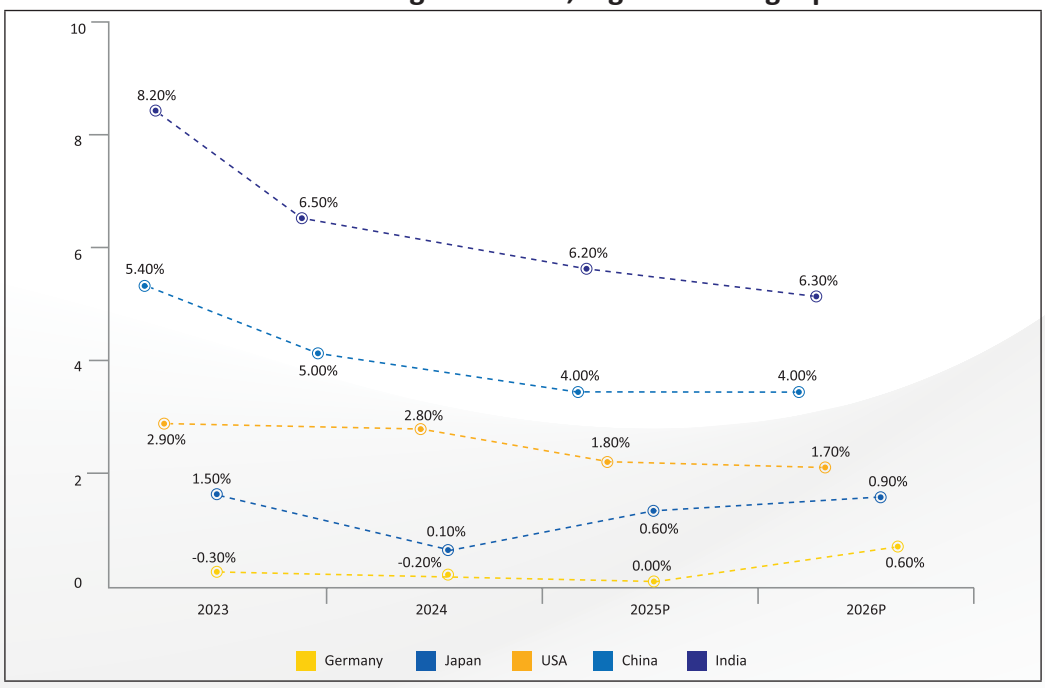
As per World Economic Outlook of IMF, India retained its position as the 5th largest economy has maintained its status as the fastest growing amongst large economies and is expected to be the third largest economy by 2027 (crossing GDP of $5 Tn) after USA and China. The Indian economy is expected to grow by 6.2% in CY25.

Table: India set to Become 3rd Largest Economy by 2027

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

Source: IMF World economic outlook, Jan'24

Chart: India's GDP growth rate, highest amongst peers



Source: IMF World economic outlook, Apr'25

India's export performance has experienced remarkable growth over the past decade. India's total exports touched ₹69 trillion (US$ 821 billion) in FY25, a significant increase of 5.5% from ₹40.5 trillion (US$ 466 billion) in FY14, representing a CAGR of 5%, over the 10-year period.

India's forex reserves experienced significant fluctuations in FY2024-25, reaching a record high of $704 billion in September 2024 before declining by 6.5% to $659 billion by March 2025. The decline was likely driven by RBI's intervention to prevent sharp depreciation of the Indian Rupee.

The Indian economy has been digitalising at a remarkable pace over the last decade. By 2030, India's digital economy is projected to contribute nearly one-fifth of the country's overall economy, outpacing the growth of traditional sectors. According to the State of India's Digital Economy Report 2024, India is the 3rd largest digitalised country in the world in terms of economy-wide digitalization, and 12th among the G20 countries in the level of digitalisation of individual users.

The Union Budget 2025-26 strikes a balance between sustaining economic growth and maintaining fiscal discipline. By streamlining regulations, supporting MSMEs, and boosting investments and exports, the budget outlines a clear roadmap toward Viksit Bharat 2047. The budget's emphasis on sectors including tourism, healthcare, and manufacturing will catalyse job creation. The commitment to fiscal consolidation, with a targeted fiscal deficit of 4.4% for FY26, strengthens India's path to debt sustainability. These measures are expected to stabilize the macroeconomic environment, encouraging private sector participation and investment. Overall, the budget lays a strong foundation for long-term economic resilience and growth.

Indian Economy Outlook

India to remain relatively insulated against the global shocks in the near future and continue to grow strongly. The structural long-term growth story for India remains intact driven by favourable demographics and stable governance. According to the IMF's World Economic Outlook Report, India is expected to maintain its position as the fastest-growing major economy. Growth will be driven by continued expansion in the services sector and a boost in manufacturing, supported by government efforts to enhance infrastructure and streamline tax policies.

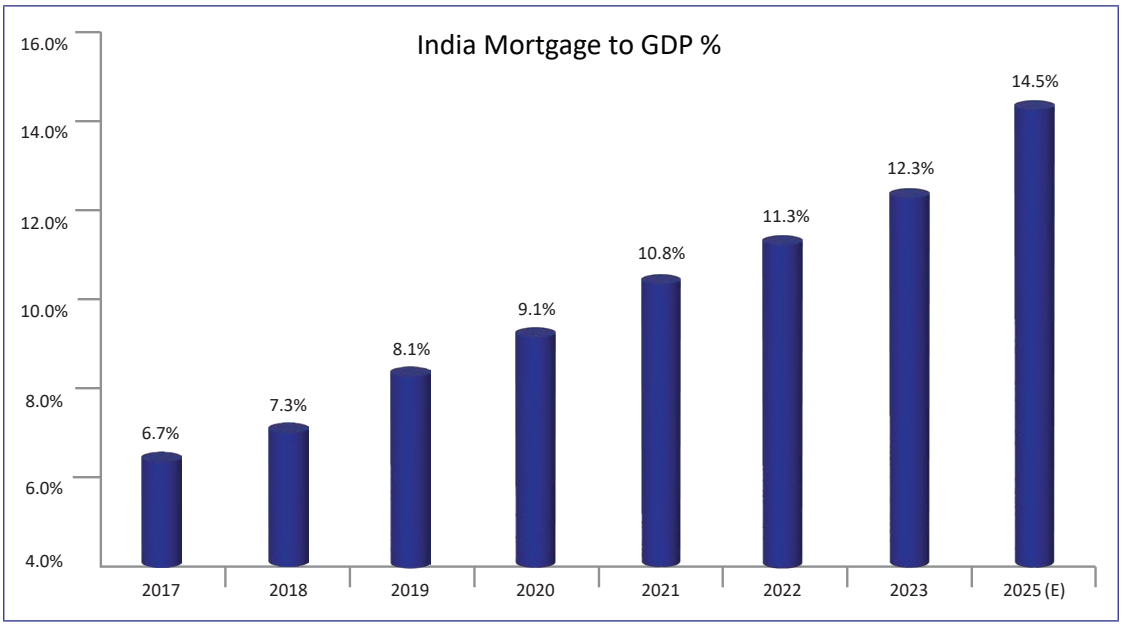
Housing Finance Industry Overview

The housing finance sector in India is a crucial engine for economic growth, with strong connections to over 250 other industries. Recognizing the fundamental need for housing, the Indian government has introduced numerous initiatives to boost housing development across the country.

Despite its role in driving the economy, India's housing finance market has a relatively low level of penetration compared to other nations. This low penetration indicates significant room for expansion and progress in the sector. However, challenges remain, particularly in the form of limited funding from traditional lenders like banks and Non-Banking Financial Companies (NBFCs). These limitations are especially felt by the lower-income segment, often considered riskier due to their reliance on informal income.

India's mortgage-to-GDP ratio was around 12% in FY 23, which is considerably lower than the 60% seen in the USA, highlighting the potential for growth. Furthermore, Affordable Housing Segment in comparison to other housing segments is even more under-penetrated. However, this ratio has significantly improved from 6.7% in FY 17, driven by factors such as increasing incomes, better housing affordability, greater availability of housing finance, and government support through subsidies. Considering lower ticket size segment of Affordable Housing Finance, the penetration is even lower due to multiple issues faced by borrowers including documentation, inability of lenders to assess cash flows, etc. This positive trend is expected to continue with the expectation of much higher mortgage penetration giving decadal opportunity for players like Motilal Oswal Home Finance.

Chart: Rising Mortgage to GDP ratio of Indian Housing Finance Segment



Source: Various

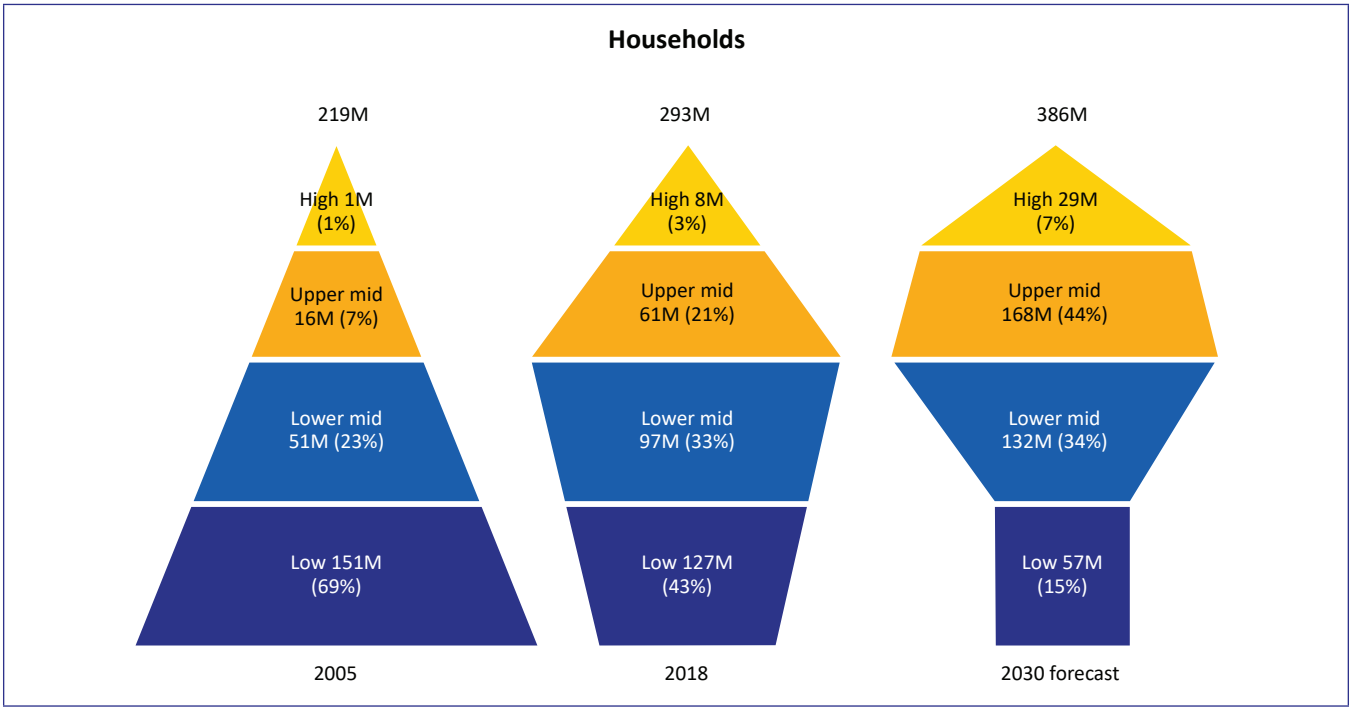
Outlook

The housing finance industry in India is poised for substantial growth, buoyed by various factors such as government interventions, escalating incomes, and a burgeoning appetite for affordable housing. Regulatory reforms are instrumental in fortifying stability and streamlining operations within the sector, fostering an environment conducive to long-term growth and financial inclusion.

Government initiatives play a pivotal role in catalyzing the expansion of the housing finance market. Moreover, rising incomes and urbanization trends further fuel the demand for housing finance product and The housing finance industry is well-positioned to capitalize on this increasing demand, providing tailored solutions to meet the diverse needs of prospective homeowners across the country.

This graphic (below), depicting the projected evolution of household income segments through 2030, provides critical context for our strategic outlook and risk assessment. As illustrated, the anticipated decrease in low-income households alongside the significant growth in higher-income segments necessitates a nuanced approach to our financing strategies. While the reduction in lower-income brackets may suggest a shifting demand landscape, the remaining substantial proportion of low and lower-middle-income households underscores the continued and vital need for affordable housing solutions. This evolving demographic trend informs our ongoing efforts to innovate financing models, manage our portfolio effectively, and ensure our continued relevance and impact in the affordable housing market, allowing us to proactively address the needs of all income segments while maintaining sustainable growth and mitigating potential risks.

Chart: Evolution of the household income profile in India driving Affordable Housing Finance business in India



Note: Low income: <$4,000, Lower mid: $4,000-8500, Upper-mid: $8,500-40,000, High income: >$40,000 basis income per household in real terms: Projections with annual assumed at 7.5%

Source: PRICE Projection based on ICE 360^{O} Surveys (2014,2016,2018)

Overall, the housing finance industry in India stands on the cusp of significant expansion, propelled by a confluence of factors including government support, evolving consumer preferences, and regulatory reforms. By leveraging these opportunities and addressing emerging challenges, the sector can realize its full potential as a driver of economic growth and social development.

Regulatory Landscape

In terms of **regulatory initiatives**, RBI has issued Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions 2023, dated November 10, 2023, wherein Regulatory structure for Non-Banking Financial Companies (NBFCs) shall comprise of four layers based on their size, activity and perceived riskiness. NBFCs in the lowest layer shall be known as NBFCs-Base Layer (NBFCs-BL). NBFCs in middle layer and upper layer shall be known as NBFCs-Middle Layer (NBFCs-ML) and NBFCs Upper Layer (NBFCs-UL), respectively. The Top Layer is ideally expected to be empty and will be known as NBFCs-Top Layer (NBFCs-TL). According to Master Direction on Scale Based Regulation, HFC shall fall under Middle layer category.

RBI has issued Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, dated February 17, 2021, as amended from time to time. This directive provides consolidated regulatory framework applicable to HFCs and supersedes the previously issued directions by NHB. Some of the key regulations include:

Key Facts Statement (KFS) for Loans & Advances - The Reserve Bank of India (RBI) issued a Circular on April 16, 2024, regarding the Key Facts Statement (KFS) for Loans & Advances, applicable from October 1, 2024. All new retail loans, including loans to existing customers, must provide a KFS. The KFS will help borrowers make informed decisions before signing the loan contract. It will be shared with prospective borrowers in a standardized format, including a unique proposal number and a validity of at least three days.

Content of KFS: The KFS will include:

Annual Percentage Rate (APR) calculation, covering both the lender's and third-party service provider's charges (e.g., insurance, legal fees).

Amortization schedule for the loan's repayment period.

Fees and Charges: Any fees or charges not mentioned in the KFS cannot be imposed without the borrower's explicit consent during the loan term.

Fair Practices Code for Lenders – Charging of Interest - In accordance with the enclosed RBI Guidelines on "FPC - Charging of Interest," the following strict guidelines shall effective:

For Cheque Disbursements: Interest will be charged from the date the cheque is handed over to the borrower, provided the cheque is valid for immediate banking, is not post-dated, and does not bounce.

For Other Disbursements: Interest will be charged from the date of actual funds disbursement, for loans disbursed through modes other than cheques.

Interest Period: Interest will be charged only for the period the loan is outstanding, not for the entire month in which it is disbursed or repaid.

Adjustment of EMI: Interest will be calculated after deducting any advance EMI payments received from the borrower.

Credit Information Updates: Credit Information Companies (CICs) and Credit Institutions (CIs) are now required to update and maintain credit information on a fortnightly basis (i.e., by the 15th and 30th/31st of each month), or at shorter intervals as agreed between the CI and CIC. This was previously done on a monthly basis. CIs must submit credit information to CICs within 7 calendar days of the relevant reporting period, replacing the previous deadline of the 15th of the following month. CICs must ingest the credit data from CIs within 5 calendar days of receipt, down from the previous 7-day period.

Review of Risk Weights for Housing Finance Companies (HFCs) - The risk-weighted assets for undisbursed portions of housing or other loans, calculated as per RBI Master Directions, shall be capped at the notional risk-weighted amount applicable to an equivalent disbursed loan. Under Commercial Real Estate – Residential Buildings: A risk weight of 75% will apply to standard exposures, while 100% will apply to non-standard exposures.

Review of regulatory framework for HFCs and harmonisation of regulations applicable to HFCs and NBFCs - The ceiling on quantum of public deposits held by deposit taking HFCs, which comply with all prudential norms and minimum investment grade credit rating as specified, shall stand reduced from 3 times to 1.5 times of net owned fund. Currently, in terms of Section 29B of the NHB Act, 1987, deposit taking HFCs are required to maintain 13 per cent liquid assets against public deposits held by them. In exercise of powers conferred under Section 29B of NHB Act, 1987, it has now been decided that all deposit taking HFCs shall maintain, on an ongoing basis, liquid assets to the extent of 15 per cent of the public deposits held by them, in a phased manner.

The major regulatory developments as announced by various agencies/regulatory bodies during the last fiscal are as under:

- RBI has issued Master Directions on Fraud Risk Management.
- RBI has issued Master Direction on Treatment of Wilful Defaulters and Large Defaulters 2024
- RBI has issued regulatory framework for HFCs and harmonisation of regulations applicable to HFCs and NBFCs.
- RBI has amended the Master Direction - Know Your Customer (KYC) Direction, 2016.
- RBI has issued a circular for Government Debt Relief Schemes (DRS)
- RBI has issued Master Direction – Reserve Bank of India (Credit Information Reporting) Directions, 2025.
- RBI has issued enclosed circular on Private Placement of Non-Convertible Debentures (NCDs) with maturity period of more than one year by HFCs.
- RBI has passed the revised norms for Government Guaranteed Security Receipts (SRs) with reference to MD on Transfer of Loan Exposure.

PMAY 2.0

PMAY-U 2.0 scheme was announced in the Union Budget 2024-25, under which financial assistance will be provided to 1 crore urban poor and middle-class families through States/UTs/PLIs to construct, purchase or rent a house at an affordable cost in urban areas in 5 years.

The scheme is implemented through four verticals

Beneficiary Led Construction (BLC)

- Beneficiaries can build on their own land.
- States/UTs to provide land patta for the landless.
- Construction stages to be geo-tagged.
- Instalment release linked to construction progress.
- Statutory approvals at no cost.
- Tenable slums to receive housing and infrastructure upgrades.

Affordable Housing in Partnership (AHP)

- Purchase/allotment of houses in public/private apartment projects.
- Redeemable housing vouchers for private sector projects.
- State incentives for public/private projects.
- In-situ redevelopment or resettlement of tenable slums.

Affordable Rental Housing (ARH)

- Model 1: Convert vacant government-funded houses into ARH under PPP or public agency management.
- Model 2: Build, operate, and maintain rental housing by private/public entities for urban poor, working women, industrial workers, and EWS/LIG families.

Interest Subsidy Scheme (ISS)

- Loan: Max ₹25L; House: Max ₹35L.
- 5 equal yearly loan subsidy instalments.
- Income: EWS ≤ ₹3L, LIG ≤ ₹6L, MIG
- ≤ ₹9L.
- Subsidy: Up to ₹1.80L for EWS/LIG/MIG.

Relevant for Affordable Housing Finance Companies

Source: PMAY 2.0 Guidelines

motilal oswal
Home Finance

प्रधान मंत्री
आवास योजना-शहरी
Pradhan Mantri Awas Yojana-Urban 2.0

Aab Aapka Bhi Ghar Banega

Pradhan Mantri Awas Yojana 2.0 Ke Saath

Scan the QR

PMAY 2.0
₹ 1.80 LAC
SUBSIDY ON
HOME LOAN

Avail subsidy benefits under
Pradhan Mantri Awas Yojana 2.0
with Motilal Oswal Home Loans



End-to End
Paperless Process

Quick
Sanction

+91 82918 89898 | www.motilaloswalhf.com | loans@motilaloswal.com

Delving into Interest Subsidy Scheme a little more, here are some key details and paramters of the ISS:

Parameters	Amount
Annual HH income (₹)	Up to ₹9 lakh
Interest Subsidy (% P.A.)	4.0%
Maximum Housing Loan eligible (₹)	₹25 lakh
Maximum House Value	₹35 lakh
Maximum Carpet area (up to) in sqm	120
Maximum benefit of interest subsidy (₹) – Actual Release	₹1.80 lakh
Maximum benefit of interest subsidy (₹) - NPV	₹1.50 lakh

Source: Government

- Loans must have a tenure of at least 5 years to qualify, with a maximum tenure of 12 years eligible for subsidy.
- Subsidy is released in **5 equal yearly instalments** directly into the beneficiary's loan account through Public Lending Institutions.
- Loans exceeding ₹25 lakh or properties valued above ₹35 lakh are not eligible for ISS.

Source: PMAY 2.0 Guidelines

Motilal Oswal Home Finance Limited

Motilal Oswal Home Finance Limited ("MOHFL"/"the Company") continues its primary mission of providing home loans for the purchase, construction and expansion of houses to individuals and families. MOHFL also offers loans for home repairs and renovations, specifically catering to those who are new to credit, self-employed, or cash-salaried, who may lack traditional income documentation or credit bureau reports. For these customers, MOHFL assesses their repayment ability based on their cash flows and internal scoring systems.

MOHFL has partnered with the National Housing Bank (NHB), the central agency for the Pradhan Mantri Awas Yojana 2.0 (PMAY 2.0), to facilitate the Interest Linked Subsidy Scheme. Through this collaboration, MOHFL has helped numerous families from economically weaker sections access subsidies.

To ensure a consistent approach to evaluating credit risk, MOHFL employs a risk-based pricing strategy. The interest rate for each loan is determined by the borrower's credit score and credit assessment report. This allows MOHFL to accurately price risk, offering more favorable rates to creditworthy families and charging higher rates where the credit risk is greater.

MOHFL regularly reviews and updates its credit scoring parameters, risk weightings, customer segmentation, collateral valuation policies, and interest rate ranges to reflect changes in customer risk profiles and align with current market practices.

FY25 Performance

FY 2025 was a robust year for us as we reported profit after tax of ₹ 130 crores. Disbursements reached ₹ 1,794 crores. AUM was up by 19% YoY to ₹ 4,878 crores. ROA stood at 2.8% largely driven by better utilization of existing infrastructure, control over delinquencies and maintained cost of funds. In FY 2025, cost of funds stood at 8.4%, resulting in maintained spread and NIM at 5.3% and 7.3%. MOHFL looks forward to a linear growth in AUM and improved profitability/ROA/ROEs.

Business Presence

During FY2025, total branch count stood at 112 as of March 31, 2025. The company has presence in Maharashtra, Gujarat, Tamil Nadu, Rajasthan, Karnataka, Madhya Pradesh, Haryana, Andhra Pradesh, Chhattisgarh, Telangana, Delhi and Uttar Pradesh.

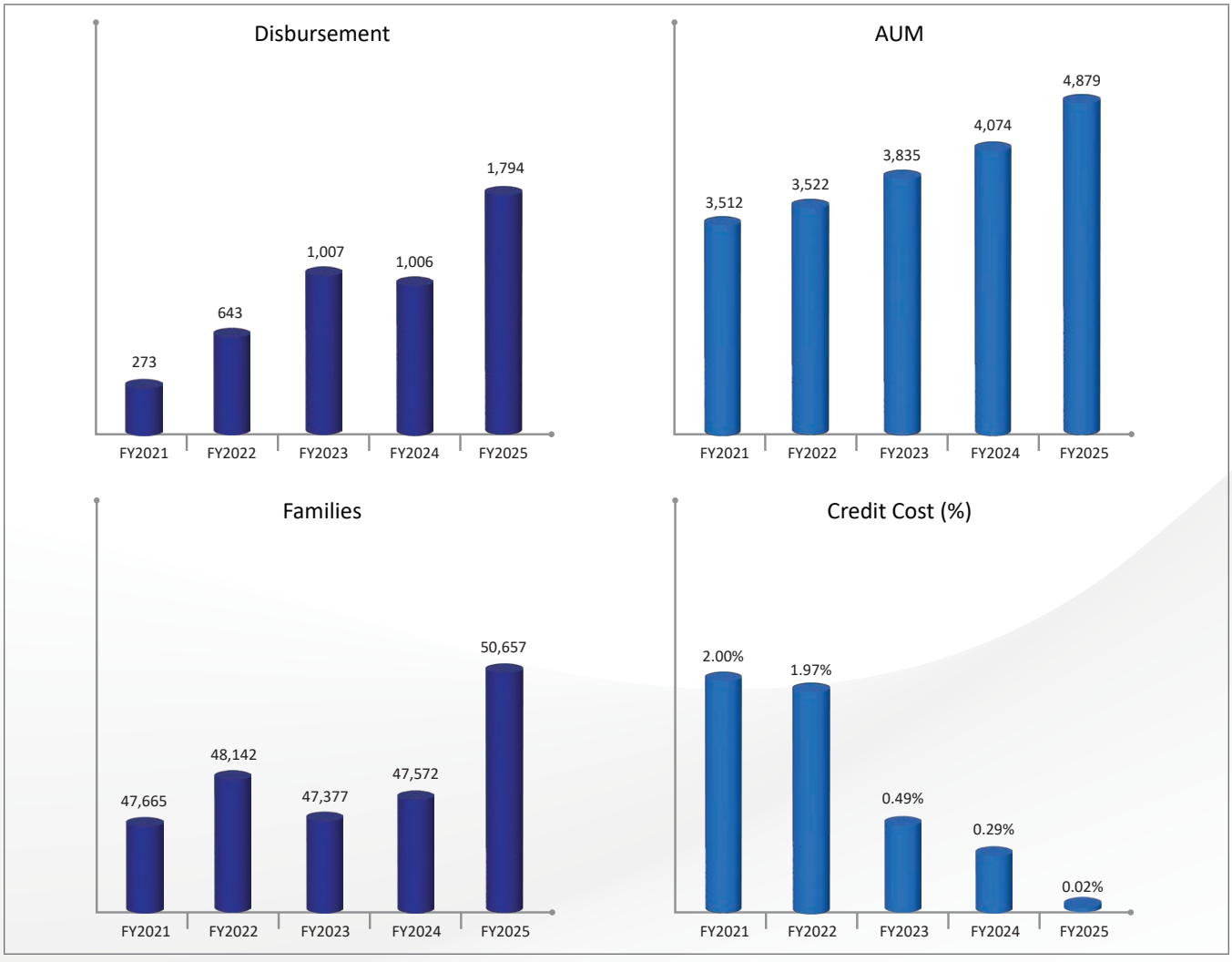
Disbursements

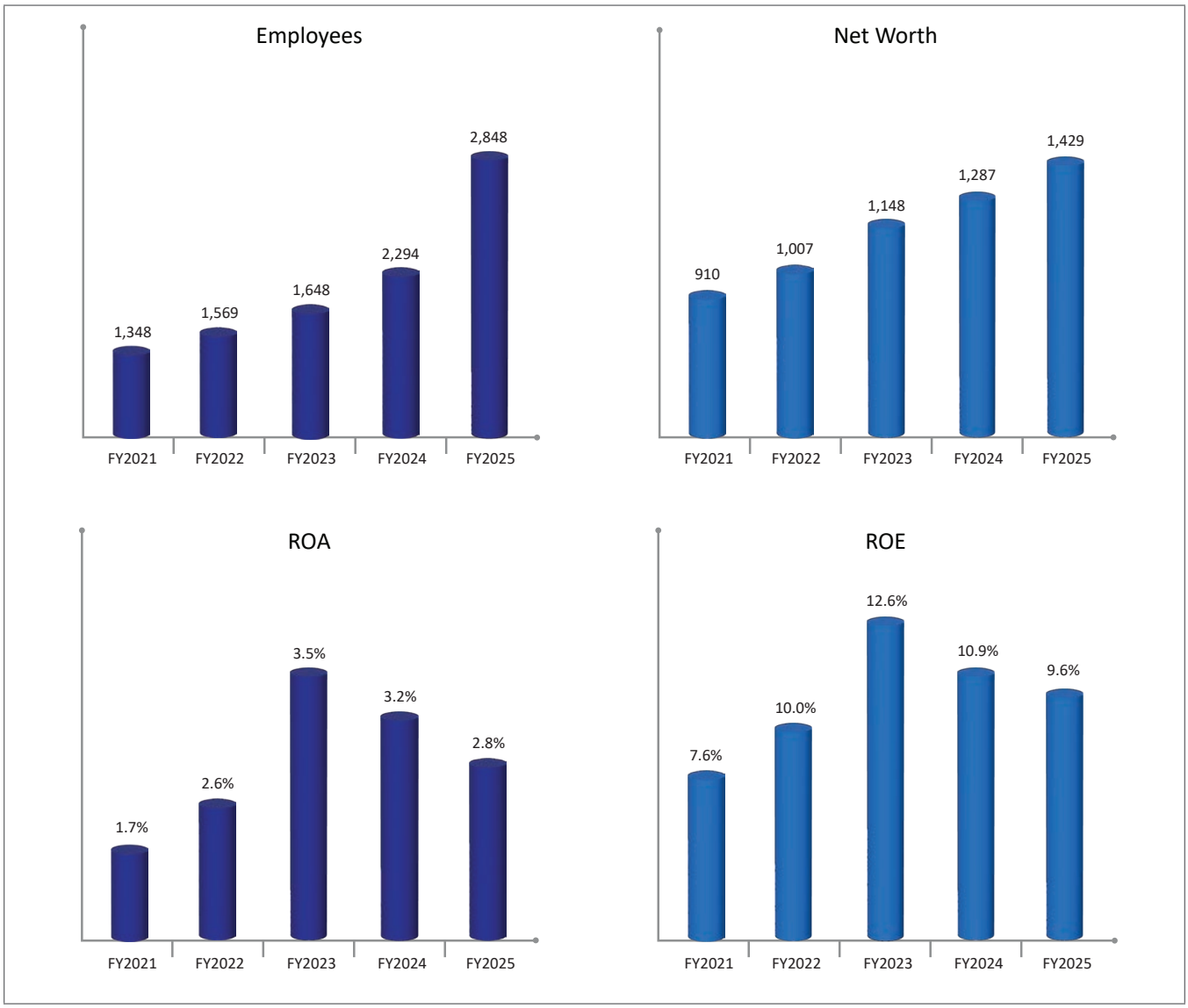
During FY2025, MOHFL disbursed loans amounting to ₹ 1,794 crores. The disbursements are made with collateral first policy and after passing through several stringent checks and balances. We continue to expand our sales force in FY2025 which will eventually help in ramping up disbursements going forward. Incremental contribution from new states is rising and expected to increase further due to hiring / productivity gains. The foundations necessary for strong growth like independent collection and legal organization are now well in place. These efforts have started giving remarkable results and we expect sustainable growth going forward as well.

Loans

MOHFL's total outstanding loans in FY2025 stood at ₹ 4,857 crores, a growth of 20% YoY. Average LTV of the book is ~58%. Yield for FY2025 stood at 13.7%. MOHFL is focused on the affordable housing segment with loans extended to more than 50,500 families, as of March 31, 2025. The overall FOIR remained at a comfortable level of ~43%.

Key Performance Charts





Segment–wise or product-wise performance

Details of Segment–wise or product-wise performance of the Company is given in 'Loan Book & Borrowing Analysis' forming part of Annual Report of the Company.

Credit underwriting

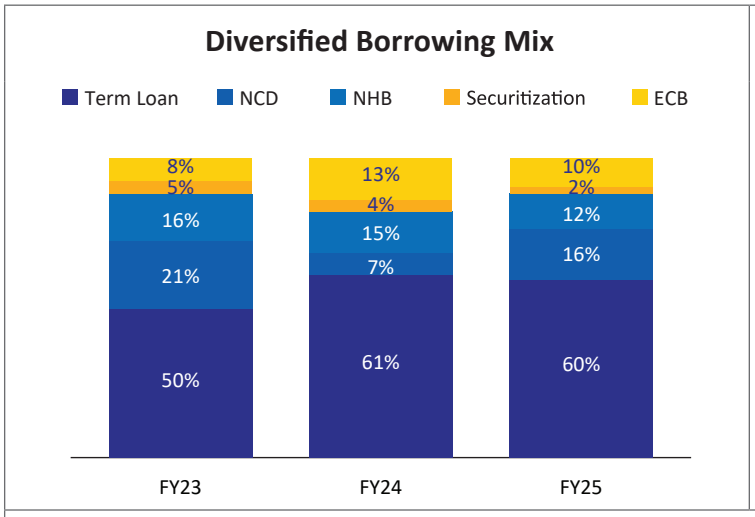
MOHFL employs a thorough, four-level loan approval process that varies depending on the loan amount. Lending proposals are reviewed and approved by different authorities, ranging from Cluster Credit Managers to the Credit Head. To further strengthen the underwriting process, an additional layer of in-house legal and technical expertise is involved. The company also has a dedicated Risk Containment Unit (RCU) focused on minimizing fraud related to income documents, borrower profiles, and collateral. Currently, MOHFL uses a credit rule engine and risk-based pricing for its credit underwriting. The fully automated credit function ensures faster and more accurate paperless processing, leading to quicker turnaround times for customers and improved employee productivity. These enhancements in MOHFL's underwriting practices, systems, and processes have resulted in the strong performance of the new loan portfolio originated from April 2018 onwards, a trend that continues to be a positive indicator of our lending quality as of today.

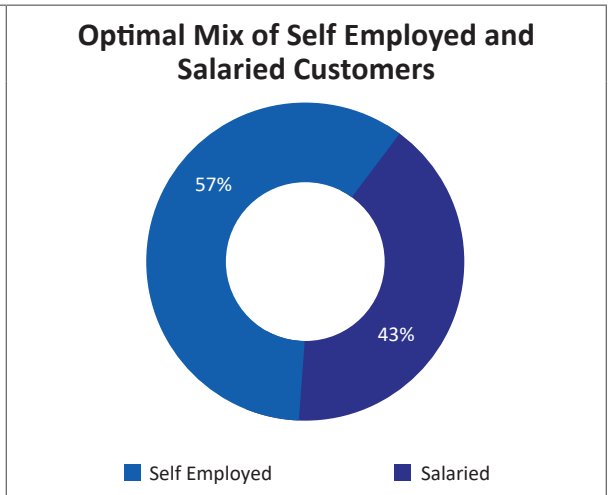
Recoveries and Provision for Contingencies

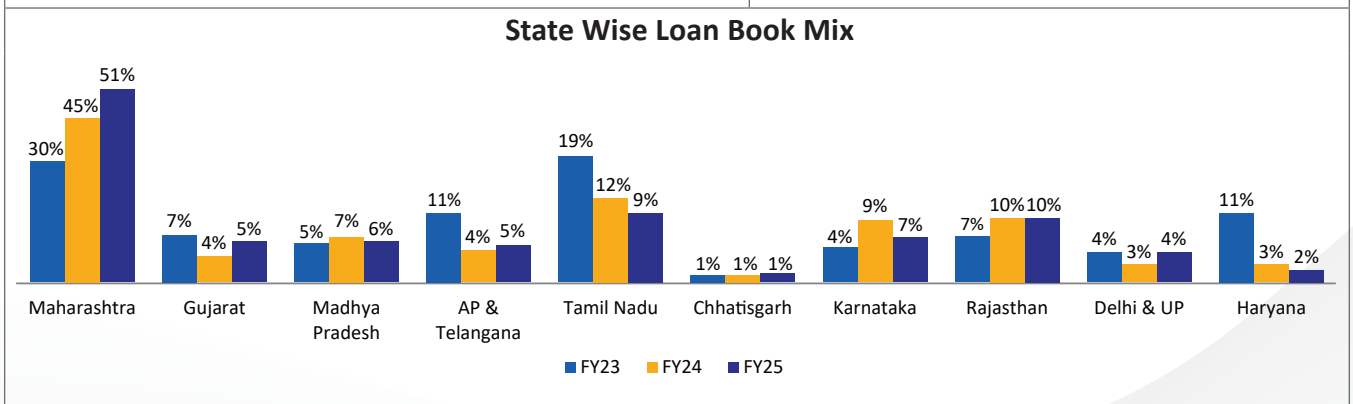
MOHFL gross NPA as at March 31, 2025 were ₹ 41 crores with Net NPA provisions of ₹ 18 Crores. MOHFL gross NPA was 0.8% and Net NPA was 0.4% on total outstanding loan book of ₹ 4,857 crores as at March 31, 2025, compared to 0.9% and 0.4%, respectively as at March 31, 2024. Company has created strong stage 3 PCR of 56%. Our collection efficiency in FY 2025 stood at 124.3% (including pre-payment). This has helped us in reducing our GNPA to 0.8% as of March 31, 2025 from 0.9% as of March 31, 2024.

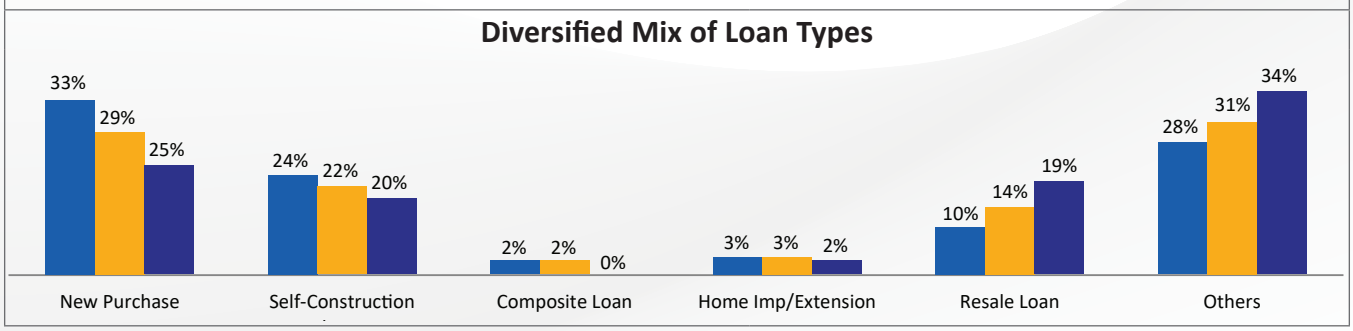
MOHFL is well-equipped to handle collections and legal matters with its strong internal teams. Their collection operations involve over 480 dedicated personnel, organized vertically and assigned to specific stages of delinquency. Additionally, a legal team of around 15 lawyers actively pursues legal remedies against defaulting customers through mechanisms like SARFAESI, Section 138 of the Negotiable Instruments Act, and arbitration. With the economic impact of the pandemic receding, MOHFL has observed a faster rate of recovery in its collections.

Business Metrics









Liability Management

Rating: During the year, all three leading credit rating agencies—CRISIL, ICRA, and India Ratings—upgraded us to a AA (Positive) rating from AA (Stable), reflecting strong endorsement of our financial and operational fundamentals. The rating highlights the robustness of our business model, prudent risk management practices, high asset quality, and strong capital position. The "Positive" outlook indicates the agencies' expectation of further improvement in our scale of operations, profitability metrics, and financial flexibility over the near to medium term. These initial ratings mark a significant milestone in our journey, reinforcing market confidence in our governance framework and long-term strategy.

MOHFL secures funding for its lending operations through various channels, including term loans from Banks/ FIs, refinancing from the National Housing Bank (NHB), private placement of non-convertible debentures (NCDs), external commercial borrowings (ECB), and securitization through Pass-Through Certificates (PTCs).

MOHFL strategically maintains a balanced mix of fixed and variable interest rate borrowings to minimize its overall borrowing costs while ensuring a healthy profit margin on its lending activities. To mitigate risks arising from potential mismatches in interest rates, MOHFL has established internal guidelines on the amount of short-term borrowing to maintain a prudent balance, keeping funding costs low while effectively managing any mismatch-related risks.

MOHFL continued to borrow for both long and short-term from the banks / NBFCs at competitive rates. Outstanding term loans stood at ₹ 2,237 crores as at March 31, 2025.

The outstanding balance of secured NCDs as at March 31, 2025 was ₹ 575 crores.

During the year, the company raised ₹ 80 crores as refinance from National Housing Bank (NHB) under various refinance schemes. The outstanding balance of NHB borrowings was ₹ 428 crores as at March 31, 2025.

There are no outstanding CPs as on March 31, 2025. Total 21 banks, financial and other institutions extended credit lines. Additionally, various financial institution were allotted NCD's during the year FY 25. The average cost of borrowing for MOHFL stood at 8.4% in FY2025. MOHFL has available credit lines of ₹ 100 crores, Cash & Cash Equivalents ₹ 629 crores, investments, short term loans and commercial papers were 'Nil' as on March 31, 2025.

During the year, MOHFL raised borrowings of ₹ 1,640 crores from various instruments. The company has also repaid borrowings of various banks/FIs and investors and gain lower cost of funds advantage on new borrowings. During FY2025, it repaid/prepaid borrowings facilities of ₹ 916 crores.

The outstanding subordinated debt as at March 31, 2025 was nil. Tier II capital now stands at ₹ 35 crores as of March 31, 2025. MOHFL total borrowings as at March 31, 2025 of ₹ 3,703 crores were within the permissible limits of 12 times of net owned funds. MOHFL has debt to equity ratio of 2.6x in FY2025. MOHFL Capital Adequacy Ratio as at March 31, 2025 was 40.8%. The Capital Adequacy on account of Tier I Capital was 39.77% and Tier II capital was 1.04%.

Risk Management Framework

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

One of the key initiatives contributing to risk management enhancement was the implementation of the RCU Trigger and Automation Framework. Earlier, risk control unit (RCU) checks were being conducted for all cases, leading to increased costs and extended turnaround time. To address this, a rule-based automation system was developed that triggers waivers for specific verifications such as residential, office/business profile, and banking, based on predefined data points. This has allowed the organization to significantly reduce manual intervention and cost, while maintaining effective risk coverage. The framework ensures that high-risk cases are still flagged for review, thereby optimizing manpower utilization without compromising on the quality of risk assessment.

MOHFL views technology as a crucial tool for effective risk management in its retail lending operations. The company consistently monitors its loan portfolio, tracking delinquency rates frequently to identify early signs of potential issues. Risk limits are established and regularly reviewed based on changes in the economy, regulations, and the industry. Key sectors are thoroughly analyzed to develop strategies that consider both potential risks and opportunities, and any necessary corrective actions are taken proactively.

The company's risk strategy promotes a strong and controlled risk management culture. Alongside these practices, MOHFL aims to efficiently manage its capital by achieving strong returns while carefully controlling risks.

MOHFL follows best practices for managing credit risk, market risk, liquidity risk, and operational risk, and has implemented a comprehensive Risk Management Framework that includes a robust risk management program.

Internal Audit and Control

MOHFL has established a strong internal control system designed to provide reasonable confidence in maintaining accurate accounting, monitoring operations, safeguarding assets, complying with regulations, and ensuring reliable financial reporting. They have documented procedures for all financial and operational activities. MOHFL also has a comprehensive internal audit program, conducted with the help of external experts, to check adherence to policies and procedures and to suggest improvements. The Audit Committee approves this program and oversees the implementation of recommendations arising from the internal audits.

Collection/Legal organisation

MOHFL has established a dedicated in-house collection team of over 480 officers. Their investments in technology, including collection applications and geo-tagging, allow for efficient tracking of the collection team's efforts. Furthermore, MOHFL has strengthened its legal department to actively pursue legal remedies such as actions under SARFAESI, Section 138 of the Negotiable Instruments Act, and arbitration.

Business continuity Plan

Looking ahead, MOHFL's experience during the period of significant operational disruptions as evidenced during the COVID 19 lockdown has strengthened its preparedness for future challenges. The proven ability of all employees to work remotely through their centralized IT system and database via VPN ensures the ongoing effectiveness of their "Business Continuity Plan" in any similar situations. This successful transition underscores the robustness of their IT infrastructure, providing a solid foundation for continued operations and service delivery. While unforeseen events may impact disbursement volumes in the short term, MOHFL's demonstrated adaptability and technological capabilities position them well to navigate future uncertainties and maintain business continuity, ensuring long-term resilience and growth.

Digitisation

MOHFL has developed its own in-house Loan Origination System (LOS) and Loan Management System (LMS), which significantly improves accessibility, operational convenience, efficiency, and the speed of processes. The company has invested heavily in digital initiatives to lower operating costs, reduce turnaround times, and enhance the customer experience. MOHFL leverages the technology expertise of its parent group's IT team, which has over 700 members.

To streamline operations, MOHFL uses dedicated mobile apps for its sales, credit, and collection teams, enabling faster paperless processing and boosting employee productivity. They also have specific apps for business partners ('MOHL Partner') to manage leads and track their progress, and for the sales team ('MO Thunder') to manage the entire lead lifecycle. The credit team benefits from the 'MO PD' app, which improves efficiency and reduces duplication of work, while the collection team uses the 'MO Marshal' app.

Despite serving the Economically Weaker Sections (EWS) and Lower Income Group (LIG) segments, MOHFL has achieved 100% customer registration for NACH payments and processes the majority of collections online through payment gateways, minimizing cash handling and emphasizing digital payments. They offer a wide range of online payment options to customers through various apps and platforms.

Customers can access the 'MOHFL Parivaar' app for all their loan account information. MOHFL has implemented efficient paperless processes for customer onboarding and verification, including Aadhaar-based e-signatures and biometric authentication. For customer support, they offer 24/7 robotic assistance through 'MOHFL Genie' and a chatbot, enabling quick and effective resolution of queries.

Over the past year, a number of strategic technology initiatives have been successfully implemented to enhance operational efficiency, reduce manual intervention, and enable scalability across functions. One of the most impactful projects was the **Video & Tele PD Module**, which enabled credit teams to conduct personal discussions remotely. This not only eliminated the need for field visits, reducing turnaround time (TAT), but also allowed for seamless data capture and integration into internal systems. Complementing this was the launch of the **Auto Eligibility feature** on the MO Thunder App, which empowered the sales team to generate In-Principle Sanction Letters instantly, based on system-calculated loan eligibility, thereby improving customer experience and reducing drop-offs at the lead stage.

Automation was a major theme across departments, with the **Technical Deviation Automation** and **Pricing Module** projects being pivotal. The former helped in real-time identification of technical deviations based on data inputs, eliminating delays and errors arising from manual checks. The Pricing Module was a robust control mechanism built to ensure rate, fee, and insurance details are auto-validated against internal policies before approval. By doing so, it minimized pricing-related errors, enabled audit trail readiness, and brought much-needed standardization and compliance across all loan approvals. This system-driven approach has been particularly beneficial in reducing the dependency on manual checks and has improved internal governance.

On the vendor and operations front, new modules such as the **Vendor Payment System** and **Legal Vendor Integration** streamlined backend processes. Legal and technical vendors now receive automated assignments and can input their reports directly into the system, which are tracked and approved digitally. This reduces turnaround time and brings transparency in vendor management. Likewise, vendor payments—especially for legal and technical bills—are now processed through the newly built module, ensuring timely payouts and eliminating the risk of lost or duplicate invoices. These steps are part of a broader objective to create a digitally enabled, process-driven ecosystem.

The **Digital Banking Penetration** initiative and the **Auto Disbursement at LI Author** project further contributed to improved system efficiency. By increasing the use of Account Aggregator (AA) frameworks, the company has reduced reliance on customer-uploaded bank statements and manual validations. In addition, with disbursements now being processed at the Loan Initiation Author stage, the DRF Maker/Author step has been removed, leading to quicker disbursements without compromising on internal checks. Finally, customer communication has also seen a digital upgrade—automated emails for overdue documentation (OTC/PDD) using internal AI models and the removal of physical letters for operational communication have significantly reduced cost, time, and manual effort, contributing to an overall leaner operations model.

Human Resource

MOHFL has strengthened its leadership team. The company has successfully moved from a traditional branch-based structure to a vertical organization, and its processes have been updated to ensure quality growth. Key departments like Sales, Credit, Operations, and Collections are now led by independent heads. MOHFL currently has 2,848 employees. To build a strong base, the company has also established its own in-house Technical and Legal teams. With the strong dedication of its employees and the support of its parent group, MOHFL is confident in its ability to overcome any difficulties and succeed.

SWOT Analysis

STRENGTHS:

- Carefully chosen markets with strong presence in large, affordable housing segments, supported by a comprehensive omnichannel distribution model.
- Advanced technology infrastructure that supports superior risk control, customer satisfaction, and operational productivity.
- Strong risk governance and an efficient collection system embedded in the organizational culture.
- Use of data science and analytics to drive underwriting decisions.

WEAKNESSES:

- Vulnerability to fluctuations in interest rates and broader market dynamics.
- Comparatively lower brand visibility than established banks.

OPPORTUNITIES:

- Rising need for affordable housing finance in India, driven by currently low levels of mortgage penetration.
- Favorable demographic trends such as increased urbanization, smaller household units, and a growing working population fueling income growth.
- Potential to enter and expand in untapped geographic markets.
- Supportive government policies aimed at encouraging affordable housing development.

THREATS:

- Periodic increases in competitive pressure.
- Industry-wide or macroeconomic challenges that may negatively impact performance.
- Economic slowdowns or natural disasters that could impair asset quality.

Financial Analysis

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

Sl No	Particulars	2024-25	2023-24	Reasons for Variation
i	Debtors Turnover (trade receivable Turnover ratio)#	N.A.	N.A.	
ii	Inventory Turnover#	N.A.	N.A.	
iii	Interest Coverage Ratio#	N.A.	N.A.	
iv	Current Ratio#	N.A.	N.A.	
v	Debt Equity Ratio	2.59	2.33	No significant change
vi	Operating Profit Margin (%)#	N.A.	N.A.	
vii	Net Profit Ratio (%)	19.99%	22.5%	No significant change

The Company is registered with Reserve Bank of India as Housing Finance Company, hence these ratios are not applicable.

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.

The Return on Net Worth (RoNW) for FY 2024-25 stood at 9.8%*, compared to 11.2%* in the previous financial year. The decline was primarily attributable to a reduction in Net Interest Margins, which fell to 7.3% from 7.6% in FY 2023-24. Additionally, the company undertook strategic team expansion during the year, resulting in higher operating costs. Consequently, the Cost-to-Income Ratio increased to 56.2% in FY 2024-25 from 45.9% in the previous year.

*These figures are considered on average net worth calculated basis Companies Act, 2013.

Outlook of the Company

The Indian government is strongly committed to developing the housing finance sector through various policies and programs. Key initiatives include the Pradhan Mantri Awas Yojana 2.0 (PMAY 2.0), the Real Estate (Regulation and Development) Act (RERA), the Benami Transactions (Prohibition) Act, and lower Goods and Services Tax (GST) on under-construction and affordable homes. Additionally, the introduction of co-lending between financial institutions has provided a boost to the sector. Even with these efforts, India's mortgage market is still relatively small compared to its economy (12-13% of GDP), indicating a large amount of untapped potential when compared to Western nations (60-90%). Factors like a growing population, rising incomes, a strong desire for homeownership, and ongoing government support create significant opportunities for the expansion of mortgage financing in India.

Against this backdrop, MOHFL is well-positioned to capitalize on India's growing demand for affordable housing.

In recent years, MOHFL has prioritized steady, cautious growth, concentrating on solidifying its internal processes and strengthening its operations. Fiscal Year 2025 proved to be successful for MOHFL, marked by significant accomplishments including reaching ₹1,794 crore in loan disbursements, achieving a total comprehensive income of ₹125 crore, expanding its loan portfolio, and enhancing the quality of its assets.

MOHFL has built a strong operational framework by creating separate, specialized departments for sales, credit assessment, collections, legal matters, regulatory compliance, and risk management. This clear division of responsibilities promotes efficiency and focus, setting a solid base for consistent and high-quality growth in the future. With India's housing finance market expanding, MOHFL is well-positioned to use its strong operations, industry knowledge, and strategic approach to meet the increasing need for affordable housing finance, thereby contributing to India's economic and social advancement.

Cautionary Statement

Statements made in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes and other incidental factors.

This page intentionally left blank

C Board's Report and Annexures

This page intentionally left blank

Board's Report

To,
The Members
Motilal Oswal Home Finance Limited

The Board of Directors of Motilal Oswal Home Finance Limited ("Company" or "MOHFL") have the pleasure in presenting the Twelfth Board's Report together with the Audited Financial Statements for the financial year ("FY") ended March 31, 2025.

This Report read with the Management Discussion & Analysis includes the details of macro-economic scenario, Company's performance, various initiatives taken by the Company as well as its approach to risk management.

FINANCIAL RESULTS

The Company's financial performance for the FY ended March 31, 2025 as compared to the previous FY ended March 31, 2024 is summarised below:

(₹ in crore)

Sr. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1	**Gross Income**	**651.57**	**589.08**
2	Employee benefits expenses	168.60	120.66
3	Impairment on Financial Instruments	1.65	11.93
4	Other expenses	41.86	29.58
5	**Income Before interest, depreciation and tax**	**439.46**	**426.91**
6	Interest	267.50	250.42
7	Depreciation	5.54	5.21
8	**Net Profit/(Loss) Before Tax**	**166.42**	**171.28**
9	Tax	36.16	38.76
10	**Net Profit/(Loss) After Tax**	**130.26**	**132.52**
11	Other comprehensive income	(5.72)	(0.05)
12	**Balance available for appropriation**	**124.54**	**132.47**
13	Transfer to Special Reserve u/s 29C of the National Housing Bank ("NHB") Act, 1987	26.06	26.50
14	**Surplus carried to Balance Sheet**	**98.48**	**105.97**

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the year under review, your Company earned the gross income of ₹ 651.57 crore as against ₹ 589.08 crore in the previous year. The total expenditure during the year under review was ₹ 485.15 crore as against ₹ 417.79 crore in the previous year.

The Net Profit after tax was ₹130.26 crore in FY2025 as against Net Profit after tax of ₹ 132.52 crore in the previous year which shows marginal decline of ~1.70% YoY primarily on additional hiring of employees (2,898 in FY 2025 vs. 2,294 in FY 2024) which has resulted in increase in employee benefit expenses (40% increase YoY) in FY 2025.

The mission of the Company is to focus on the affordable housing segment, catering to the aspirations of mid and low income Indian families who dream to own a home.

Your Company continue to work on the philosophy of Housing Financial Institution enabling credit access to low- and middle-income segment for purchasing and acquiring affordable housing units. Further, a detailed information is provided in Management Discussion & Analysis Report forming part of Annual Report of the Company.

DIVIDEND

In order to finance the long-term growth plans that require substantial resources, the Board deems it proper to preserve and augment the resources of the Company for its future goals and, therefore, does not propose any dividend for the financial year ended March 31, 2025.

INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

The information on overall industry structure, economic developments, performance and state of affairs of the Company, risk management systems and other business related information is given in the Management Discussion & Analysis Report forming part of Annual Report of the Company.

ENVIRONMENT, SOCIAL AND GOVERNANCE INITIATIVES

Your Company strongly believes in contributing to broader business sustainability efforts that aim to enhance corporate transparency, strengthening risk management, promote stakeholders engagement, improve communication with stakeholders. During the FY 2024-25, your Company has undertaken various Environmental, Social and Governance Initiatives ("ESG") initiatives. A separate disclosure on ESG initiatives and contribution by the Company is forming part of Annual Report of the Company.

SHARE CAPITAL

There has been no change in the Authorised Share Capital of the Company during the financial year ended March 31, 2025.

The Authorised Share Capital of the Company as on March 31, 2025 is ₹ 10,00,00,00,000/- (Rupees One Thousand crore only) divided into 10,00,00,00,000 (One Thousand crore) Equity Shares of ₹ 1/- each.

Further, during the year under review, the Company has allotted 1,60,61,004 (One Crore Sixty lakh Sixty One thousand and four) equity shares of ₹ 1/- each under various Employee Stock Option Schemes ("ESOS").

As on March 31, 2025, the Issued, Subscribed and Paid-up Equity Share Capital of the Company stood at ₹ 6,05,39,25,379/- (Rupees Six Hundred and Five Crore Thirty Nine Lakh Twenty Five Thousand Three Hundred and Seventy Nine Only).

FUND RAISING/ SOURCES OF FUNDS

As part of its asset liability management, your Company has been maintaining strong liquidity buffers on an ongoing basis and strives to diversify the sources of its fund base to achieve suitable maturity schedule and optimise the average cost of borrowed funds. The Company has a diverse set of lenders which includes public sector banks, private sector banks, the National Housing Bank, the United States International Development Finance Corporation and other financial institutions.

The shareholders of the Company at the Eighth Annual General Meeting held on June 4, 2021 have approved overall borrowing limit of ₹ 9,000 crore. Total Outstanding Gross borrowings as on March 31, 2025 was ₹ 3,720.18 crore as compared to ₹ 3,008.40 crore as at March 31, 2024.

During the year under review, the Company mobilised funds aggregating to ₹ 1,640 crore predominantly through long term debt comprising of Refinance from NHB, Senior Non-Convertible Debentures and Term loans from Banks/ Financial Institutions. Summary of sources of funds is given below:

A. REFINANCE FROM NATIONAL HOUSING BANK

The National Housing Bank ("NHB") continued to extend its support to your Company through refinance assistance. During the year under review, the Company has availed refinance assistance of ₹ 80 crore under various NHB Refinance Schemes. As on March 31, 2025, total outstanding balance of NHB refinance stood at ₹ 428.21 crore.

B. EXTERNAL COMMERCIAL BORROWING

The United States International Development Finance Corporation ("DFC") has committed USD 50 Million long term loan (For 15 years) to the Company via External Commercial Borrowing ("ECB") route to be availed in 5 tranches of USD 10 Million each. DFC is America's development finance institution, part of the U.S. Government, and provides debt financing, equity investments, feasibility studies, investment funds, political risk insurance and technical assistance.

As on March 31, 2025, the outstanding ECB stood at ₹ 402.23 crore (after considering MTM at March 31, 2025).

Catalyst Trusteeship Limited having its registered office at GDA House, First Floor, Plot No. 85, S. No. 94 & 95, Bhusari Colony (Right), Kothrud, Pune - 411038 is the Security Trustee for the aforesaid ECB raised from DFC.

C. LOANS FROM BANKS / FINANCIAL INSTITUTIONS

Your Company primarily sources funds from banks and Financial Institutions ("FIs") in the form of term loans and cash credit/WCDL, etc. As at March 31, 2025, your Company had relationships with 20 banks/FIs. During the year under review, your Company have drawn ₹ 985 crore during FY25. As on March 31, 2025, the outstanding term loans stood at ₹2,237.06 crore.

D. SECURITIZATION

Your Company has actively tapped Securitisation market, which has enabled it to create liquidity, reduce the cost of funds and minimizing asset liability mismatches.

During the year under review, your Company has not raised funds through securitisation. As on March 31, 2025, outstanding balance of securitisation through Pass through Certificate stood at ₹ 77.68 crore.

The securitisation transaction was carried out in line with guidelines issued by Reserve Bank of India ("RBI") on Securitisation of Standard Assets.

E. COMMERCIAL PAPERS

During the year under review, your Company has not raised funds through Commercial Papers. As on March 31, 2025, there were no outstanding Commercial Papers.

F. NON-CONVERTIBLE DEBENTURES

During the year under review, your Company has raised funds of ₹ 5,75,00,00,000/- (Rupees five hundred and seventy five crore only) via issue of 57,500 Secured, Rated, Listed, Redeemable, Senior Non-Convertible Debentures ("NCDs") on private placement basis.

Further, during the year under review, 2,150 Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures ("NCDs") of face value of ₹ 10,00,000/- (Rupees Ten Lakh Only) each aggregating to ₹ 2,15,00,00,000/- (Rupees two hundred and fifteen crore only) were redeemed.

Accordingly, 57,500 NCDs aggregating to ₹ 5,75,00,00,000/- (Rupees five hundred and seventy five crore only) are outstanding as on March 31, 2025.

The NCDs issued by your Company are listed on wholesale Debt Market segment of the BSE Limited.

During the year under review, the interest and principal on NCDs were paid by your Company on their respective due dates.

Your Company being Housing Finance Company ("HFC") is exempted from the requirement of creating Debenture Redemption Reserve ("DRR") and Debenture Reserve Fund ("DRF"). Further, pursuant to circular issued by the SEBI on Recovery Expense Fund ("REF"), the Company is required to deposit an amount equal to 0.01% of the issue size subject to maximum of ₹ 25 lakhs towards REF with the 'Designated Stock Exchange'. Accordingly, the Company has transferred requisite amount towards REF to BSE Limited in compliance with the aforesaid circular.

DEBENTURE TRUSTEES

The details of the Debenture trustees of the Company are as under:

Beacon Trusteeship Limited
5W, 5th Floor, The Metropolitan, E-Block, Bandra Kurla Complex, Bandra (E), Mumbai 400051;
Direct: +91 22 2655 8759;
Mobile: +91 95554 49955;
Email: contact@beacontrustee.co.in;
Website: www.beacontrustee.co.in.

CREDIT RATINGS

Your Company's borrowings have following Credit Ratings as on March 31, 2025:

Nature of Borrowing	Rating / Outlook		
	CRISIL	ICRA	India Ratings
Short Term			
Commercial Paper	CRISIL A1+	[ICRA] A1+	–
Long Term			
Non–Convertible Debentures	CRISIL AA/ Positive	[ICRA]AA (Positive)	IND AA/Positive
Bank Borrowings	CRISIL AA/ Positive	–	IND AA/Positive

During the financial year, there was a revision in the credit ratings of CRISIL, ICRA and India Ratings from Stable to Positive Outlook obtained by the Company.

The rating takes into consideration Company's approach of geographical diversification, strengthening of the underwriting process and better asset quality, strengthening team and improvement in disbursements, stronger systems/processes and risk management capabilities, healthy capitalization profile and the improvement in its profitability, reduction in cost of funds and improvement in overall profitability.

DISBURSEMENT

During the year under review, your Company has disbursed total loan amounting to the tune of ₹ 1,794.2 crore. As on March 31, 2025, total loan principal outstanding stood at ₹ 4,856.8 crore comprising of housing loan of ₹ 3,550.0 crore and non-housing loan of ₹ 1,306.8 crore.

PUBLIC DEPOSITS

Your Company is registered with the RBI as a Non–Deposit taking Non-Banking Financial Company - Housing Finance Company ("NBFC-HFC"). During the year under review, your Company has not accepted any deposits from the public and resolution in this regard was passed by the Board of Directors of the Company. Hence, disclosures as required under Paragraph 44 of Master Directions – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("RBI Master Direction for HFCs") are not applicable for the FY 2024-25.

REGULATORY COMPLIANCE

Your Company is registered with RBI as NBFC-HFC. The Company being HFC is categorised as Middle Layer NBFC as per Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Direction, 2023 ("Master Direction on SBR") issued by RBI.

Your Company has complied with all the applicable provisions of the National Housing Bank Act, 1987, RBI Master Directions for HFCs and all other applicable rules/regulations/guidelines/ circulars/notifications issued by the RBI/ NHB regarding accounting standards, prudential norms, capital adequacy, credit rating, corporate governance, liquidity, information technology framework, fraud monitoring, concentration of investments, Know Your Customer, etc. Regular updates on all such circulars/ notifications/rules/regulations/guidelines are provided at the Board meetings to keep the Board informed about changes in regulatory framework applicable to your Company.

We wish to keep you abreast that your Company had a robust and effective Grievance Redressal Mechanism to address/resolve the complaints/ grievances of customers. Detailed framework in this regard is provided in Consumer Grievance Redressal (Policy) of the Company. The Policy is available on the website of the Company at https://motilaloswalhf.com/wp-content/uploads/2025/02/MOHFL-Consumer-Grievance-Redressal-Policy.pdf.

CAPITAL ADEQUACY RATIO

As required under RBI Master Directions for HFCs, your Company was required to maintain a minimum capital adequacy of 15% as on March 31, 2025. The Capital Adequacy Ratio as at March 31, 2025 was 40.81%. Tier I and Tier II capital adequacy ratios as at March 31, 2025 were at 39.77% and 1.04%, respectively.

STATUTORY RESERVE

As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. During the period under review, your Company has transferred ₹ 26.06 crore to Statutory Reserve. Apart from Statutory reserve, the Company has not transferred any amount to the other Reserves for the year ended March 31, 2025.

NON-PERFORMING ASSETS AND PROVISIONS FOR CONTINGENCY

Your Company has adhered to the Prudential guidelines for Non-Performing Assets ("NPAs") issued by NHB/RBI from time to time. The recognition of NPA and provision on Standard and Non-Performing Loans is made as per the prudential norms prescribed by the regulator and as per "NPA Management Write Off and Settlement Policy" approved by the Board of Directors of the Company.

Your Company has complied with the provisions of Indian Accounting Standards ("Ind-AS") issued by the Institute of Chartered Accountants of India. Accordingly, Company's Gross Non-Performing Assets ("GNPA") stands at ₹ 40.87 crore i.e., 0.84%. The provision on NPA stands at ₹ 22.84 crore and Net Non-Performing Assets ("NNPA") is at ₹ 18.03 crore i.e., 0.37%.

RISK MANAGEMENT FRAMEWORK

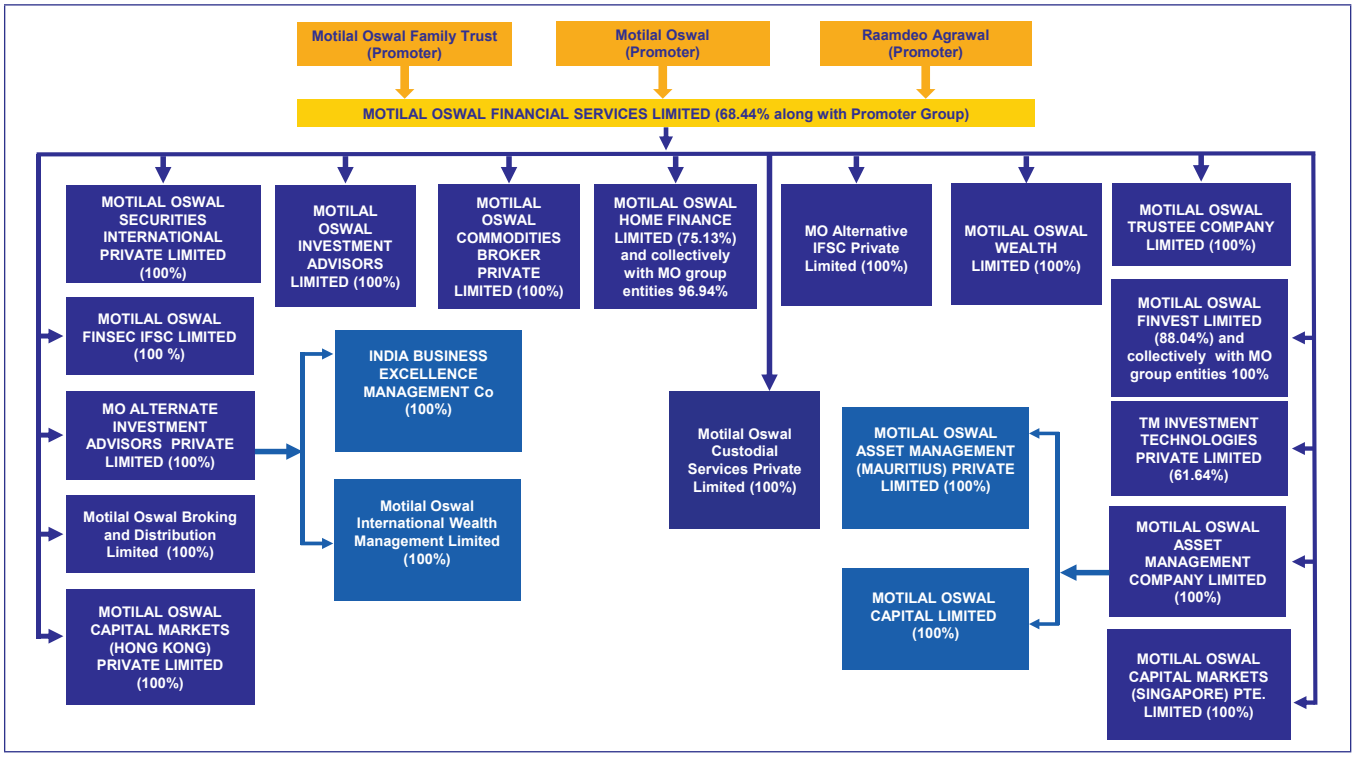
The Risk Management Framework is provided in Management Discussion & Analysis Report forming part of Annual Report of the Company.

HOLDING/SUBSIDIARY COMPANY

Your Company does not have any subsidiary, joint venture or associates company. Accordingly, disclosures under Rule 8(1) and Rule 8(5)(iv) of Companies (Accounts) Rules, 2014 relating to subsidiary, joint venture and associate companies are not applicable to the Company.

During the year under review, Motilal Oswal Financial Services Limited ("MOFSL") continues to be the Holding Company of the Company. Equity shares of MOFSL are listed on National Stock Exchange of India Limited and BSE Limited. As per Regulation 16(1)(c) of the Listing Regulations, your Company is considered as a Material Subsidiary Company of MOFSL.

Diagrammatic representation of structure of Motilal Oswal Group Companies as on March 31, 2025 is given below:



The aforesaid diagram also includes Motilal Oswal International Wealth Management Limited which is a newly incorporated step-down subsidiary company of Motilal Oswal Financial Services Limited through its certificate of Incorporation dated April 04, 2025.

BOARD OF DIRECTORS

As on the date of this Report, the composition of the Board of Directors of your Company is in accordance with the provisions of Section 149 of the Companies Act, 2013 ("the Act"), Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Para 49A and 52B of Reserve Bank of India ("RBI") Master Direction for HFCs and Para 38 of Master Direction on Scale Based Regulation ("SBR") issued by the RBI (as amended from time to time).

As on March 31, 2025, the Board consists of 6 (Six) Directors comprising of 1 (One) Executive Director, 2 (Two) Non-Executive Directors and 3 (Three) Independent Directors of which 2 (Two) are Independent Woman Directors. The Company has Non-Executive Chairman & he is a Promoter of the Company and thus, 50% (Fifty Percent) of the total number of Board of Directors are Independent Directors.

The Directors on the Board are persons with proven competency, integrity, experience, leadership qualities, financial and strategic insight. They have a strong commitment to the Company and devote sufficient time to the Meetings.

The complete details (including remuneration) of Directors of your Company have been provided in the Report on Corporate Governance forming part of Annual Report of the Company. All the Directors meet the fit and proper criteria stipulated under the RBI Master Directions for HFC (as amended from time to time) and the Company obtains the necessary information and declaration from the Directors.

During the year under review, the Board of Directors of the Company through circular resolution dated September 30, 2024, approved the appointment of Mr. Satinder Singh Rana (DIN: 10790858) as Non-Executive Independent Director of the Company for a first term of three years w.e.f. September 30, 2024. Further, the Shareholders of the Company have approved the said appointment of Mr. Satinder Singh Rana through Postal Ballot on December 18, 2024 (being date of passing of resolution). Further, Mr. P. H. Ravikumar has resigned as an Independent Director of the Company with effect from closure of working hours of September 30, 2024. The Board placed on record their appreciation for services rendered by Mr. P. H. Ravikumar to the Company. During the year under review, there was no other change in the composition of the Board.

DIRECTOR(S) LIABLE TO RETIREMENT BY ROTATION

In accordance with Section 152 of the Act provides that unless the Articles of Association provide for the retirement of all directors at every Annual General Meeting ("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, out of which one-third shall retire by rotation. Accordingly, Mr. Motilal Oswal (DIN: 00024503), Non-Executive Director of the Company, will retire by rotation at the ensuing AGM and being eligible, has offered himself or re-appointment. The details of Mr. Oswal are included in the Notice of the AGM of the Company.

The resolutions for the appointment/re-appointment of the Directors proposed for Shareholders approval along with their brief profiles as detailed in the Notice of the AGM would be placed for your approval.

The copy of the draft letter of appointment of Independent Director setting out terms and conditions of appointment is also available on the website of the Company at www.motilaloswalhf.com.

MEETINGS AND COMPOSITION OF BOARD OF DIRECTORS AND COMMITTEE(S)

The details of the Meetings of the Board and Committee(s) of the Company held during the FY 2024-25 and Composition of Board and Committee(s) as on March 31, 2025 are disclosed in the Report on Corporate Governance forming part of Annual Report of the Company.

Declaration by Independent Directors

All Independent Directors of your Company have submitted their declaration of independence, as required, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and are not disqualified from continuing as Independent Directors of your Company. Further, veracity of the above declarations has been assessed by the Board, in accordance with Regulation 25(9) of the Listing Regulations.

The Board is of the opinion that Independent Directors of the Company hold highest standards of integrity and possess requisite qualifications, expertise & experience (including the proficiency) and competency in the business & industry knowledge, financial expertise, digital & information technology, corporate governance, legal and compliance, marketing & sales, risk management, leadership & human resource development and general management as required to fulfil their duties as Independent Directors.

Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors have confirmed that they have registered themselves with databank maintained by the Indian Institute of Corporate Affairs ('IICA'). These declarations/ confirmations have been placed before the Board.

All the directors of the Company have confirmed that they are not debarred from holding the office of director by virtue of any order by SEBI or any other authority.

None of the Independent Directors of your Company are on the Board of more than three NBFCs (NBFC-ML or NBFC-UL).

KEY MANAGERIAL PERSONNEL

As on March 31, 2025 following were the Key Managerial Personnel pursuant to Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name of the Person	Designation
1	Mr. Sukesh Bhowal	Managing Director & Chief Executive Officer
2	Mr. Bhavin Shah	Chief Financial Officer
3	Mr. Sunny Ganatra	Company Secretary & Compliance Officer

During the year there was no change in the Key Managerial Personnel of the Company.

PERFORMANCE EVALUATION

Pursuant to the provisions of section 134(3)(p), Schedule IV of the Act and in accordance with the Listing Regulations, the Board has carried out the annual performance evaluation of the Board as a whole, various Committees of the Board and of the individual Directors. The performance evaluation of the Independent Directors was carried out by the entire Board. The overall performance evaluation exercise was completed to the satisfaction of the Board.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors on the basis of the criteria such as Transparency, Performance, etc.

In a separate meeting of Independent Directors, performance of non-independent Directors and performance of the Chairman was evaluated, taking into account the views of the executive directors and non-executive directors. The same was discussed in the Board meeting that followed the meeting of independent directors, at which the performance of the Board, its committee and individual Directors was also discussed.

EMPLOYEE STOCK OPTION SCHEME

Members of the Company have approved various Employee Stock Option schemes for attracting, retaining and rewarding Employees of the Company and its holding companies. NRC of the Company has granted the options to the eligible employees of the Company and employees of Motilal Oswal Financial Services Limited ("MOFSL"), a holding company. Further, all the permanent employees (except the persons as mentioned in the Act/schemes) of the Company and its holding company are entitled to participate in said schemes of the Company. Further, the Company confirms that it has not granted employee stock options equal to or exceeding one percent of the issued capital of the Company at the time of grant of stock options to any employees of the Company/Holding Company.

Further, during the year under review, the Company has allotted 1,60,61,004 (One Crore Sixty lakh Sixty One thousand four) equity shares of ₹ 1/- each under various Employee Stock Option Schemes ("ESOS").

The disclosures required to be made in compliance to Section 62 of the Act read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 is given in **"Annexure 1"** to this Report.

The Employee Stock Option Schemes are administered by the NRC of the Company.

CORPORATE SOCIAL RESPONSIBILITY

Your Company recognizes its responsibility towards society and strongly intends to contribute towards development of knowledge based economy. It has a belief that our society can truly progress if every individual is included and empowered in the journey of development.

In accordance with the requirements of the provisions of Section 135 of the Act, your Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report forming part of Annual Report of the Company.

Annual Report on CSR activities undertaken by your Company during FY 2024-25 is annexed as **"Annexure 2"** to this Report. The activities undertaken by your Company are in accordance with Schedule VII of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended from time to time).

The CSR Policy of the Company is available on website of the Company at https://motilaloswalhf.com/wp-content/uploads/2025/05/3.-Corporate-Social-Responsibility-Policy_website.pdf.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT AND REMUNERATION

Section 178 of the Act, Regulation 19 read with Part D of Schedule II of the Listing Regulations and RBI circular on 'Compensation of Key Managerial Personnel ("KMP") and Senior Management in NBFCs' (as amended from time to time) requires the Nomination and remuneration Committee ("NRC") to formulate a Policy relating to the remuneration for the Directors, KMP, Senior Management and other employees of the Company and recommend the same for approval of the Board.

Accordingly, in compliance to the aforesaid provisions, the Nomination and Remuneration Policy of your Company is available on the website of the Company at https://motilaloswalhf.com/wp-content/uploads/2025/02/Nomination-and-Remuneration-Policy.pdf.

The salient features of the Policy are given below:

1) Appointment criteria and qualifications

- The NRC shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or Senior Management and recommend to the Board his/her appointment.
- A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The NRC has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Managing Director/ Whole-time Director/Manager who has attained the age of seventy years.

  Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- The Company shall not appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.

➢ **Evaluation**

The performance evaluation shall be carried out as given below:

Performance Evaluation by	Of Whom
NRC	Every Director's performance.
Board of Directors	All Directors and Board and Committees as a whole – All Independent Directors excluding the Director being evaluated.
Independent Directors	Review the performance of Non-Independent Directors and Chairperson of the Company.

➢ **Removal**

Due to reasons for any disqualification mentioned in the Act, Rules made there under or under any other applicable acts, rules and regulations, the NRC may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, Rules and Regulations.

➢ **Retirement**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Act and the prevailing internal policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

2) Provisions relating to Remuneration of Managerial Person, KMP and Senior Management

➢ **General**

- The remuneration/compensation/commission etc. to Managerial Person, KMP and Senior Management will be determined by the NRC and recommended to the Board for approval. The remuneration / compensation/ commission etc. shall be subject to the prior/post approval of the shareholders of the Company and such other approval, wherever required.

- The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Act, Listing Regulations, Master Directions and RBI guidelines, and the rules made there under for the time being in force.
- Increments to the existing remuneration/compensation structure may be recommended by the NRC to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.
- The remuneration structure will have a right mix of guaranteed (fixed) pay, pay for performance and long term variable pay based on business growth and other factors such as growth in shareholder value to ensure that it is competitive and reasonable.
- Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and for Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

➢ **Remuneration to Managerial Person, KMP and Senior Management**

- **Fixed pay**

  Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the NRC in accordance with the statutory provisions of the Act, the rules made there under, Master Directions and RBI guidelines for the time being in force. The break-up of the pay scale and quantum of perquisites including employer's contribution to Provident Fund(s), pension scheme(s), medical expenses, club fees, etc. shall be decided and approved by the Board on the recommendation of the NRC and approved by the shareholders and such other approval, wherever required.

- **Variable Pay**

  Variable pay shall be a mix of cash and share-linked instruments with proper balance between cash and share linked components in keeping with the RBI guidelines. The Company may in its discretion structure any portion of remuneration to link rewards to corporate and individual performance, fulfilment of specified improvement targets or the attainment of certain financial or other objectives set by the Board/Company. The amount payable shall be based on performance against pre-determined financial and non-financial metrics. Such metrics and their relation to remuneration packages shall be clearly defined at the beginning of the performance measurement period to ensure that the employees perceive the incentive mechanism.

- **Deferral of variable pay**

  For KMPs and Senior Management, both cash and share linked variable pay may be deferred as recommended by the NRC and as approved by the Board of the Company. However, where the cash variable pay is below the threshold limit of variable pay defined by the NRC, if any, deferral requirement will not be necessary. In the event of a separation of an employee on good terms with the Company, the NRC shall have the discretion to waive part or whole of the deferred pay.

- **Provision for excess remuneration**

  If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Act. If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without such approval, wherever required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

  Provided that the Company may waive the recovery of any sum refundable to it after passing of special resolution within two years from the date the sum becomes refundable.

- **Guaranteed bonus**

  Guaranteed bonus will not be awarded by the Company to Managerial Person, KMPs and senior management other than for new hires as joining/sign-on bonus only in the first year. Any such guaranteed bonus, if required, may be in the form of cash or share-linked instruments and shall neither be considered part of fixed pay nor of variable pay.

- **Malus/Clawback**

  Malus & Clawback provisions shall be applicable which would enable the NRC to reduce or cancel unvested awards and recover previously paid compensation in certain situations, viz. Subdued or Negative Financial Performance, Fraud, Misconduct or any other parameter as may be determined by the NRC.

➢ **Remuneration to Non-Executive/Independent Director**

- **Remuneration/Commission**

  The remuneration/commission, if any, shall be in accordance with the statutory provisions of the Act and the Rules made there under for the time being in force.

- **Sitting Fees**

  The Non-Executive/Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

  Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed from time to time.

- **Limit of Remuneration/Commission**

  Remuneration/Commission may be paid to Non-Executive/Independent Directors within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Act. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Non-Executive/Independent Directors in accordance with the provisions of Schedule V of the Act. If any Non-Executive/Independent Directors draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without such approval, wherever required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

  Provided that the Company may waive the recovery of any sum refundable to it after passing of special resolution within two years from the date the sum becomes refundable.

DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Act, the Board of Directors confirm that, to the best of their knowledge and belief:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the profit of the Company for that period;

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

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively;

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FAMILIARIZATION PROGRAMMES

Your Company, on an ongoing basis strives to keep the Board, specifically the Independent Directors informed and updated with matters related to the industry and business environment in which we operate, our business model, risk metrices, mitigation and management, ever evolving governing regulations, information technology including cyber security, their roles, rights and responsibilities and any other major developments and updates.

Your Company has familiarized the Independent Directors with in-depth insight and understanding of the businesses and operations of your Company, their roles & responsibilities in the Company, Housing industry scenario, etc., which enables and assists them to make better informed decisions in the interest of the Company and its stakeholders.

The details of familiarization programme imparted to the Independent Directors are available on your Company's website at https://motilaloswalhf.com/corporate-announcements/specials/.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and as per Regulation 22 of the Listing Regulations (as amended from time to time), your Company has framed Vigil Mechanism/ Whistle Blower Policy ("Policy") to enable directors and employees to report genuine concerns or grievances, significant deviations from key management policies and reports any non-compliance and wrong practices, e.g., unethical behaviour, fraud, violation of law, inappropriate behaviour/conduct, etc.

The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. None of the Directors or employees have been denied access to the Audit Committee of the Board.

The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls, or fraudulent reporting of financial information.

The Policy framed by your Company is in compliance with the requirements of the Act and Listing Regulations and is available on the website of the Company at https://motilaloswalhf.com/wp-content/uploads/2025/02/Vigil-Mechanism-Whistle-Blower-Policy.pdf.

POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

Your Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Work Place. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity.

During the year under review, your Company has not received any complaint in this regard.

Further, your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

DISCLOSURE ON MAINTENANCE OF COST RECORDS

During the year under review, the Company was engaged in Housing Finance activity and hence is not required to maintain cost records in accordance with the provisions of the Act.

INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to Financial Statements as designed and implemented by your Company are adequate. The Internal Financial Control procedure adopted by your Company are adequate for

safeguarding 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. During the year under review, the Internal Financial Controls were operating effectively and no material or serious observation has been received from the Auditors of the Company for inefficiency or inadequacy of such controls.

REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance for the year under review, as required under Listing Regulations and Annexure IV of RBI Master Direction for HFCs and Section II of Annexure VII of Master Direction on Scale Based Regulation is forming part of the Annual Report. Further, a Certificate from M/s. Aabid & Co., Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as prescribed under the Listing Regulations is annexed to the Corporate Governance Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Listing Regulations is presented in a separate section forming part of the Annual Report.

STATUTORY AUDITORS

The Board of Directors of the Company at their meeting held on April 25, 2024, on the recommendation of the Audit Committee (the "Committee"), had approved appointment of M/s. MGB & Co. LLP, Chartered Accountants (ICAI Registration No. 101169W/W100035), as the Statutory Auditors of the Company, subject to the approval of the Members, to hold office from the conclusion of Eleventh Annual General Meeting ("AGM") till the conclusion of the Fourteenth AGM.

Further, the Shareholders of the Company had appointed M/s. MGB & Co. LLP, Chartered Accountants, as the Statutory Auditors of the Company at their 11th AGM held on June 25, 2024 to hold office for term of 3 (three) years from the conclusion of Eleventh AGM till the conclusion of the Fourteenth AGM.

Mr. Diwaker Sudesh Bansal, Partner, M/s. MGB & Co. LLP, Statutory Auditors, has signed the Audited Financial Statement of the Company.

M/s. MGB & Co. LLP, Chartered Accountants, being eligible under Section 141 and other applicable provisions of the Companies Act, 2013 ("Act") including guidelines prescribed by RBI, have consented to act as the Statutory Auditors of the Company and have also confirmed that their appointment, if made, would be within the limits prescribed under the Act and RBI Guidelines. The Auditors have confirmed that they are not disqualified to continue as Auditors and are eligible to hold office as Auditors of the Company. The Audit Committee reviews the independence and objectivity of the Auditors and the effectiveness of the Audit process.

STATUTORY AUDITORS' REPORT

The Statutory Auditors' Report issued by M/s. MGB & Co. LLP, Chartered Accountants, for the year under review does not contain any qualification, reservations or adverse remarks. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Act.

INTERNAL AUDITOR

Internal Audit for the year ended March 31, 2025 was done by M/s. BDO India LLP, under the supervision of Mr. Pradip Singh, Head of Internal Audit of the Company and Internal Audit report in accordance with internal audit program was placed before the Audit Committee.

The periodic reports of the said Internal Auditors are regularly presented before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report issued by the Secretarial Auditor has been appended as **"Annexure 3"** to this Report.

Pursuant to the provisions of Regulation 24A of the Listing Regulations, Annual Secretarial Compliance Report for the financial year ended March 31, 2025 was obtained from M/s. Aabid & Co., Company Secretaries.

There is no adverse remark, qualifications or reservation in the Secretarial Audit Report and Annual Secretarial Compliance Report.

Further, pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended from time to time), your Company had appointed M/s. U. Hegde & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company for the FY 2025-26.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

REPORTING OF FRAUDS BY AUDITORS

There were no frauds reported by the Auditors of the Company under Section 143(12) of the Act to the Audit Committee ("AC").

ANNUAL RETURN

Pursuant to provisions of Section 134(3) and Section 92(3) of the Act, the Annual Return of your Company in the prescribed e-Form MGT-7 for the financial year ended March 31, 2025 is uploaded on website of the Company at www.motilaloswalhf.com/annual-return/.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Since your Company is a Housing Finance Company, the provisions of Section 186 of the Act relating to granting of loans to any persons or bodies corporate, giving of guarantees or providing security in connection with loans to any other bodies corporate or persons are not applicable to the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The Board of Directors have approved the Policy on Materiality and Dealing with Related Party Transactions ("RPT Policy"), pursuant to the recommendation of the Audit Committee. Further as required by RBI Master Directions for HFCs, RPT Policy is given as **"Annexure 4"** to this Report and can be accessed on the website of the Company at https://motilaloswalhf.com/wp-content/uploads/2025/02/Policy-on-Materiality-and-Dealing-with-RPT.pdf.

All Related Party Transactions entered into during the FY 2024-25 were on an arm's length basis and in the ordinary course of business.

All Related Party Transactions were placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of unforeseen or repetitive in nature. The details of all such related party transactions entered into pursuant to the omnibus approval of the Committee, were placed before the Audit Committee on a quarterly basis for its review.

As required under Listing Regulations, the Shareholders of your Company at the Eleventh AGM held on June 25, 2024 had granted approval for all material related party transactions which is valid till ensuring AGM. Since approval of shareholders for all material related party transactions is required every year, the resolutions

relating to material related party transactions as approved by the Audit Committee for FY 2025-26 forms part of the Notice convening the Twelfth AGM of the Company for approval of shareholders.

Pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no transactions to be reported under Section 188(1) of the Act. Accordingly, the disclosure of Related Party Transactions, as required in Form AOC-2 is not applicable to the Company.

Details of transactions, contracts and arrangements entered into with related parties by the Company, during FY 2024-25, is given in **Note No. 41** to the Financial Statements, which forms part of this Annual Report.

DEPOSITORY SYSTEM

The Equity Shares of your Company are compulsorily transferable in electronic form. As on March 31, 2025, out of the Company's total paid-up equity share capital comprising of 6,05,39,25,379 equity shares, only 1,12,95,010 equity shares are in physical form and the remaining shares are in electronic form (demat form). In view of the numerous advantages offered by the Depository System, the Members holding shares in physical form are advised to avail the facility of dematerialization.

HUMAN RESOURCE AND TRAINING & DEVELOPMENT

At MOHFL, employees are the most valuable assets, their performance enhancement, wellbeing, skill development, growth, and engagement remain key focus areas. The Company offers an induction program to all new employees. It covers organisation orientation and an overview of the products and processes of the organisation.

The Company fosters a culture of productive empowerment to build an outcome focused organisation. Employee well-being has been a key focus area of your Company. We believe that the people are key assets and focuses on nurturing and developing human talent that delivers continued growth, customer delight, and business leadership. Lots of importance is placed on recruiting quality staff, and they are groomed to take on higher responsibilities.

These initiatives, coupled with adequate compensation levels, including appropriate incentive schemes matched with the market and good employee welfare schemes like national and international trips, have helped us retain the manpower at these levels.

Throughout the year, in-house classroom and virtual facilitator-led training programs were provided to employees, which include compliance training on AML, KYC, POSH, Fair Practice Code, Customer Redressal, and IT Security; Functional Training includes certification for new joiners and need-based training for all employees; and soft skills session as per their role and grade. A TTT (Train-the-Trainer) model is also started at cluster level.

Pursuant to our motto of Knowledge First, we have introduced Peer to Peer Learning program called "Training Day," which is conducted once a month. All the branch leaders assemble their team members in their respective branches to learn, discuss, and train each other through the Training Guide which is prepared as a simple tool by the training team.

Simultaneously, periodic assessments were conducted for various departments to check on their knowledge. In addition, several other learning support activities, such as sending Did you Know ("DYK") updates on new changes in products and policies, as required, creating video training modules and sharing bite-size learning materials in pdf format were also provided with all to educate the team.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of your Company which occurred between the end of the financial year to which this Financial Statements relate and the date of this report. Further, there has also been no change in the nature of business of the Company during the year under review.

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

Considering your Company's Housing Finance activities during the year under review, the particulars regarding conservation of energy and technology absorption as required to be disclosed pursuant to the Rule 8(3) of the Companies (Accounts) Rules, 2014 are not relevant to its activities. However, Steps taken by your Company towards conservation of energy is provided in ESG section of this Annual Report.

There were no foreign exchange earnings and the Company has incurred foreign exchange expenditure of ₹ 24.17 crore during the year (₹ 15.35 crore in previous year) primarily on account of interest on borrowings from external sources, i.e., ECB from US DFC.

OTHER DISCLOSURES

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

- There has been no change in the nature of business of the Company;
- There was no revision in the financial statements;
- The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule (13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished;
- The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act, read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished;
- During the year under review, no funds were raised through preferential allotment or qualified institutional placement;
- There are no proceedings, either filed by the Company or filed against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the FY 2024-25; and
- There was no instance of one-time settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENT

The Directors express their sincere gratitude and appreciation towards all those who have contributed to the success of the Company during the past year. It is through the collective effort and dedication of many stakeholders that we have achieved our goals and milestones.

We express our sincere gratitude to all stakeholders of the Company including but not limited to National Housing Bank/Reserve Bank of India, Securities and Exchange Board of India, BSE Limited, Ministry of Finance, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's Bankers for the ongoing support extended by them. The Directors sincerely appreciate the commitment displayed by the employees of the Company across all levels, resulting in successful performance during the year.

As we reflect on the accomplishments of the past year, we are deeply grateful for your unwavering support and partnership. Your loyalty and trust have been the cornerstone of our success, empowering us to overcome challenges and pursue new opportunities with confidence. We recognize the importance of your continued commitment, and we remain steadfast in our dedication to delivering value and excellence in all that we do.

For and on behalf of the Board
Motilal Oswal Home Finance Limited

Sd/-
Motilal Oswal
Chairman
DIN: 00024503

Place: Mumbai
Date: April 23, 2025

Annexure 1 to the Board's Report

DISCLOSURE ON EMPLOYEE STOCK OPTION SCHEME(S) ("ESOS")

Information disclosed in compliance to Section 62 of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 as at March 31, 2025:

Sr. No.	Nature of Disclosure	ESOS-2014	ESOS-2016	ESOS-2017	ESOS-2022	ESOS-2023	Total
1.	Options Granted (Opening Balance)	2,55,23,000	4,23,53,425	80,57,500	9,60,25,500	9,62,45,000	**26,82,04,425**
2.	Options granted during the year	0	20,80,000	0	1,81,85,000	1,53,80,000	**3,56,45,000**
3.	Options Vested	58,21,000	68,95,625	12,41,500	1,16,46,500	23,57,500	**2,79,62,125**
4.	Options Exercised	54,17,028	44,90,376	9,85,600	47,85,900	1,01,000	**1,57,79,904**
5.	The total number of shares arising as a result of exercise of option	54,17,028	44,90,376	9,85,600	47,85,900	1,01,000	**1,57,79,904**
6.	Options lapsed	27,92,375	76,13,425	15,21,500	1,49,65,375	1,78,91,938	**4,47,84,613**
7.	Exercise Price per option (in ₹)	3 & 3.5 & 4.25	3.5 & 4 & 4.25	3.5 & 4 & 4.25	4.25 & 4.5	4.5	–
8.	Variation of terms of options	–	–	–	–	–	–
9.	Money realized by exercise of options (in ₹)	–	–	–	–	–	–
10.	Total number of options in force	1,78,93,972	3,30,22,049	51,13,400	9,12,54,500	9,62,37,500	**24,35,21,421**
11.	Employee–wise details of options granted to:						
	(i) Key managerial personnel during the year						
	a. Mr. Sukesh Bhowal	–	–	–	–	–	–
	b. Mr. Bhavin Shah	–	–	–	40,00,000	–	**40,00,000**
	c. Mr. Sunny Ganatra	–	–	–	–	–	**–**
	(ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year						
	a. Mr. Kiran A Kuttappa	–	–	–	–	1,00,00,000	1,00,00,000
	b. Mr. Dheeraj Kumar Singh	–	–	–	–	20,00,000	20,00,000
	(iii) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant	–	–	–	–	–	–

For and on behalf of the Board
Motilal Oswal Home Finance Limited

Sd/-
Motilal Oswal
Chairman
DIN: 00024503

Date: April 23, 2025
Place: Mumbai

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The Company's vision is to provide opportunities for children and their families to move from poverty and dependence to self-reliance. Motilal Oswal Home Finance Limited believes in 'Knowledge First' and the Company believes that education can bring prosperity and equality in the society.

In line with our motto of "Knowledge First", the Company believes in enhancing the human intangible asset and thus the Company strives to contribute largely to the education & learning front. Recognizing the responsibilities towards society, we intend to carry out initiatives for supporting education.

The Company resolves to contribute towards development of knowledge based economy by discharging Corporate Social Responsibilities ("CSR") that would positively impact on customers, employees, shareholders, communities and other stakeholders in various aspects of its operations.

The Company would carry out CSR for the year with a collective goal on key focus areas enumerated in the CSR policy of the Company. The CSR Policy has been formulated in accordance with the provisions of Section 135 of the Companies Act, 2013.

2. Composition of CSR Committee:

Sl 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.	Mrs. Divya Momaya	Independent Director	2	2
2.	Mr. Motilal Oswal	Non-Executive Director	2	1
3.	Mr. Raamdeo Agarawal	Non-Executive Director	2	2

3. Web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

Composition of CSR Committee	https://motilaloswalhf.com/corporate-announcements/specials/
CSR Policy	https://motilaloswalhf.com/wp-content/uploads/2025/05/3.-Corporate-Social-Responsibility-Policy_website.pdf
CSR Projects i.e. Annual Action Plan	https://motilaloswalhf.com/corporate-announcements/specials/

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

Provisions related Impact assessment of CSR projects are **not applicable** to the Company.

5. (a) Average net profit of the company as per sub-section (5) of section 135 : ₹1,52,05,15,411/-

(b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 3,04,10,308/-

(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 : ₹ 1,38,000/-

(e) Total CSR obligation for the financial year [(5b)+(5c)-(5d)] : ₹ 3,02,72,308/-

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 3,27,50,000/-

(b) Amount spent in Administrative Overheads : Nil

(c) Amount spent on Impact Assessment, if applicable : Not Applicable

(d) Total amount spent for the Financial Year (6a+6b+6c) : ₹ 3,27,50,000/-

(e) CSR amount spent or unspent for the financial year:

Total amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per 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
₹ 3,27,50,000/-	Not Applicable		Not Applicable		

(f) Excess amount for set-off:

Sl No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	₹ 3,04,10,308/-
	Excess amount spent in the year FY 2023-24 and available for set-off in the financial year 2024-25	₹ 1,38,000/-
	Total amount to be spent in the financial year 2024-25	₹ 3,02,72,308/-
(ii)	Total amount spent for the Financial Year	₹ 3,27,50,000/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 24,77,692/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 24,77,692/-

7. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

Sl No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Balance Amount in unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
–	–	–	–	–	–	–	–	–

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 – Not Applicable

For and on behalf of the Board of
Motilal Oswal Home Finance Limited

Sd/-
Sukesh Bhowal
Managing Director & Chief Executive Officer
DIN: 10242971

Sd/-
Divya Momaya
Independent Director (Chairperson of the CSR Committee)
DIN: 00365757

FORM-MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to regulation 24A of SEBI (LODR) 2015 and section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Motilal Oswal Home Finance Limited,
Motilal Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi,
Mumbai- 400025, Maharashtra, India

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Motilal Oswal Home Finance Limited**, (hereinafter referred as '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 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 the Company has, during the audit period covering the Financial Year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Motilal Oswal Home Finance Limited as given in **Annexure I** for the Financial year ended on March 31, 2025, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder to the extent applicable;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA'), and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 ('FEMA') and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company: -
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (**Not Applicable during the Audit Period**)
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (**Not Applicable during the Audit Period**)
   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not Applicable during the Audit Period**)
   e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (**Not Applicable during the Audit Period**)

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable to the Company during the period under review; (**Not Applicable during the Audit Period**)

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

j) Rules, Regulations and Guidelines issued by the Reserve Bank of India ("RBI") / National Housing Bank ("NHB") as are applicable to Housing Finance Companies which are specifically applicable to the company.

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, no other law was applicable specifically to the Company.

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

During the financial year under review, the Company has complied with the provisions of the Secretarial Standards and has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines etc., mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Directors in compliance with the provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

None of the members had any 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 the Company has complied with applicable regulations with respect to listing of Non-Convertible Debentures.

We further report that during the year under review, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

1. The Company has appointed M/s. MGB & Co. LLP, Chartered Accountant (Firm Reg. No. 101169W/W100035) as the Statutory Auditor of the company at the Annual General Meeting held on June 25, 2024, from the conclusion of Eleventh Annual General Meeting till the conclusion of the Fourteenth Annual General Meeting.
2. Mr. Raamdeo Agarawal (DIN:00024533), Director of the Company was re-appointed as a Director, who retired by rotation;
3. During the year under review, the Company has issued 1,60,61,004 Equity Shares of face value Re. 1.00/- each for cash to its employees as per Employee Stock Option Schemes.

4. The Board of Directors of the Company has appointed Mr. Satinder Singh Rana (DIN: 10790858) as an Independent Director of the Company with effect from September 30, 2024 to September 29, 2027 by way of passing resolution by circulation. Further, the Shareholders of the Company have approved the said appointment of Mr. Satinder Singh Rana through Postal Ballot on December 18, 2024 (being date of passing of resolution);
5. Resignation of Mr. P. H. Ravikumar from the position of Independent Director of the Company effective from closure of business hours of September 30, 2024;
6. Appointment of Mr. Kiran Kuttappa, under Senior Management Personnel ("SMP") as a Chief Business Officer of the Company w.e.f. September 25, 2024.
7. The Board has approved the issue of non-convertible debt instruments in the form of secured/ unsecured Non-Convertible Debentures ("NCDs") through public/private placement at their board meeting held on April 25, 2024. Further, the Shareholders of the Company have approved the aforesaid resolution at the Annual General Meeting held on June 25, 2024. Further, the Board has revalidated and approved the Board Resolution passed for issuance of NCDs at their Board Meeting held on October 25, 2024;
8. The Company at its Finance Committee Meeting held on January 07, 2025 had allotted 37,500 Fully paid, Secured, Rated, Listed, Redeemable in the nature of Non-Convertible Debentures ("NCDs") of face value of ₹ 1,00,000/- (Rupees One Lakh Only) each NCDs for an amount aggregating to ₹ 375,00,00,000/- (Rupees Three Hundred Seventy Five Crore Only).
9. The Company at its Finance Committee Meeting held on March 24, 2025 had allotted 20,000 Fully paid, Secured, Rated, Listed, Redeemable in the nature of Non-Convertible Debentures ("NCDs") of face value of ₹ 1,00,000/- (Rupees One Lakh Only) each NCDs for an amount aggregating to ₹ 200,00,00,000/- (Rupees Two Hundred Crore only).

Note:

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

Place: Mumbai
Date: April 23, 2025

For **Aabid & Co**
Company Secretaries

Sd/-
Greeshma Kerkar
Partner
Membership No.: A22283
COP No.: 26795
UDIN: A022283G000166460
PR No.: P2007MH076700

ANNEXURE – I

List of documents verified

1. Memorandum of Association & Articles of Association of the Company;
2. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee, Risk Management Committee, Finance and Securities Allotment Committee, IT Strategy Committee and Asset Liability Management Committee held during the financial year under report;
3. Minutes of General Body Meetings & Postal Ballot held during the financial year under report;
4. Agenda papers submitted to all the Directors / Members for the Board Meetings and Committee Meetings;
5. Declarations received from the Directors of the Company pursuant to the provisions of Section 164 and Section 184(1) of the Companies Act, 2013;
6. Intimations/documents/reports/returns filed with the Stock Exchange pursuant to the provisions of Listing Regulations during the financial year under report;
7. Intimations/documents/reports/returns filed under the National Housing Bank Act, 1987 during the financial year under report;
8. 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; and
9. Statutory Registers under the Companies Act, 2013.

ANNEXURE-II OF SECRETARIAL AUDIT REPORT

To,

The Members,
Motilal Oswal Home Finance Limited,
Motilal Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi,
Mumbai, Maharashtra, India, 400025.

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

1. Maintenance of secretarial records 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 Secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Wherever required, we have obtained Management Representation about the compliance 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 a 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.

Place: Mumbai
Date: April 23, 2025

For **Aabid & Co**
Company Secretaries

Sd/-
Greeshma Kerkar
Partner
Membership No.: A22283
COP No.: 26795
UDIN: A022283G000166460
PR No.: P2007MH076700

POLICY ON MATERIALITY AND DEALING WITH RELATED PARTY TRANSACTIONS

INDEX

Sr. No.	Particular
1	Scope of the Policy
2	Objective
3	Definitions
4	Procedures for Identification of Related Party Transactions
5	Approval of Related Party Transactions
6	Materiality Thresholds for RPTs
7	Related Party Transactions not approved under this policy
8	Exclusions
9	Disclosures
10	Review/Revision

VERSION DETAILS

Sr. No.	Details of Changes	Date of Creation/ Change	Department	Version Number	Approved By
1	Original Document	April 25, 2017	Secretarial	Version 1.0	Board of Directors
2	Amendment	January 22, 2020	Secretarial	Version 1.1	Board of Directors
3	Amendment	April 28, 2021	Secretarial	Version 1.2	Board of Directors
4	Amendment*	April 26, 2022	Secretarial	Version 2.0	Board of Directors
5	Review	July 27, 2022	Secretarial	Version 2.0	Board of Directors
6	Review	July 26, 2023	Secretarial	Version 2.0	Board of Directors
7.	Review	July 24, 2024	Secretarial	Version 2.0	Board of Directors
8.	Amendment	January 27, 2025	Secretarial	Version 3.0	Board of Directors

* Policy was revamped to incorporate the requirement of SEBI Listing Regulations.

SCOPE OF THE POLICY

This Policy is prepared to ensure effective good corporate governance and specifically in accordance with the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (as amended from to time) dealing with Related Party Transactions ("RPTs"), as applicable to the Company.

Accordingly, this Policy will be applicable to Motilal Oswal Home Finance Limited (the "Company" or "MOHFL"). This Policy is to regulate transactions by the Company with related parties of the Company, based on the laws and regulations applicable to the Company. Further, w.e.f. April 01, 2023, this Policy will also regulate transactions by the Company with any person/entity, the purpose and effect of which, is to benefit a related party of the Company or any of its subsidiaries.

OBJECTIVE

The Company recognizes that RPTs can present potential or actual conflicts of interest and may raise questions about whether such transactions are fair and on arm's length basis. Therefore, this Policy on RPTs has been formulated as required by Listing Regulations.

This Policy applies to any RPTs, unless the transaction is exempt.

DEFINITIONS

"Act" shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, amendments, clarifications or re-enactment thereof.

"Arm's Length Transaction" means a transaction between two related parties that is conducted as if they are unrelated, so that there is no conflict of interest.

"Audit Committee or Committee" means Audit Committee constituted by the Board of Directors of the Company under provisions of the Act, Listing Regulations and Chapter IX (Corporate Governance) Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

"Associate Company" means any other company, in which the Company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company.

Explanation — (a) the expression "significant influence" means control of at least twenty per cent of total voting power, or control of or participation in business decisions under an agreement.

"Board" means Board of Directors of the Company.

"Company" means Motilal Oswal Home Finance Limited.

"Control" shall have the same meaning as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (as amended from time to time).

"Key Managerial Personnel" means key managerial personnel as defined under the Companies Act, 2013 and rules thereunder.

"Material Related Party Transaction(s)" means a transaction(s) to be entered into with a Related Party, individually or taken together with previous transactions during a financial year, exceeding the following thresholds:

i) In case of transactions involving payments made with respect to brand usage or royalty, if it exceeds 5% of the annual turnover of the listed entity as per its last audited financial statements.

ii) In case of any other transaction(s), if the transaction amount exceeds rupees one thousand crore or 10% of the annual turnover of the Company as per its last audited financial statements of the Company, whichever is lower.

"Material Modifications" means the following modifications:

- A variation in the value of the transaction/contract as originally approved, by 25% or more; or
- The terms of the contract cease to be at arms' length; or
- Granting of any waiver, abatement or any other relief to either party, which results into a financial implication equal to 25% or more of the value of the contract; or
- Extension of tenure of the contract by more than 2 years over the original tenure, or continuation of the contract or arrangement beyond the tenure originally agreed upon, except for completion of any residual performances.

"Ordinary Course of Business": The Company has and shall identify RPTs in accordance with Section 188 of the Act and Regulation 2(1)(zc) of the Listing Regulations. The Company has also formulated criteria for determining whether transaction is in ordinary course of business and for this purpose, the Company shall seek external professional opinion, if necessary. While the Ordinary Course of business is not defined under the Companies Act, 2013 and/or Listing Regulations, it means usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake if:

i. the Memorandum of Association of the Company permits such activity; or

ii. it is historical practice and there is a pattern of frequency (and not an isolated transaction); or

iii. it is required to be undertaken in order to conduct the routine or usual transactions of the Company; or

iv. it is a common commercial practice.

"Policy" means Policy on Materiality and Dealing with Related Party Transactions.

"Related Party" is a person or any entity which is:

i. a related party under Section 2(76) of the Act and Rules thereunder;

ii. a related party under the applicable Accounting Standards;

iii. any person or entity forming a part of the promoter or promoter group company;

iv. any person or any entity holding equity shares:

- 20% or more; or
- 10% or more, w.e.f. April 1, 2023

in the Company either directly or on a beneficial interest basis as provided under Section 89 of the Act, at any time, during then immediate preceding financial year.

"Related Party Transaction" means any transaction involving transfer of resources, services or obligations between:

i) a Company on one hand and a related party of the Company on the other hand;

ii) a Company on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company, w.e.f. April 1, 2023;

regardless of whether a price is charged and includes the following transactions:

i. sale, purchase or supply of any goods or materials;

ii. selling or otherwise disposing of, or buying, property of any kind;

iii. leasing of property of any kind;

iv. availing or rendering of any services;

v. appointment of any agent for purchase or sale of goods, materials, services or property;

vi. such related party's appointment to any office or place of profit in the company; and

vii. underwriting the subscription of any securities or derivatives thereof, of the company;

Explanation - A "transaction" with a related party shall be construed to include single transaction or a group of transactions in a contract.

"Relative" means relative as defined under the Companies Act, 2013 which includes any one who is related to another, if –

i. they are members of a Hindu undivided family;

ii. they are husband and wife;

iii. Father (including step father)

iv. Mother (including step-mother)

v. Son (including step-son)

vi. Son's wife

vii. Daughter

viii. Daughter's husband

ix. Brother (including step-brother)

x. Sister (including step-sister)

"Senior Management" includes officers/personnel of the Company who are members of its core management team excluding Board of Directors and shall comprise of all members of management one level below the Chief Executive Officer/Managing Director/Whole-time Director/Manager, as applicable, and shall specifically persons identified and designated as Key Managerial Personnel, other than the Board of Directors, by the Company.

Note for the above definition: Members of management one level below shall mean Business Head(s) and Functional Heads reporting to Managing Director(s).

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Regulations, Securities Contracts Regulation Act or any other applicable law or regulation.

PROCEDURE FOR IDENTIFICATION OF RELATED PARTY TRANSACTIONS

i. In accordance with the section 189(2) of the Act, all Directors and Key Managerial Personnel shall, within a period of thirty days of his appointment, or relinquishment of his office, as the case may be, disclose to the Company, the particulars relating to his concern or interest in the other associations/entities in Form MBP-1.

ii. In accordance with the section 184(1) of the Act, all Directors shall inform the Company of their interest (including interest of their Relatives) in other companies, firms or concerns at the first meeting of the Board of every financial year and any change in such interest during the year in Form MBP-1.

iii. The Board shall record the disclosure of interest and the Audit Committee will determine whether the transaction is in the ordinary course of business and on an arm's length basis.

APPROVAL OF RELATED PARTY TRANSACTIONS (RPTS):

Approval of RPTs by Audit Committee:

i. The Audit Committee shall be responsible for the granting prior approval for all RPTs and subsequent material modifications thereof. The Audit Committee may approve/ratify modifications of RPTs which are not material in nature.

   Only those members of the Audit Committee, who are independent directors, shall approve related party transactions.

ii. All the transactions which are identified as RPTs must be referred to the Audit Committee for approval in accordance with this Policy and shall be subject to review and except transactions for which omnibus approval has been obtained from Audit Committee. The Audit Committee shall consider all relevant factors while deliberating the RPTs for its approval.

iii. Any Member of the Audit Committee who has a potential interest in any RPT will recuse himself or herself from the Meeting and shall abstain from discussion and voting on the approval of the RPT.

iv. The Audit Committee will be provided with all relevant material information of RPTs, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company/Related Party, if any, and any other relevant matters as specified under the Companies Act and Listing Regulations.

v. The Audit Committee shall after considering the documents/information and materials placed before them for approval in accordance with applicable law, judge if the transaction is in the ordinary course of business and meets the arm's length requirements.

vi. In determining whether to approve, ratify, disapprove or reject a RPT, the Audit Committee, shall take into account all the factors it deems appropriate.

vii. The Audit Committee shall review all the transactions with related parties on a quarterly basis as applicable as per the provisions of applicable laws.

viii. The Audit Committee shall also review the status of long-term (more than one year) or recurring RPTs on an annual basis.

ix. Audit Committee may grant omnibus approval for RPTs proposed to be entered into by the Company subject to the following conditions:

   a. The Audit Committee shall grant omnibus approval in respect of transactions which are repetitive in nature.

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

   c. Such omnibus approval shall specify –

      (i) the name/s of the related party, nature of transaction, duration of transaction, maximum amount of transaction that can be entered into,

      (ii) the indicative base price / current contracted price and the formula for variation in the price, if any, and

      (iii) such other information as the Audit Committee may deem fit;

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

   d. Audit Committee shall review, at least on a quarterly basis, the details of RPTs entered into by the Company pursuant to each of the omnibus approval given.

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

   f. Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

Approval of RPTs by Committee through Resolution by Circulation:

In an unforeseen event where an RPT needs to be entered due to business exigencies between two Audit Committee Meetings, the Audit Committee may approve such RPT by passing a resolution by circulation, after satisfying itself that such transaction is in the interest of the Company.

Approval of RPTs by Board of Directors:

1) When any transaction is executed with a Related Party pursuant to the provisions of the Act does not meet any of the following conditions, it shall seek approval of the Board of Directors of the Company, based on parameters as may be considered necessary and as required under law:

   i. Arm's length basis

   ii. Ordinary course of business

2) Transactions which are in ordinary course of business and at arm's length basis, but which according to Audit Committee's view requires Board approval.

   Explanation: The Director interested shall not be present during discussion on such RPT.

3) All material RPTs excluding exempted transactions.

Approval of RPTs by Shareholders of the Company:

The following RPTs shall require prior approval of shareholders by way of an Ordinary Resolution:

i) All material RPTs and subsequent material modifications excluding exempted transactions;

ii) RPTs as per Act, which do not satisfy any one of the following condition i.e. (a) are not in ordinary course of business or (b) not at arm's length basis and further exceeds the threshold limits as specified under Companies (Meeting of Board and its Powers) Rules, 2014 as amended from time to time.

   Provided, all persons falling under the definition of related party shall abstain from voting irrespective of whether the entity is a party to the particular transaction or not.

While assessing a proposal put up before the Audit Committee/Board/Shareholders for approval, all disclosures shall be placed as per provisions applicable to the Company and various guidelines issued in this regard, from time to time.

Exemptions:

A transaction with related party shall be exempted from seeking requisite approvals as follows:

In accordance with the section 188 of the Act, when any transaction with a related party is in ordinary course of business and arm's length basis, the RPT shall not be necessitated to seek approval of Board of Directors of the Company and shareholders of the Company.

In accordance with Regulation 23 of Listing Regulations, the following RPTs are exempted from obtaining approval of Audit Committee in case of RPTs and Shareholders in case of material RPTs:

a) any RPT entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval

b) transactions entered into between two wholly-owned subsidiaries of the company, whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval

c) transactions to which the listed subsidiary is a party but the Company is not a party, if regulation 23 and sub-regulation (2) of regulation 15 of Listing Regulations are applicable to such listed subsidiary.

d) Remuneration and sitting Fees paid by the Company or its subsidiary(ies) to its Director(s), Key Managerial Personnel, or Senior Management, excluding any individual who is a part of the Promoter or Promoter Group, shall not be subject to the approval of the Audit Committee, provided that such remuneration and sitting fees are not material in nature.

MATERIALITY THRESHOLDS FOR RPTs:

Nature of RPT	Materiality as per the Act	Materiality as per Listing Regulations
Sale, purchase or supply of any goods or materials, directly or through appointment of agent.	10% or more of Turnover	All transactions with related party to be entered into individually or taken together with previous transactions during a financial year exceeds rupees one thousand crores or 10% (for RPT involving Brand usage or royalty, limit will be 5%) of the annual turnover as per last audited financial statement, whichever is lower.
Selling or disposing of or buying property of any kind, directly or through appointment of agent	10% or more of Net worth	
Leasing of property of any kind	10% or more of Turnover	
Availing or rendering of any services, directly or through appointment of agents	10% or more of Turnover	
Related party's appointment to any office or place of profit in the company, its subsidiary company or associate company	Monthly remuneration exceeding ₹ 2.50 Lakhs	
Remuneration for underwriting the subscription of any securities or derivatives thereof	Exceeding 1% of Net worth	
Any other transaction with related parties, other than those covered above, resulting in transfer of resources, obligation or services	–	
Net worth and turnover would be as per audited financial statement of the preceding financial year. The Company has defined Material RPTs basis the thresholds defined in the Act and Listing Regulations, as amended from time to time.		

RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of any RPT that has not been approved or ratified under this Policy, the transaction shall be placed as promptly as practical before the Committee or Board or the Shareholders as may be required in accordance with this Policy for review and ratification.

The Committee or the Board or the Shareholders shall consider all relevant facts and circumstances respecting such transaction and shall evaluate all options available to the Company, including but not limited to ratification, revision, or termination of such transaction and the Company shall take such action as the Committee deems appropriate under the circumstances.

Further, the Members of the Audit Committee, who are Independent Directors, may ratify RPT(s) within a period of 3 months from the date of the transaction or at the immediately following Meeting of the Audit Committee, whichever is earlier, subject to the fulfillment of the following conditions:

(i) The value of the RPT(s) ratified, whether entered into individually or collectively, during a financial year, shall not exceed One Crore Rupees;

(ii) The transaction is not material in nature;

(iii) The rationale for the inability to seek prior approval for the transaction shall be presented to the Audit Committee at the time of seeking ratification;

(iv) The details of the ratified transaction shall be disclosed along with the RPT(s) disclosures to the Stock Exchanges;

(v) RPT will be voidable at the option of the AC, in case of failure to ratify such RPT;

(vi) If RPT is with any Related Party of the Director, such Director has to indemnify the losses to the Company in case of failure to ratify the RPT; and

(vii) Any additional condition as specified by the Audit Committee.

In any case, where the Committee or Board or Shareholders determines not to ratify the RPT that has been commenced without approval, the Committee or Board or Shareholders, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a RPT, the Committee or Board or Shareholders has authority to modify or waive any procedural requirements of this Policy.

Further, in case any transaction involving any amount not exceeding ₹ 1 Crore is entered into by a director or officer of the Company or any related party without obtaining the approval of the Audit Committee and it is not ratified by the Audit Committee within three months from the date of the transaction, such transaction shall be voidable at the option of the Audit Committee and if the transaction is with the related party to any Director or is authorised by any other Director, the Director concerned shall indemnify the Company against any loss incurred by it (excluding the transaction between holding company and its wholly owned subsidiary company).

EXCLUSIONS

1. Corporate actions which are uniformly applicable/offered to all shareholders in proportion to their shareholding as stated below:

   The following transactions or arrangements shall not be considered as RPT(s):

   (i) payment of dividend;

   (ii) subdivision or consolidation of securities;

   (iii) issuance of securities by way of a rights issue or a bonus issue; and

   (iv) buy-back of securities.

2. Appointment and payment of remuneration, including any variations thereto, to Directors and Key Managerial Personnel ("KMP") pursuant to the approval of Nomination and Remuneration Committee.

3. Retail purchases from the Company and its subsidiary (ies) made by its Director(s) or Employee(s) without establishing of a business relationship, and on terms that are uniformly applicable to all Employees and Directors.

   Explanation - "Retail Purchases" would mean purchase/availment of products and services offered by the Company in the ordinary course of its stock broking business, or, in case of any related party transaction by any subsidiary, by such subsidiary in ordinary course of its business, through retail channels, that is to say, branches or business outlets through which the Company/subsidiary services its retail customers, on terms which are uniformly offered to all employees as per applicable policies of the Company/subsidiary, subject, however, to applicable regulations.

4. Share based incentive plans including ESOPs, undertaken pursuant to the provisions of Act, for the benefits of the Directors or KMP pursuant to approval of the shareholders, Board and/or Nomination and Remuneration Committee of the Company, as may be applicable.

5. Contribution with respect to Corporate Social Responsibility ("CSR") to eligible entity(ies) pursuant to approval of Board or the CSR Committee.

6. Corporate restructuring activities involving related parties, undertaken pursuant to the provisions of Act or SEBI regulations, as may be applicable.

7. Any transaction in which the related party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as received by the related party.

DISCLOSURES

The Company shall disclose the details of RPTs in the format prescribed by Securities and Exchange Board of India ("SEBI") on half yearly basis or at such intervals as may be prescribed by SEBI from time to time.

The Company shall disclose details of RPTs as per applicable Accounting Standards in the financial statements of the Company.

The Company shall make such further disclosure of the RPTs as may be prescribed by the Act or the SEBI Listing Regulations or any other regulatory authority or statute from time to time in such format as may be prescribed.

The Policy on dealing with RPTs shall be uploaded on the Company's website.

REVIEW/ REVISION

If at any point a conflict of interpretation / information between the Policy and any regulations, rules, guidelines, notification, clarifications, circulars, master circulars/directions issued by relevant authorities ("Regulatory Provisions") arises, then interpretation of the Regulatory Provisions shall prevail.

In case of any amendment(s) and/or clarification(s) to the Regulatory Provisions, the Policy shall stand amended accordingly from the effective date specified as per the Regulatory Provisions. The Board and/or its Committee reserve(s) the right to alter, modify, add, delete or amend any of the provisions of the Policy.

The Policy will be reviewed at least once in every three years by the Board.

C Report on Corporate Governance

This page intentionally left blank

REPORT ON CORPORATE GOVERNANCE

Corporate governance is about promoting fairness, transparency, accountability, commitment to values, ethical business conduct and about considering all stakeholders' interest while conducting business. Corporate governance is the broad term used to describe the processes, customs, policies, laws and institutions that direct the organizations and corporations in the way they act or administer and control their operations. Corporate governance means to steer an organization in the desired direction by determining ways to take effective strategic decisions.

Philosophy on Corporate Governance

At Motilal Oswal Home Finance Limited ("MOHFL"/"the Company"), we consider our stakeholders as partners in our success and remain committed to maximizing stakeholders' value, be it Customers, Employees, Investors & Shareholders and Government & Regulatory Authorities. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust is integral to creating enduring value for all. We believe that any business conduct can be ethical only when it rests on the values viz., customer value, ownership mindset, respect, integrity, etc.

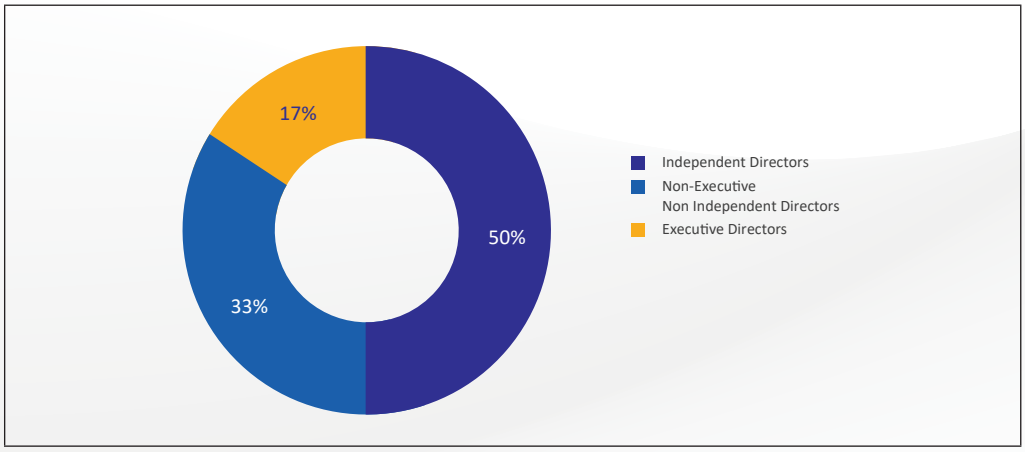
We have set the objective of achieving excellence in our business. As a part of our growth strategy, we believe in adopting the 'best practices' that are followed in the area of Corporate Governance. Our philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Your Company continuously monitor our governance practices and benchmark our self to the best governed companies across the industry. We believe in pursuing holistic growth and realize our responsibility towards our stakeholders and environment. Our Board considers itself as a Trustee of its Shareholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth. Our comprehensive Corporate Governance practices ensures that the Company always works optimally, protecting the best interests of the stakeholders and withholding the reputation and status of the Company.

The Board of Directors ("Board") through its supervisory role and oversight ensures that the appropriate processes and controls are in place, to support our operations and protect our stakeholders' interest. The Company is in compliance with the applicable provisions of the Companies Act, 2013 ("the Act"); Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"); Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("HFC Master Direction"); Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 ("Master Direction on SBR") Indian Accounting Standards and Secretarial Standards, any other act or regulation, as applicable to the Company, including any statutory modification(s), re-enactment(s), amendment(s), clarification(s) or substitution(s) thereof, for the time being in force.

Board of Directors ("Board")

Composition of the Board:



The composition of the Board of Directors of the Company is in compliance with the provisions of Section 149 of the Act read with Regulation 17 of the Listing Regulations and Para 49A & 52B of the HFC Master Direction and Para 38 of the Master Direction of SBR. As on March 31, 2025, the Board consists of Six Directors comprising of 1 (One) Executive Director, 2 (Two) Non-Executive Directors and 3 (Three) Independent Directors of which 2 (Two) are Independent Woman Directors. The Company has a Non-Executive Chairman who is a Promoter of the Company and thus, 50% (Fifty Percent) of the total number of Directors are Independent Directors.

Our esteemed Board members have extensive backgrounds in various sectors, skills possessed and expertise including their ability to provide valuable perspectives on various matters which have a bearing on the Company. The responsibilities of the Board, inter-alia, includes formulation of overall strategy for the Company; reviewing major plan of actions, setting performance objectives; laying down the code of conduct for all members of the Board and Senior Management; formulating policies; performance review; monitoring due compliance with applicable laws; reviewing and approving the financial results; enhancing corporate governance practices and ensuring the best interest of the stakeholders, the community and environment.

The Company has received the necessary declarations from the Independent Directors under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and based on the declarations received, the Board has confirmed that in its opinion the Independent Directors of the Company meet the criteria of independence as prescribed in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the Management. In terms of Regulation 25(8) of the Listing Regulations, Independent Directors have also confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Independent Directors of the Company have their names registered in the Data Bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014, as amended from time to time. Further, none of the Independent Directors have any other material pecuniary relationship or transaction with the Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence.

All the Directors of the Company have confirmed that they are not debarred from holding the office of director by virtue of any order by SEBI or any other authority. The Directors have ascertained that neither they nor any other Company in which they serve as directors have been identified as a wilful defaulter. All the Directors of the Company have confirmed that they satisfy the fit and proper criteria as stipulated under the HFC Master Direction for HFC (as amended from time to time) and the Company obtains the necessary information and declaration from the Directors.

As required under Regulation 62 of the Listing Regulations, the terms and conditions of appointment of Independent Directors including their role, responsibilities and duties are available on the website of the Company at www.motilaloswalhf.com.

There was no material, financial and/or commercial transactions entered into between the Senior Management and the Company which could have potential conflict of interest with the Company at large. None of the Directors of the Company are inter-se related to each other.

Board Process:

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other normal business. The Board Meetings (including Committee Meetings) of the Company are scheduled after getting confirmation on dates from Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the Meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolution(s) by circulation, as permitted by law, which is noted in the subsequent Board Meeting.

The detailed Agenda together with the relevant notes to agenda are circulated to the Directors in advance. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

Where it is not practicable to circulate any document in advance or if the agenda is of a confidential nature, the same is presented at the Meeting. In special and exceptional circumstances, consideration of additional or supplementary item(s) are taken up with the approval of the Chair and majority of the Independent Directors. Senior Management Personnel are invited to the Board/Committee Meeting(s) to provide additional inputs on the items being discussed by the Board/Committee(s) thereof as and when necessary. The Chairman/Managing Director apprises the Board at every Meeting on the overall performance of the Company, followed by the detailed presentation by Chief Financial Officer of the Company.

The Company Secretary is responsible for preparation of the Agenda and convening of the Board and Committee Meetings. The Company Secretary attends all the meetings of the Board and its Committee(s), advises/assures the Board/Committee Members on Compliance and Governance principles and ensures appropriate recording of Minutes of the Meetings.

For facilitating circulation of Board folders in electronic form and reducing consumption of papers, the Company has adopted a web-based application for transmitting Agenda, Minutes and other papers relating to Board/Committee Meeting(s). The Directors of the Company receive the Board papers in electronic form through this application, which can be accessed only through iPad/MacBook. The application meets the high standards of security and integrity that is required for storage and transmission of Board/Committee Agenda and Minutes in electronic form.

The Board provides the overall strategic direction and periodically reviews strategy and business plans, annual operating and capital expenditure budgets and oversees the actions and results of the Management to ensure that the long-term objectives of enhancing shareholders' values are met. The Board also, inter-alia, considers and reviews adoption of quarterly/half-yearly/ annual results, major accounting provisions and write-offs, compliances, business policies, borrowings, Minutes of Meetings of the Audit and other Committee(s) of the Board. The Board reviews compliance report of all laws applicable to the Company on quarterly basis.

The draft Minutes of the proceedings of the Meetings of the Board/Committee(s) are circulated to all the members of the Board and the Committee(s) for their perusal, within fifteen days from the date of the conclusion of the Meeting comments, if any, received from the Directors are incorporated in the Minutes, in consultation with the Chairperson. The Minutes are approved by the members of the Board/Committee(s), prior to the next meeting and confirmed thereat.

Information to the Board:

The Board has completed access to the information within the Company, which, inter-alia, includes:

- Annual Revenue Budgets and Capital Expenditure Plans of the Company;
- Quarterly Results of the Company;
- Financing Plans of the Company;
- Minutes of the Meetings of the Board of Directors and Committees of the Board;
- Risk Management System, Risk Management Policy, and Strategy followed;
- Audit Reports issued by the Statutory Auditors, Internal Auditors and Secretarial Auditors including Report on Internal Capital Adequacy Assessment Process (ICAAP);
- Details of Potential Acquisition(s) or Collaboration Agreement(s), if any;
- Any issue, which involves possible public liability claims of substantial nature, including any judgment or order, if any, which may have strictures on the conduct of the Company;
- Details of incidences of fraud;
- Functioning of Customer Grievance Redressal Mechanism; and
- All Supervisory Letters / Outcome of inspection undertaken by the regulatory authority along with management responses, etc., if any.

Board Meetings held during the year:

During the Financial Year ("FY") 2024-25, the Board met 4 (Four) times i.e., on April 25, 2024, July 24, 2024, October 25, 2024, and January 27, 2025 and not more than 120 (one hundred and twenty) days elapsed between the 2 (two) Meetings. The required quorum was present at all the above Meetings. The Meetings of the Board were held at the Registered Office of the Company. The Board meets at least once a quarter to review the quarterly results and other items on the agenda. Additional meetings are held as and when necessary.

Attendance & Other details:

The attendance of the members of the Board at the Board Meetings held during the FY 2024-25, at the previous Annual General Meeting ("AGM") held on June 25, 2024, and also the number of other Directorships and Memberships/Chairpersonship of the Committee(s) held by them as on March 31, 2025 are as follows:

Name of the Director	Director since	Category	DIN	Age (in Years)	Board Meetings		Attendance at the previous AGM	Number of Directorships and Committee Membership/ Chairpersonship (including in Company)			No. of Independent Directorships [3]
					No. of meetings held during the year	No. of meetings attended		Directorship[1]	Member [2]	Chairperson [2]	
Mr. Motilal Oswal	October 1, 2013	P, C & NED	00024503	62	4	3	Yes	4	3	0	NIL
Mr. Raamdeo Agarawal	October 1, 2013	P, NED	00024533	68	4	3	Yes	6	3	1	NIL
Mr. Sukesh Bhowal	October 27, 2023	MD & CEO	10242971	52	4	4	Yes	1	NIL	NIL	NIL
Mrs. Divya Momaya	September 25, 2020	ID	00365757	46	4	4	Yes	6	8	3	3
Mrs. Neha Gada	October 27, 2023	ID	01642373	49	4	4	Yes	10	9	2	4
Mr. Satinder Singh Rana[4]	September 30, 2024	ID	10790858	62	2	2	NA	1	0	0	0

P – Promoter, C – Chairman, NED – Non-Executive Director, MD & CEO – Managing Director & Chief Executive Officer, ID – Independent Director

Notes:

1 *Section 8 companies are excluded.*

2 *Memberships include Chairpersonship. Only memberships of Audit Committee and Stakeholders Relationship Committee are considered. This includes memberships in deemed public company.*

3 *Only Equity listed companies are considered.*

4 *Appointed as Independent Director of the Company w.e.f. September 30, 2024.*

- None of the Directors hold directorship in more than twenty (20) Indian companies, with not more than ten (10) public limited companies. Further, pursuant to Regulation 26(1) of the Listing Regulations, none of the Directors on the Board are Members of more than 10 (ten) Committees and Chairperson of more than 5 (five) Committees across all listed entities in which they hold Directorship.
- Further, pursuant to Regulation 17A of the Listing Regulations, none of the Independent Directors hold office as an Independent Director in more than 7 (seven) equity listed companies.
- Further, Executive Director of the Company is not serving as an Independent Director in any company.

Details of Directorship in Listed Entities as on March 31, 2025:

The details of directorship held by Directors of the Company in other listed entities as on March 31, 2025 are as follows:

Sr. No.	Name of the Director	Name of the Listed Entity*	Category of Directorship
1.	Mr. Motilal Oswal	• Motilal Oswal Financial Services Limited	Managing Director & Chief Executive Officer
2.	Mr. Raamdeo Agarawal	• Motilal Oswal Financial Services Limited	Non-Executive Director
3.	Mr. Sukesh Bhowal	NIL	NA
4.	Mrs. Divya Momaya	• Motilal Oswal Financial Services Limited • GTPL Hathway Limited • Blue Jet Health Care Limited	Independent Director
5.	Mr. S. S. Rana	NIL	NA
6.	Mrs. Neha Gada	• Aarti Drugs Limited • Sejal Glass Limited • Tamboli Industries Limited (formerly Tamboli Capital Limited) • Gala Precision Engineering Limited	Independent Director

**Pursuant to Regulation 17A of the Listing Regulations, only equity listed entities are considered for reckoning directorship in listed entities.*

Details of change in composition of the Board during FY 2024-25:

Sr. No.	Name of the Director	Capacity (i.e., Executive/ Non-Executive/ Chairman/ Promoter nominee/ Independent)	Nature of change (Resignation or Appointment)	Effective date
1.	Mr. Satinder Singh Rana[1]	Independent Director	Appointment	September 30, 2024
2	Mr. P. H. Ravikumar[2]	Independent Director	Resignation	September 30, 2024

Notes:

[1] *Appointed as an Independent Director of the Company w.e.f. September 30, 2024.*

[2] *Resigned from the position of Independent Director of the Company w.e.f. closure of working hours on September 30, 2024.*

Resignation of Independent Director:

In the financial year FY 2024-25, Mr. P. H. Ravikumar, Independent Director of the Company, resigned from his position effective September 30, 2024. Mr. P. H. Ravikumar was on the Board of four NBFCs which were in the middle/upper layer including our Company. As per RBI guidelines, an independent director shall not be on the Board of more than three NBFCs/ HFCs (NBFCs-Middle Layer or NBFCs-Upper Layer) at the same time. As the tenure of Mr. Ravikumar in the Company was anyways near completion on October 26, 2024, therefore, he requested the Board to stepdown as the Independent Director of the Company w.e.f. September 30, 2024 to be in line with the RBI guidelines vide his resignation letter dated September 28, 2024.

There being no other material reason other than the aforesaid reason as mentioned in his resignation letter, the Board had accepted the resignation of Mr. P. H. Ravikumar as the Independent Director of the Company w.e.f. the closure of business hours on September 30, 2024. The Board appreciates his valuable contribution and support during his term as an Independent Director of the Company.

Meeting of Independent Directors:

As stipulated under Section 149(8) of the Act read with Schedule IV to the Act and Regulation 25(3) of Listing Regulations, the Independent Directors of the Company to hold at least one meeting in a financial year, without the attendance of Non-Independent Directors and members of the Management. During the year under review the meeting of Independent Directors of the Company was held on April 25, 2024 & January 27, 2025, pursuant to the provisions of the Act and the Listing Regulations to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board, which is necessary to effectively and reasonably perform and discharge their duties.

The Chairperson of aforesaid Meeting of Independent Directors was Mrs. Divya Momaya.

Familiarization Programmes for Independent Directors:

Your Company has designed a familiarization program to introduce/ induct all new Independent Directors. The Company, on an ongoing basis strives to keep the Board, specifically the Independent Directors informed and updated with matters related to the industry and business environment in which we operate, our business model, risk metrics, mitigation and management, ever-evolving governing regulations, information technology (including cyber security), their roles, rights, and responsibilities and any other major developments and updates. Systems and resources are made available to the members of the Board.

The Company has familiarized the Independent Directors with in-depth insight and understanding of the businesses and operations of the Company, their roles & responsibilities in the Company, Housing industry scenario, etc., which enables and assists them to make better informed decisions in the interest of the Company and its stakeholders.

The details of familiarization programme imparted to the Independent Directors of the Company are available on the Company's website at https://motilaloswalhf.com/corporate-announcements/specials/.

Directors and Officers ("D&O") Insurance:

Pursuant to Regulation 25(12) of the Listing Regulations, the Company has D&O Insurance in place for all its Directors and Officers, covering such quantum and risk as determined by the Company.

Matrix setting out the Skills/Expertise/Competence of the Board of Directors:

The following is the list of core Skills/Expertise/Competencies possessed by the Board of Directors of the Company, which are essential for the functioning of the Company in an effective manner:

Sr. No.	Name of the Directors	Skills / Expertise / Competences						
		Business	Leadership & Strategic Planning	Financial Expertise	Risk Management	Legal, Compliance & Governance	Marketing & Sales	Digital & Information Technology
1.	Mr. Motilal Oswal	✓	✓	✓	✓	✓	✓	✓
2.	Mr. Raamdeo Agarawal	✓	✓	✓	✓	✓	✓	✓
3.	Mr. Sukesh Bhowal	✓	✓	✓	✓	✓	✓	✓
4.	Mr. Satinder Singh Rana	✓	✓	✓	✓	✓	✓	✓
5.	Mrs. Divya Momaya	✓	✓	✓		✓	✓	✓
6.	Mrs. Neha Gada	✓	✓	✓		✓		

Committees of the Board:

With a view to have more focused attention on the business and for better governance & accountability, the Board has constituted various committees including but not limited to below mentioned Committees in compliance with the requirements of the business and applicable provisions of the Act, Listing Regulations, RBI Guidelines for compliance and / or administrative purposes:

1) Audit Committee
2) Nomination and Remuneration Committee
3) Stakeholders Relationship Committee
4) Corporate Social Responsibility Committee
5) Risk Management Committee
6) Finance and Securities Allotment Committee
7) Asset Liability Management Committee
8) Information Technology ("IT") Strategy Committee
9) Customer Service & Grievance Redressal Committee
10) Identification Committee
11) Committee of Executive
12) Review Committee
13) Information Security Committee
14) IT Steering Committee

All decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committees is taken by the Board of Directors. The Committees make specific recommendations to the Board on various matters whenever required. All observations, recommendations and decisions of the Committees are placed before the Board for information/approval.

1) Audit Committee

Composition, Meetings and Attendance:

During the FY 2024-25, the Audit Committee met 4 (four) times i.e., on April 25, 2024, July 24, 2024, October 25, 2024 and January 27, 2025 and not more than 120 (one hundred and twenty) days elapsed between the 2 (two) Meetings. The necessary quorum was present for all the meetings with the presence of at least 2 (two) Independent Directors as required under Regulation 18(2)(b) of the Listing Regulations.

In compliance with the Act and Regulation 18(1)(c) of the Listing Regulations, all the members of the Audit Committee are financially literate. Moreover, the Audit Committee has members who have relevant experience in financial matters as well as have accounting or related financial management expertise.

The details of Composition of the Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category	Designation in the Committee	No. of Meetings	
				Held	Attended
Mrs. Divya Momaya	September 25, 2020	ID	Chairperson	4	4
Mr. Motilal Oswal	October 14, 2013	NED	Member	4	3
Mr. P. H. Ravikumar[1]	October 27, 2021	ID	Member	4	2
Mrs. Neha Gada	October 27, 2023	ID	Member	4	4
Mr. S. S. Rana[2]	September 30, 2024	ID	Member	2	2

[1] *Ceased to be Member of the Committee w.e.f. closure of working hours on September 30, 2024.*

[2] *Appointed as Member of the Committee w.e.f. September 30, 2024.*

The Company Secretary functions as the Secretary to the Audit Committee.

The Audit Committee invites representative of Internal Auditors and Statutory Auditors and any other such executives as may be required to be present at the meetings of the Committee.

Mrs. Divya Momaya, Chairperson of the Committee was present at the AGM of the Company held on June 25, 2024, to answer the queries of the Shareholders.

Terms of Reference:

The terms of reference of the Audit Committee, *inter-alia*, includes the following:

(a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are correct, sufficient and credible;

(b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

(c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Act.

   b. Changes, if any, in accounting policies and practices and reasons for the same.

   c. Major accounting entries involving estimates based on the exercise of judgment by management.

   d. Significant adjustments made in the financial statements arising out of audit findings.

   e. Compliance with listing and other legal requirements relating to financial statements.

   f. Disclosure of any related party transactions.

   g. Qualifications in the draft audit report.

(e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

(f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

(g) Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

(h) Approval or any subsequent modification of transactions of the company with related parties;

(i) Scrutiny of inter-corporate loans and investments;

(j) Valuation of undertakings or assets of the company, wherever it is necessary;

(k) Evaluation of internal financial controls and risk management systems;

(l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n) Discussion with internal auditors of any significant findings and follow up there on;

o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;

q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

r) To review the functioning of the Whistle Blower mechanism/Vigil Mechanism;

s) Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

t) To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary;

u) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and shareholders of the Company;

v) Ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company;

w) Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, Reserve Bank of India/National Housing Bank guidelines or any other regulatory authorities from time to time.

x) Quarterly meeting with HIA without presence of senior management including Managing Director & Chief Executive Officer ("MD & CEO") or Whole time Director ("WTD").

2) Nomination and Remuneration Committee

Composition, Meetings and Attendance:

During the FY 2024-25, the Nomination and Remuneration Committee met 4 (Four) times i.e., on April 25, 2024, July 24, 2024, October 25, 2024, and January 27, 2025 and necessary quorum was present for all the meetings with the presence of at least one Independent Director as required under Regulation 19(2A) of the Listing Regulations.

The details of Composition of the Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category	Designation in the Committee	No. of Meetings	
				Held	Attended
Mrs. Divya Momaya	September 25, 2020	ID	Chairperson	4	4
Mr. Motilal Oswal	October 27, 2023	NED	Member	4	3
Mr. P. H. Ravikumar[1]	October 27, 2021	ID	Member	4	1
Mrs. Neha Gada	October 27, 2023	ID	Member	4	4
Mr. S. S. Rana[2]	September 30, 2024	ID	Member	4	2

[1] *Ceased to be Member of the Committee w.e.f. closure of working hours on September 30, 2024.*

[2] *Appointed as Member of the Committee w.e.f. September 30, 2024.*

The Company Secretary functions as the Secretary to the Nomination and Remuneration Committee.

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee, *inter-alia*, includes the following:

(a) Formulate criteria to qualify individuals who may become Director or who may be appointed in senior management level of the Company and recommend to the Board of such appointments and removal.

(b) To ensure 'fit and proper' status of proposed/ existing directors.

(c) Carry out performance evaluation of all Directors.

(d) Formulate the criteria for determining qualifications, positive attributes and independence of a Director.

(e) Recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees. The policy shall be referred as Nomination and Remuneration policy.

(f) To decide on the commission payable to the Directors within the prescribed limit and as approved by the shareholders of the Company.

(g) To devise the policy on Board's diversity.

(h) To formulate, implement and administer Employee Stock Option Scheme(s) of the Company and grant stock options to the employees.

(i) To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

(j) To decide whether to extend or continue the term of appointment of the independent director on the basis of report of performance evaluation of independent director.

(k) To evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director, in case of appointment of an Independent Director.

(l) To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable and such other powers to be exercised by NRC pursuant to circulars, notifications issued by Statutory & Regulatory authorities from time to time.

Nomination and Remuneration Policy:

The success of the organization in achieving good performance and good governing practice depends on its ability to attract and retain individuals with requisite knowledge and excellence as Executive and Non-Executive Directors. With this objective, the Board and the Nomination and Remuneration Committee decides on the appointment, re-appointment and remuneration to be paid to the Directors.

While deciding on the remuneration of the Directors, the Board and Nomination and Remuneration Committee considers the performance of the Company, the current trends in the industry, the qualifications of the appointee, his experience, level of responsibility, past performance and other relevant factors.

The Board and Nomination and Remuneration Committee carry out the performance evaluation of the Directors. Accordingly, on the basis of the report of the performance evaluation of Directors including Independent Directors, the Company decides whether to extend or continue the term of appointment of the Independent Directors. The criteria of performance evaluation of Directors includes the effectiveness in decision making, effectively facilitates the Board Meeting, demonstrating knowledge, etc.

In order to address issues arising out of excessive risk taking caused by misaligned compensation packages, the Reserve Bank of India ("RBI") has issued 'Guidelines on Compensation of Key Managerial Personnel ("KMP") and Senior Management in NBFCs' under Master Director on SBR.

The aforesaid guidelines require NBFCs to put in place a Board approved compensation policy which shall cover principles for fixed/variable pay structures for KMP/Senior Management and malus/clawback provisions. Accordingly, the Board at its Meeting held on January 23, 2023, amended the Nomination and Remuneration Policy by incorporating the requisite clauses as per aforesaid RBI guidelines.

The Nomination and Remuneration Policy of the Company including the criteria for making payments to Directors, KMP and Senior Management is uploaded on the Website of the Company at https://motilaloswalhf.com/wp-content/uploads/2025/02/Nomination-and-Remuneration-Policy.pdf.

Performance Evaluation:

In terms of the provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its own performance, Individual Directors and of its Committees. The Board of Directors were assisted by the Nomination and Remuneration Committee. The performance evaluation was carried out by seeking inputs from all the Directors/Members of the Committees, as the case may be. The criteria for evaluation of the Board as a whole, *inter-alia*, covered parameters such as Structure of the Board, Meetings of the Board, Functions of the Board and Board & Management. The criteria for evaluation of Individual Directors, *inter-alia*, covered parameters such as knowledge and competency, fulfillment of functions, ability to function as a team, etc. The criteria for evaluation of the Board Committees, *inter-alia*, covered areas related to mandate and composition, effectiveness of the committee, structure of the committee and meetings, etc.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The overall performance evaluation exercise was completed to the satisfaction of the Board.

Remuneration to Executive Directors:

Mr. Sukesh Bhowal, Managing Director and Chief Executive Officer, draws remuneration from the Company. Apart from the reimbursement of expenses incurred in discharge of their duties and the sitting fees and commission that the Independent Directors would be entitled to receive under the Act, none of the Independent Directors has any other material pecuniary relationship or transactions with the Company, its Promoters, its Directors, its Management which would affect their independence.

(Amount in ₹)

Name of the Director	Category	Salary[1]	Variable Pay	Perquisites	Total
Mr. Sukesh Bhowal	Managing Director & Chief Executive Officer	1,86,47,788	1,00,00,000	2,77,403	2,89,25,191
Total	**–**	**1,86,47,788**	**1,00,00,000**	**2,77,403**	**2,89,25,191**

[1] *Based on policy formulated by the NRC and approved by the Board.*

- The aforesaid Managerial remuneration does not include Provision for Gratuity and Insurance Premiums for medical and life.
- The Executive Director is provided with various benefits including reimbursement of expenses, leave travel concession, etc.
- The Executive Director of the Company has not received the pension and severance fees from the Company. Also, the Company has not entered into the service contracts and there is no provision of notice period in the Company for Directors.

Remuneration to Non-Executive Directors:

The Independent Directors of the Company are remunerated by way of sitting fees of ₹ 40,000 for every Board Meeting and ₹ 20,000 for every Committee Meeting of the Board attended by them.

The Shareholders of the Company at Annual General Meeting held on June 4, 2021, had passed an enabling resolution for payment of commission to Non-Executive Directors (i.e. directors other than the Managing Director and Whole-time Director of the Company), not exceeding one per cent of the net profits of the Company, computed in the manner referred to in Section 198 and all other applicable provisions of the Act, and such commission to be distributed amongst and paid to the aforesaid Directors concerned in such proportions as the Board may decide, from time to time, based on the recommendation of Nomination and Remuneration Committee.

Accordingly, based on the performance evaluation, contribution of Independent Directors and subject to overall limits approved by the Shareholders and on recommendation of the Nomination and Remuneration Committee, the Board at its meeting held on April 23, 2025 approved the payment of Commission of ₹ 3,00,000,

to each Independent Director i.e., Mr. S. S. Rana, Mrs. Divya Momaya, and Mrs. Neha Gada, respectively, for the FY 2024-25.

Details of Sitting Fees and Commission paid to the Non-Executive Directors for the FY 2024-25 are given herein below:

(Amount in ₹)

Name of the Director	Category	Sitting Fees for Board Meetings	Sitting Fees for Committee Meetings	Commission	Total
Mr. Motilal Oswal[1]	C & NED	–	–	–	–
Mr. Raamdeo Agarawal[1]	NED	–	–	–	–
Mr. P. H. Ravikumar[2]	ID	40,000	1,00,000	–	1,40,000
Mrs. Divya Momaya	ID	1,60,000	2,80,000	3,00,000	7,40,000
Mrs. Neha Gada	ID	1,60,000	1,60,000	3,00,000	6,20,000
Mr. S. S. Rana[3]	ID	80,000	1,60,000	3,00,000	5,40,000
Total	**–**	**4,40,000**	**7,00,000**	**9,00,000**	**20,40,000**

1 *Mr. Motilal Oswal and Mr. Raamdeo Agarawal are in the service of Motilal Oswal Financial Services Limited ("MOFSL") and draws remuneration from MOFSL. They are not paid any commission, or sitting fees separately for attending the meetings of the Board and/or any Committee of the Company.*

2 *Resigned from the position of Independent Director of Company w.e.f. closure of working hours on September 30, 2024.*

3 *Appointed as Independent Director of Company w.e.f. September 30, 2024.*

In accordance with the provisions of the Act and Listing Regulations, Independent Directors are not eligible for any employee stock options.

Shares held by the Directors

The details of the equity shares of the Company held by Directors as on March 31, 2025, is given herein below:

Name of the Director	Category	No. of Equity Shares held
Mr. Motilal Oswal	C & NED	10
Mr. Raamdeo Agarawal	NED	10
Mr. Sukesh Bhowal	MD & CEO	NIL
Mrs. Divya Momaya	ID	NIL
Mr. S. S. Rana	ID	NIL
Mrs. Neha Gada	ID	NIL
Total		**20**

3) Stakeholders Relationship Committee

Composition, Meetings and Attendance:

The Stakeholders Relationship Committee meets as and when required, to deal with the investor related matters. During the FY 2024-25, the Committee met 2 (Two) times i.e., on April 25, 2024 and October 25, 2024.

The details of Composition of the Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category	Designation in the Committee	No. of Meetings	
				Held	Attended
Mr. Raamdeo Agarawal	May 10, 2019	NED	Chairman	2	2
Mr. Motilal Oswal	May 10, 2019	NED	Member	2	1
Mrs. Divya Momaya	April 26, 2022	ID	Member	2	2

The Company Secretary functions as the Secretary to the Stakeholders Relationship Committee.

Mr. Raamdeo Agarawal, Chairman of the Committee was present at the AGM of the Company held on June 25, 2024, to answer the queries of the Shareholders.

Terms of Reference:

The terms of reference of the Stakeholders Relationship Committee, *inter-alia*, includes the following:

a) To address requests/resolve grievances of security holders including complaints related to transfer/ transmission of securities, non-receipt of Annual Report, non-receipt of declared dividends/interests, issue of new/duplicate certificates, general meetings, etc;

b) To monitor and transfer the amounts/shares transferable to Investor Education and Protection Fund ("IEPF");

c) To approve transfer/transmission of securities;

d) Taking decision on waiver of requirement of obtaining the Succession Certificate/Probate of Will on case to case basis;

e) To address the remat/demat requests of security holders for rematerialisation/dematerialisation of securities;

f) To issue duplicate share/debenture certificate(s) reported lost, defaced or destroyed as per the laid down procedure and to resolve the grievances of security holders of the Company;

g) Attending to complaints of security holders routed by SEBI (SCORES)/Stock Exchanges/Reserve Bank of India or any other Regulatory Authorities;

h) Specifically look into the various aspects of interest of shareholders, debenture holders and other security holders;

i) To review measures taken for effective exercise of voting rights by shareholders;

j) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;

k) To review various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

l) Any other matters that can facilitate better investor services and relations.

The status of Investor Complaints for the FY 2024-25 is as given below:

Particulars	No. of Complaints
Pending at the beginning of the year	0
Received during the year	0
Disposed off during the year	0
Remaining unresolved during the year	0

SEBI Complaints Redress System (SCORES) and ODR Portal:

Securities and Exchange Board of India ("SEBI") administers a centralised web-based complaints redress system ("SCORES"). It enables investors to lodge and follow-up complaints and track the status of redressal online on the website at www.scores.gov.in. It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal of such complaints. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES.

SEBI vide its Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 (as amended), has extended the scope of existing dispute resolution mechanism to Investors and Listed Companies/Specified Intermediaries / Regulated Entities under the aegis of Stock Exchanges and Depositories by establishing a common Online Dispute Resolution Portal ("ODR Portal") which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. Investors shall first take up their grievance directly with the Company / RTA. If the grievance is not redressed satisfactorily, the investors may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal. Investors are advised to initiate the dispute resolution process through the ODR Portal only after exhausting all the options available for resolution of Investors' grievances and if such grievance is not redressed satisfactorily.

4) Corporate Social Responsibility Committee

Composition, Meetings and Attendance:

During the FY 2024-25, the Corporate Social Responsibility ("CSR") Committee met 2 (two) times i.e., on April 25, 2024 and October 25, 2024. The details of Composition of the Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category	Designation in the Committee	No. of Meetings	
				Held	Attended
Mrs. Divya Momaya	October 27, 2021	ID	Chairperson	2	2
Mr. Motilal Oswal	April 29, 2016	NED	Member	2	1
Mr. Raamdeo Agarawal	April 26, 2022	NED	Member	2	2

The CSR Policy devised in accordance with Section 135 of the Act and the details about CSR Policy and initiatives and activities undertaken by the Company on CSR during the

Financial Year 2024-25 is annexed as **"Annexure-2"** to the Board's Report.

The Company Secretary functions as the Secretary to the Corporate Social Responsibility Committee.

Terms of Reference:

The terms of reference of the Corporate Social Responsibility Committee, *inter-alia*, includes the following:

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;

b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

c) Monitor the Corporate Social Responsibility Policy of the Company from time to time;

d) Update the Board on the implementation of various programmes and initiatives;

e) Formulate and recommend to the Board for its approval, an annual action plan in pursuance to the Corporate Social Responsibility Policy.

5) Risk Management Committee

The Company has a well-defined Risk Management Framework in place and Risk Management Committee, which ensures that the management controls risks through means of a properly defined framework. In addition, the Board has formulated and adopted a Risk Management Policy. The business risks and its mitigation have been dealt with in the Management Discussion and Analysis section of this Annual Report.

Composition, Meetings and Attendance:

During the FY 2024-25, the Risk Management Committee met 4 (four) times i.e., on April 25, 2024, July 24, 2024, October 25, 2024 and January 27, 2025. The details of Composition of the Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category/ Designation	Designation in the Committee	No. of Meetings	
				Held	Attended
Mr. S. S. Rana[1]	September 30, 2024	ID	Chairman	4	2
Mr. P. H. Ravikumar[2]	October 27, 2021	ID	Chairman	4	1
Mr. Motilal Oswal	April 25, 2017	NED	Member	4	3
Mr. Raamdeo Agarawal	April 27, 2020	NED	Member	4	3
Mr. Sukesh Bhowal	October 27, 2023	MD & CEO	Member	4	4
Mr. Bhavin Shah	April 25, 2024	CFO	Member	4	4
Mr. Anshuman Singh	July 27, 2022	CRO	Member	4	4

[1] *Appointed as a Member of the Committee w.e.f. September 30, 2024.*

[2] *Ceased to be a Member of the Committee w.e.f. closure of business hours on September 30, 2024.*

The Company Secretary functions as the Secretary to the Risk Management Committee.

Terms of Reference:

The terms of reference of the Risk Management Committee, *inter-alia*, includes the following:

a) Reviewing and approving the risk management policy and associated framework, processes and practices of the Company on an annual basis including by considering the changing industry dynamics and evolving complexity;

b) Ensuring the appropriateness of the Company in taking measures to achieve prudent balance between risk and reward in both ongoing and new business activities;

c) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

d) Evaluate significant risk exposures and concentration i.e., Builder concentration, profile concentration, geographic concentration and take remedial actions;

e) Laying down the risk tolerance limits and Monitoring risk exposures at periodic intervals;

f) Reporting to the Board on periodical basis;

g) Assist the Board in effective operation of risk management system by performing specialized analyses and quality reviews;

h) Maintaining a group-wise and aggregated view on the risk profile of the Company in addition to the solo and individual risk profile;

i) Reviewing, investigating the instances reported for unethical behavior of employees or Senior Management Officials and taking suitable disciplinary action against such employees;

j) Overviewing and Identifying the wilful defaulters;

k) Monitoring and Reviewing of the Risk Management Plan including Cyber Security risk;

l) To review the appointment, removal and terms of remuneration of the Chief Risk Officer and make appropriate recommendations to the Board, wherever required;

m) Coordinate its activities with the Audit Committee in instances where there is any overlap with audit activities (e.g., internal or external audit issue relating to risk management policy or practice);

n) Undertake such other scope as may be prescribed by applicable law or the Board in compliance with applicable law and regulatory authorities from time to time;

o) Committee will oversight the transaction entered under direct assignment or oversight transaction of acquisition of pool; and

p) Quarterly meeting with Chief Risk Officer without the presence of the Managing Director & Chief Executive Officer ("MD & CEO").

6) Finance and Securities Allotment Committee

Composition, Meetings and Attendance:

The details of Composition of the Finance and Securities Allotment Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category	Designation in the Committee	No. of Meetings	
				Held	Attended
Mr. Motilal Oswal	April 13, 2015	NED	Chairman	13	13
Mr. Raamdeo Agarawal	April 13, 2015	NED	Member	13	12
Mr. Sukesh Bhowal	October 27, 2023	MD & CEO	Member	13	12

Terms of Reference:

The terms of reference of the Finance and Securities Allotment Committee, *inter-alia*, includes the following:

a) To review, evaluate and approve the Investments to be made by the Company;

b) To borrow monies from Banks, financial institution, Body Corporate(s) or any other person, including Refinance from NHB, for funding capital requirement of the Company and its subsidiaries, the amount outstanding at any point of time not exceeding the overall limit of Rs. 9,000 crores;

c) To create Pledge/ hypothecate/ mortgage and/ or charge on both movable and immovable assets not exceeding the overall limit of Rs. 9,000 crores;

d) To provide loans to any Body Corporate/Person and/or give guarantee or provide security in connection to loan to any other body corporate or person not exceeding the overall limit available under the provisions of the Companies Act, 2013;

e) To approve and finalise business related matters viz. Securitisation, Asset Reconstruction Transactions, Transfer and Acquisition of Loans, etc.;

f) Allotment of Shares, Debentures and other securities;

g) To approve transfer / transmissions of securities;

h) Acquisition by way of subscription, purchase or otherwise the securities of any body corporate including investment in private equity funds and real estate funds not exceeding overall limits available under the provisions of the Companies Act, 2013;

i) Affix common seal of the Company on instruments or deeds or on any document(s) as may be required in the presence of at least one Director or such other person as the Committee may appoint for the purpose;

j) Investments, Deployment, Liquidation and re-deployment of surplus funds of the Company, temporary or otherwise, from time to time, in Units of Mutual Fund Schemes, Units of Liquid Funds, Discounting of Bills of Exchange, Unit of Collective Investment Schemes, Inter-corporate Deposits, Commercial Papers, Derivatives, Foreign Exchange, Government Securities, National Savings Certificates, Postal Savings Certificates, and subject to the provision of Section 186 of the Companies Act, 2013 and investment in any other marketable/financial instrument and any other instrument traded on the Stock Exchange(s) and Commodity Exchange(s) from time to time;

k) To sign and execute all forms and other documents for the foregoing purposes and to do all such acts as may be ancillary or incidental to the foregoing purposes;

l) Review and monitoring of the business policies and operational decisions as set by the Board, from time to time;

m) Supervision and review of the performance of various operational activities on an ongoing basis;

n) Authorise negotiations and arrangements for operational and administrative requirements;

o) Opening, operating and closing current/cash credit/ overdraft/ fixed deposit or other accounts including depository accounts with any scheduled bank and/or depository participant whether in or outside the territory of India, authorize the officials of the Company to operate the same and to vary the existing authorization in respect of these accounts;

p) Issue of Power of Attorneys/Delegation Letter to the Officials of the Company;

q) Execute, sign, certify any agreement, MOU, undertaking, document, deed and other writings in relation to the day-to-day matters;

r) Authorise Officials of the Company to initiate legal action, sign documents/deeds/ undertakings and other writings and represent the Company in litigation and settle any legal disputes in connections with any legal proceedings by or against the Company;

s) Registration, renewal/continuation of registration and continuing compliance and observance of various provisions of Shops & Establishment, Sales Tax, Service Tax, Professional tax and such other legislations and rules, regulations and directions made or issued there under;

t) Grant of authority to avail online payment gateway facility;

u) To take decisions with respect to matters of acquisition, disposal and utilization of premises (by way of sale, purchase, lease, leave & license or otherwise) for and on behalf of the Company;

v) To delegate powers to officials of the Company within the meaning of SARFAESI Act, 2002 & Securities Interest (enforcement) Rules, 2002 (as amended from time to time), for exercising the rights available to Secured Creditors under the said Act/Rules;

w) To approve the change/s of rate of interest of all loan products or on debentures, debts or any other intruments/financial products issued by the Company;

x) To grant approval of loans upto Rs. 25 crore to any person, firm or body corporate at any time or from time to time subject to the limits prescribed under the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as may be applicable; and

y) Any incidental or other matter in the ordinary course of business, including delegation of powers for routine matters, and/or may be delegated by the Board, from time to time.

7) Asset Liability Management Committee

Composition, Meetings and Attendance:

The details of Composition of the Asset Liability Management Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category / Designation	Designation in the Committee	No. of Meetings	
				Held	Attended
Mr. Sukesh Bhowal	October 27, 2023	MD & CEO	Chairman	5	5
Mr. Shalibhadra Shah[1]	May 10, 2019	CFO	Member	1	1
Mr. Bhavin Shah[2]	April 25, 2024	CFO	Member	4	4
Mr. Jithesh Narayanan	October 24, 2019	Head-Treasury	Member	5	5
Mr. Anshuman Singh	April 26, 2023	CRO	Member	5	5

[1] *Ceased to be a Member of the Committee w.e.f. closure of business hours on April 25, 2024.*

[2] *Appointed as a Member of the Committee w.e.f. April 25, 2024.*

Terms of Reference:

The terms of reference of the Asset Liability Management Committee, *inter-alia*, includes the following:

a) Determining the maturity profile of assets and liabilities, mix of incremental assets and liabilities, pricing of deposits and advances, determining the type of funding, monitoring risk levels of the Company, etc.

(a) Decision making unit responsible for balance sheet planning from risk return perspective including the strategic management.

(b) Ensuring that the Company operates within the limits/parameters set by the Board through business and risk management committee.

(c) Liquidity risk management.

(d) Management of market risks.

(e) Funding and capital planning.

(f) Profit planning and growth projection.

(g) Forecasting and analysing 'what if scenario' and preparation of contingency plans.

8) Information Technology ("IT") Strategy Committee

Composition, Meetings and Attendance:

Pursuant to the provisions of 'Master Direction - Information Technology Framework for the NBFC Sector' issued by the Reserve Bank of India ("RBI"), as amended from time to time, the Company had constituted an IT Strategy Committee at Senior Management Level with the Chairman being an Independent Director.

Further, pursuant to the 'Master Direction on Information Technology Governance, Risk, Controls and Assurance Practices' ("IT Master Direction"), issued by the RBI and as amended from time to time, the Company was required to establish a Board level IT Strategy Committee comprising of minimum 3 (three) directors as members with the chairperson being an Independent Director.

The details of Composition of the IT Strategy Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category	Designation in the Committee	No. of Meetings	
				Held	Attended
Mr. P. H. Ravikumar[1]	October 27, 2021	ID	Chairman	2	2
Mrs. Divya Momaya[2]	January 23, 2024	ID	Chairman	4	2
Mr. S. S. Rana[3]	September 30, 2024	ID	Member	2	2
Mr. Sukesh Bhowal	October 27, 2023	MD & CEO	Member	4	4
Mr. Tahir Shah	May 10, 2019	Head-IT	Permanent Invitee	4	4
Mr. Shishupal Rathore	January 23, 2024	Chief Information Security Officer	Permanent Invitee	4	4

[1] *Ceased to be Member of Committee w.e.f. closure of working hours on September 30, 2024.*

[2] *Designated as Chairperson of Committee w.e.f. September 30, 2024.*

[3] *Appointed as Member of Committee w.e.f. September 30, 2024.*

Terms of Reference:

The terms of reference of the IT Strategy Committee, *inter-alia*, includes the following:

a) Ensure that the Company has put an effective IT strategic planning process in place;

b) Guide in preparation of IT Strategy and ensure that the IT Strategy aligns with the overall strategy of the Company towards accomplishment of its business objectives;

c) Satisfy itself that the IT Governance and Information Security Governance structure fosters accountability, is effective and efficient, has adequate skilled resources, well defined objectives and unambiguous responsibilities for each level in the Company;

d) Ensure that the Company has put in place processes for assessing and managing IT and cybersecurity risks;

e) Ensure that the budgetary allocations for the IT function (including for IT security), cyber security are commensurate with the Company's IT maturity, digital depth, threat environment and industry standards and are utilised in a manner intended for meeting the stated objectives;

f) Review, at least on annual basis, the adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management of the Company; and

g) Carry out any other function as mandated by the Board (including Committees) from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable and such other powers to be exercised by IT Strategy Committee pursuant to circulars, notifications issued by Statutory & Regulatory authorities from time to time.

9) Customer Service & Grievance Redressal Committee

Composition, Meetings and Attendance:

The details of Composition of the Customer Service & Grievance Redressal Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Category	Designation in the Committee	No. of Meetings	
				Held	Attended
Ms. Aalia Shaikh	April 27, 2020	Nodal Officer	Chairperson	4	4
Mr. Tahir Shah	July 29, 2020	Head-IT	Member	4	4
Ms. Sneha Kumari	April 26, 2023	CCO	Member	4	4

Terms of Reference:

The terms of reference of the Customer Service & Redressal Committee, *inter-alia*, includes the following:

a) To set Grievance Redressal Mechanism to address requests/grievances of customers;

b) To monitor the Turn Around Time (TAT) for resolution of grievances is complying;

c) Periodical Review of compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management; and

d) Any other matters that can facilitate better customer services and relations.

10) Identification Committee

Composition, Meetings and Attendance:

The details of Composition of the Identification Committee and the attendance of the Committee Members are given herein below:

Name of the Member	Member of Committee since	Designation in the Committee	No. of Meetings	
			Held	Attended
Mr. Sukesh Bhowal[1]	October 27, 2023	Chairman	0	0
Mr. Rajesh Goyal[2]	April 25, 2024	Chairman	0	0
Mr. Virendra Yadav[3]	April 25, 2024	Member	0	0
Mr. Mohit Verma[4]	October 25, 2024	Member	0	0
Mr. Anshuman Singh[5]	October 25, 2024	Member	0	0

[1] *Ceased to be a Chairman of Committee w.e.f. October 25, 2024.*

[2] *Appointed as a Member of Committee w.e.f. April 25, 2025 and designated as Chairman of Committee w.e.f. October 25, 2024.*

[3] *Ceased to be Member of Committee w.e.f. October 25, 2024.*

[4] *Appointed as a Member of Committee w.e.f. October 25, 2024.*

[5] *Appointed as Member of Committee w.e.f. October 25, 2024.*

Further, Mr. Virendra Yadav has been appointed as a member and Mr. Mohit Verma has ceased to be member w.e.f. April 23, 2025 i.e., after the financial year 2024-25.

Terms of Reference:

The terms of reference of the Identification Committee, *inter-alia*, includes the following:

(a) To identify the wilful default and defaulters;

(b) To issue the Show Cause Notice to the concerned borrower and wilful defaulters;

(c) To issue an order recording the fact of wilful default and the reasons for the same;

(d) To inform the Board about an order referred in (c) for review; and

(e) To undertake such other acts or activities as may be determined by the Board of the Company.

11) Committee of Executives

Composition, Meetings and Attendance:

The details of Composition of the Committee of Executives and the attendance of the Committee Members are given herein below:

Name of the Committee Member	Member of Committee since	Designation in the Committee	No. of Meetings	
			Held	Attended
Mr. Sukesh Bhowal	October 25, 2024	Chairman	–	–
Mr. Pradip B Singh	October 25, 2024	Member	–	–
Mr. Anshuman Singh	October 25, 2024	Member	–	–

Note: The Committee was constituted in the Board Meeting held on October 25, 2024 pursuant to Reserve Bank of India ("RBI") Master Directions on Fraud Risk Management in Non-Banking Financial Companies ("NBFCs") (including Housing Finance Companies).

Terms of Reference:

The terms of reference of the Committee of Executives, *inter-alia*, includes the following:

a. CoE shall oversee the effectiveness of the fraud risk management of the Company;

b. CoE shall review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds;

c. The coverage includes categories/trends of frauds, industry/sectoral/ geographical concentration of frauds, delay in detection/classification of frauds & delay in examination/conclusion of staff accountability, etc.;

d. CoE shall review new fraud cases reported to National Housing Bank (NHB)/RBI; and

e. CoE shall review progress of outstanding frauds submitted to NHB/RBI.

12) Review Committee

Composition, Meetings and Attendance:

The details of Composition of the Review Committee and the attendance of the Committee Members are given herein below:

Name of the Committee Member	Member of Committee since	Designation in the Committee	No. of Meetings	
			Held	Attended
Mr. Motilal Oswal[1]	April 25, 2024	Chairman	–	–
Mr. Sukesh Bhowal[2]	October 25, 2024	Chairman	–	–
Mrs. Divya Momaya[3]	April 25, 2024	Member	–	–
Mrs. Neha Gada[4]	April 25, 2024	Member	–	–

[1] *Appointed as a Chairman of Committee w.e.f April 25, 2024 and ceased to be a Chairman w.e.f. October 25, 2024.*

[2] *Appointed as a Chairman of Committee w.e.f. October 25, 2024.*

[3] *Appointed as Member of Committee w.e.f. April 25, 2024.*

[4] *Appointed as Member of Committee w.e.f. April 25, 2024.*

Terms of Reference:

The terms of reference of the Review Committee, *inter-alia*, includes the following:

(a) To review the Order passed by the Identification Committee;

(b) To inform the Board about an order reviewed as referred in (a);

(c) To undertake such other acts or activities as may be determined by the Board of the Company.

13) Information Security Committee

Composition, Meetings and Attendance:

The details of Composition of the Information Security Committee and the attendance of the Committee Members are given herein below:

Name of the Committee Member	Member of Committee since	Designation in the Committee	No. of Meetings	
			Held	Attended
Mr. Anshuman Singh	March 19, 2024	Chairman	3	3
Mr. Tahir Shah	March 19, 2024	Member	3	3
Mr. Vikram Nanaiah	March 19, 2024	Member	3	3
Mr. Shishupal Rathore	March 19, 2024	Member	3	3

Terms of Reference:

The terms of reference of the Information Security Committee, *inter-alia*, includes the following:

(a) Development of information/cyber security policies, implementation of policies, standards and procedures to ensure that all identified risks are managed within the Company's risk appetite;

(b) Approving and monitoring information security projects and security awareness initiatives;

(c) Reviewing cyber incidents, information systems audit observations, monitoring and mitigation activities;

(d) Updating IT Strategy Committee and Managing Director & Chief Executive Officer periodically on the activities of Information Security Committee; and

(e) Carry out any other function as mandated by the Board (including Committees) from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable and such other powers to be exercised by Information Security Committee pursuant to circulars, notifications issued by Statutory & Regulatory authorities, from time to time.

14) IT Steering Committee

Composition, Meetings and Attendance:

The details of Composition of IT Steering Committee and the attendance of the Committee Members are given herein below:

Name of the Committee Member	Category	Member of Committee since	Designation in the Committee	No. of Meetings	
				Held	Attended
Mr. Shobhit Doru	COO	March 19, 2024	Chairman	–	–
Mr. Tahir Shah	Head–IT	July 12, 2022	Member	–	–
Mr. Vikram Nanaiah	Head–Credit	March 19, 2024	Member	–	–
Mr. Shishupal Rathore	CISO	March 19, 2024	Permanent Invitee	–	–

Terms of Reference:

The terms of reference of the IT Steering Committee, *inter-alia*, includes the following:

(a) Assist the IT Strategy Committee in strategic IT planning, oversight of IT performance, and aligning IT activities with business needs;

(b) Oversee the processes put in place for business continuity and disaster recovery;

(c) Ensure implementation of a robust IT architecture meeting statutory and regulatory compliance;

(d) Update IT Strategy Committee and the Managing Director & Chief Executive Officer periodically on the activities of IT Steering Committee;

(e) To provide oversight and monitoring of the progress of the project;

(f) Ensure that the project is aligned with organizational strategy;

(g) Approve or reject changes to the project with a high impact on timelines and budget;

(h) Assess project progress and provide report on such project to senior management and higher authorities;

(i) Provide advice and guidance on business issues facing the project;

(j) Use influence and authority to assist the project in achieving its outcomes;

(k) Review and approve final project deliverables;

(l) Any other matters that can facilitate smooth functioning of the project; and

(m) Carry out any other function as mandated by the Board (including Committees) from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable and such other powers to be exercised by IT Steering Committee pursuant to circulars, notifications issued by Statutory & Regulatory authorities, from time to time.

Policy on Prevention of Sexual Harassment of Women at Workplace

The Company values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to provide an environment, which is free of discrimination, intimidation and abuse. The Company believes that it is the responsibility of the organisation to protect the integrity and dignity of its women employees and also to avoid conflicts and disruptions in the work environment due to such cases. The Company has adopted a 'Policy against Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Prevention of Sexual Harassment Act") and an Internal Complaints Committee has also been set up to redress complaints received regarding sexual harassment. As per the policy, any women employee may report her complaint to the Committee. We affirm that adequate access was provided to any complainant who wish to register a complaint under the policy.

Sr. No.	Category	No. of Complaints			
		Pending as on April 1, 2024	Filed during the year	Disposed of during the year	Pending as on March 31, 2025
1	Sexual Harassment	0	0	0	0
2	Discriminatory Employment	0	0	0	0

Management Discussion and Analysis

This Annual Report has a detailed chapter on Management Discussion and Analysis.

General Body Meetings

The details of the Annual General Meetings held during past three years are given herein below:

No.	Date	Venue	Time	Special Resolutions passed
9th AGM	June 24, 2022	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai - 400025 (deemed venue)	4:00 P.M. IST	• Issue Redeemable Non-Convertible Debentures through private placement basis; • Appointment of Mr. P. H. Ravikumar (DIN: 00280010) as an Independent Director of the Company; • Approval for giving loan, and/or providing security in connection with a loan, to any other person specified under Section 185 of the Companies Act, 2013; • Approval of Motilal Oswal Home Finance Limited - Employee Stock Option Scheme – 2022 for issuance of Stock Options to the employees of the Company; and • Approval of the extension of benefits of Motilal Oswal Home Finance Limited - Employee Stock Option Scheme – 2022 and Issuance of Stock Options to the employees of holding Company / future subsidiary companies of the Company.
10th AGM	June 22, 2023	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025 (deemed venue)	4:00 P.M. IST	• Approval for Alteration in Articles of Association of the Company; • Issue of redeemable non-convertible debentures through private placement; • Re-appointment of Mrs. Divya Momaya (DIN: 00365757) as an Independent Director of the Company; • Approval of Motilal Oswal Home Finance Limited - Employee Stock Option Scheme – 2023 for issuance of Stock Options to the employees of the Company; and • Approval for extension of benefits of Motilal Oswal Home Finance Limited - Employee Stock Option Scheme – 2023 and Issuance of Stock Options to the employees of holding Company / future subsidiary companies of the Company.

No.	Date	Venue	Time	Special Resolutions passed
11th AGM	June 25, 2024	Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") at Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025 (deemed venue)	11:00 A.M. IST	• Issue of Redeemable Non-Convertible Debentures through Public Issue/Private Placement.

Postal Ballot Resolution(s)

Pursuant to the provisions of Sections 110, 108 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 (the "Rules"), Secretarial Standard on General Meetings ("SS-2") (including any statutory modification(s), re-enactment(s), amendment(s), clarification(s) or substitution(s) thereof, for the time being in force), and in accordance with the guidelines prescribed by the Ministry of Corporate Affairs ("MCA") for holding general meetings/ conducting postal ballot process through Remote e-voting vide General Circular No. 14/2020 dated 08 April 2020; 17/2020 dated 13 April 2020; 22/2020 dated 15 June 2020; 33/2020 dated 28 September 2020; 39/2020 dated 31 December 2020; 10/2021 dated 23 June 2021; 20/2021 dated 8 December 2021; 3/2022 dated 5 May 2022, 11/2022 dated 28 December 2022 and No. 09/2023 dated September 25, 2023 read with latest circular being No. 09/2024 dated September 19, 2024 (the "MCA Circulars"), the Company conducted postal ballot by way of voting through electronic means (remote e-voting) to obtain approval of its Members for the below-mentioned Special Resolutions:

1) Appointment of Mr. Satinder Singh Rana (DIN: 10790858) as an Independent Director of the Company;

The Company had sent the Postal Ballot Notice dated November 13, 2024, by way of e-mail to the Members whose names appeared in the Register of Members / Register of Beneficial Owners maintained by the Depositories as on Friday, November 08, 2024 ("Cut-off Date") and who had registered their e-mail IDs with the Depositories / Depository Participants / Company. The Company had offered remote e-voting facility to all its Members as on the Cut-off Date to exercise their right to vote. For this purpose, the Company had availed the services of MUFG Intime India Private Limited (Formerly Link Intime India Private Limited).

The Company had appointed Mr. Umashankar Hegde (ACS – 22133), Practicing Company Secretary as the Scrutinizer to scrutinize the entire Postal Ballot Process in a fair and transparent manner. The Scrutinizer submitted his report to the Chairman on completion of Scrutiny on December 19, 2024, and voting results of the said postal ballot were announced and the said results were made available at the Company's website at https://motilaloswalhf.com/wp-content/uploads/2024/12/MOHFL_Scrutinizers-Report-December-19-2024.pdf and also placed at the Registered Office of the Company. Further, the Special Resolutions, as set out in the Postal Ballot Notice dated November 13, 2024, were duly approved through Postal Ballot by the Members of the Company with the requisite majority on December 18, 2024.

Summary of Remote e-voting

Particulars	Remote e-voting		
	No. of Members	No. of shares	% of shares voted
Assented to Resolution	44	5,891,944,975	100%
Dissented to Resolution	0	0	0
Invalid Votes	0	0	0
Total valid votes	44	5,891,944,975	100%

No. of Members who cast their vote	No. of shares voted by them	% of total Paid up Equity Share Capital
44	5,891,944,975	97.36%

Further, Company has passed Special Resolution through postal ballot for appointment of Mr. Satinder Singh Rana (DIN: 10790858) as an independent director of the Company w.e.f September 30, 2024.

Means of Communication

The Company, from time to time and as may be required, communicates with its Shareholders and Investors through multiple channels of communications including the following:

- Dissemination of information on the website of the Stock Exchange(s);
- Annual Reports;
- Uploading relevant information on the Company's website; and
- Newspaper publication(s).

The Company publishes quarterly, half-yearly and annual results generally in Financial Express newspaper. The Company's results are displayed on the Company's website at https://motilaloswalhf.com/quaterly-reports/.

The Company informs BSE Limited ("BSE") about all price sensitive matters or such other matters which in its opinion are material and of relevance to the members and the same are also displayed on the Company's website.

BSE Corporate Compliance & Listing Centre ('Listing Centre"): The BSE Listing Centre is a web-based application designed by BSE for corporates. All periodical compliance filings like corporate governance report, financial results among others are filed electronically on the Listing Centre.

General Shareholders' Information

<table>
<tr><td>Annual General Meeting Date, Time and Venue</td><td>Date:</td><td>Thursday, June 26, 2025</td></tr>
<tr><td></td><td>Time:</td><td>11:00 A.M. IST</td></tr>
<tr><td></td><td>Venue:</td><td>Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai 400025 through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") (Deemed Venue)</td></tr>
<tr><td>Financial Year</td><td colspan="2">The financial year of the Company comprises of period of 12 months from April 1 to March 31.</td></tr>
<tr><td>Dividend Payout Date</td><td colspan="2">–</td></tr>
<tr><td>Listing on Stock Exchanges</td><td colspan="2">Only Non-Convertible Debentures (NCD's) of the Company are Listed on BSE.</td></tr>
<tr><td>Stock Code / ISIN</td><td>Equity:</td><td><table><tr><th>ISIN</th><th>Scrip Code</th></tr><tr><td>INE658R01011</td><td>Not Applicable</td></tr></table></td></tr>
<tr><td></td><td>Debt:</td><td><table><tr><th>ISIN</th><th>Scrip Code</th></tr><tr><td>INE658R07430</td><td>976320</td></tr><tr><td>INE658R07448</td><td>976531</td></tr></table></td></tr>
<tr><td></td><td colspan="2">Note - Equity shares are not listed on stock exchange(s), however, NCDs issued by the Company are listed on BSE Limited.</td></tr>
<tr><td>Dematerialization of Shares and liquidity</td><td colspan="2">As on March 31, 2025, 99.81% of the total equity share capital of the Company was held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited and 1,12,95,010 Equity shares were held in Physical form.</td></tr>
<tr><td>Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity</td><td colspan="2">As on March 31, 2025, the Company did not have any outstanding GDRs/ADRs/ Warrants or any Convertible instruments (excluding ESOPs).</td></tr>
</table>

Commodity price risk or foreign exchange risk and hedging activities	During the year under review, all outstanding foreign currency borrowings have been fully hedged through a currency swaps covering all future cash flows due till December 2026. Further, the Company has no commodity exposure; hence, the impact of commodity price risk is Nil.
Plant Locations	The Company is in the business of housing finance; therefore, it does not have any manufacturing plants.
Registrar and Share Transfer Agent	**MUFG Intime India Private Limited (Formerly Link Intime India Private Limited)** (Registrar and Transfer Agent) C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai - 400083 Tel: +91 22 49186000 Fax: +91 22 49186060 Email: mumbai@in.mpms.mufg.com Website Address: https://in.mpms.mufg.com/
Name, Designation and Address of the Compliance Officer	**Mr. Sunny Ganatra** Company Secretary & Compliance Officer Motilal Oswal Home Finance Limited Motilal Oswal Tower, Rahimtullah Sayani Road, Opp. Parel ST Depot, Prabhadevi, Mumbai – 400025; Tel: +91 22 7193 4101 Fax: +91-22-5036 2365; E-mail: corpsec@motilaloswal.com
List of all credit ratings obtained along with any revisions thereto during the relevant financial year	The details of credit rating obtained by the Company is included in Board's Report forming part of Annual Report of the Company.

Disclosures:

i) The Company has complied with all the requirements of regulatory authorities. No penalties / strictures were imposed on the Company by Stock Exchange / SEBI / any statutory authority on any matter related to capital markets, during last three years. Further, there were no penalties / strictures imposed on the Company by the Reserve Bank of India / National Housing Bank and there were no adverse findings/comments.

ii) **Whistle Blower Policy/Vigil Mechanism**

Pursuant to the provisions of Regulation 22 of the Listing Regulations and Section 177 of the Act, the Company has established a Vigil Mechanism/ Whistle Blower Policy for Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

This mechanism provides for adequate safeguards against victimization of director(s)/employee(s) who avail the mechanism and makes provision for direct access to the Chairperson of the Audit Committee. The policy has been uploaded on the website of the Company at https://motilaloswalhf.com/wp-content/uploads/2025/02/Vigil-Mechanism-Whistle-Blower-Policy.pdf

We affirm that no director/employee of the Company was denied access to the Audit Committee.

iii) The Company has complied with all the mandatory requirements of the Listing Regulations.

iv) During the period under review, the Company has not raised any funds through preferential allotment or qualified institutional placement.

v) **Compliance with Non-Mandatory Requirements**

The Company has complied with the following non-mandatory requirements as prescribed in Regulation 27 Schedule II Part E of the Listing Regulations:

a) **Modified Opinion in Auditors Report:** The Company's Financial Statements for the Financial Year 2024-25 do not contain any modified audit opinion. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit qualifications.

b) **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee. The Internal Auditor also participates in the meetings of the Audit Committee and also presents internal audit observations to the Audit Committee.

vi) The Company has complied with the Corporate Governance requirements specified in Regulation 15 to 27 of the Listing Regulations and paras (2) to (10) mentioned in Para 'C' of Schedule V of the Listing Regulations during the year under review.

Compliance Certificate from M/s. Aabid & Co., Secretarial Auditor of the Company confirming compliance with the of conditions of Corporate Governance for the Financial Year ended March 31, 2025, in terms of Schedule V Para E to the Listing Regulations is annexed to this Report as **"Annexure A"**.

vii) M/s. Aabid & Co., Practicing Company Secretaries, has certified that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI or Ministry of Corporate Affairs or any such statutory authority, is annexed to this Report as **"Annexure A"**.

viii) **Fees to Statutory Auditors**

The details of total fees paid to M/s. MGB & CO., Chartered Accountants, statutory auditors, for FY 2024-25 is given below:

(Amount in Lakhs)

Type of Service	Amount Paid
Statutory Audit, Certifications and Other services	31*

**The aforesaid amount included the statutory audit fees, certification fees, reimbursement of out of pocket expenses and taxes.*

ix) The Board of Directors confirmed that, during the year under review, it has accepted all recommendations received from its mandatory committees.

x) The Company does not have any material subsidiary as on date of this report.

xi) **Related Party Transactions**

The Company has a Board approved Policy on Materiality and dealing with Related Party Transactions. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions entered into between the Company and its related parties. Policy on Materiality and dealing with Related Party Transactions is uploaded on the Company's website at https://motilaloswalhf.com/wp-content/uploads/2025/02/Policy-on-Materiality-and-Dealing-with-RPT.pdf.

There were no materially significant transactions with related parties that may have potential conflict with the interest of the Company at large. Details of related party transactions entered into by the Company in the ordinary course of business are included in the notes forming part of the Financial Statements. Details of material related party transactions which require approval of the Shareholders of the Company has been detailed in the notice convening the ensuing AGM.

Further, there were no financial or commercial transactions by the senior management where their personal interests may have potential conflict with the interests of the Company.

xii) **CEO/CFO Certification**

The Chief Executive Officer and the Chief Financial Officer of the Company give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Chief Executive Officer and Chief Financial Officer give quarterly certification on financial results while placing the financial results before the Board.

The annual certificate given by the Chief Executive Officer and Chief Financial Officer of the Company is annexed to this Report as **"Annexure B"**.

xiii) **Senior Management Personnel**

The particulars of Senior Management Personnel of the Company as on March 31, 2025 are given herein below:

Name	Designation
Mr. Shobhit Doru	Chief Operating Officer
Mr. Kiran Kuttappa	Chief Business Officer
Mr. Bhavin Shah	Chief Financial Officer
Mr. Sunny Ganatra	Company Secretary & Compliance Officer
Mr. Shishupal Singh Rathore	Chief Information Security Officer
Ms. Sneha Kumari	Chief Compliance Officer
Mr. Rajesh Goyal	Head - Collection & Recovery
Mr. Anshuman Singh	Chief Risk Officer
Mr. Parthivsinh G Vaghela	Head-Construction Finance
Mr. Pradip B Singh	Head of Internal Audit
Ms. Priyanka Shrivastav	Head HR

xiv) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'**

Loans and advances in the nature of loans to firms/companies in which directors are interested are disclosed in notes to the standalone financial statements. No other loans/advances were given to any company/firm in which any of the Directors are interested, except for those which are disclosed in the notes to standalone financial statements.

xv) **Declaration on affirmation with the Code of Conduct**

The Company has Code of Conduct ("Code") for its Directors and for Senior Management of the Company. The Code has been posted on the Company's website at https://motilaloswalhf.com/wp-content/uploads/2025/02/Code-of-Conduct-for-Senior-Management.pdf.

A declaration signed by Mr. Sukesh Bhowal, Managing Director & Chief Executive Director, stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, in accordance with Para D of Schedule V of the Listing Regulations is annexed as **"Annexure C"**.

xvi) **Disclosure of Accounting Treatment in Preparation of Financial Statements**

The Company has adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018. The financial statements have been prepared in accordance with the recognition and measurement principles laid down in Ind AS notified under Section 133 of the Act read with relevant Rules issued thereunder and other accounting principles generally accepted in India.

For and on behalf of the Board
Motilal Oswal Home Finance Limited

sd/-
Sukesh Bhowal
Managing Director & Chief Executive Officer

Place: Mumbai
Date: April 23, 2025

Annexure A

Corporate Governance Compliance Certificate

[Pursuant to Regulation 34(3) and Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Motilal Oswal Home Finance Limited
Motilal Oswal Tower, Rahimtullah Sayani Road,
Opposite Parel ST Depot, Prabhadevi,
Mumbai- 400025, Maharashtra, India

We have examined the compliance of the conditions of Corporate Governance of **Motilal Oswal Home Finance Limited** ("listed entity being debt listed entity or the Company"), for the financial year ended on March 31, 2025, as stipulated in Para E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "Listing Regulations").

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof, as adopted by the listed entity for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the listed entity.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the management, we certify that the Company has complied with Corporate Governance norms as stipulated in the provisions as specified in Part E of Schedule V of the Listing Regulations for the financial year ended on March 31, 2025, to the extent applicable and none of the Directors of the Company for the Financial Year ended on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the listed entity.

For Aabid & Co
Company Secretaries

Sd/-
Greeshma Kerkar
Partner
Membership No.: A22283
COP No.: 26795
UDIN: A022283G000166548

Place: Mumbai
Date: April 23, 2025

Chief Executive Officer and Chief Financial Officer Certificate

To,
The Board of Directors
Motilal Oswal Home Finance Limited

Dear Sir(s)/Madam,

A. We have reviewed the financial statements/results read with cash flow statement of Motilal Oswal Home Finance Limited for the quarter & year ended March 31, 2025 and that to the best of our knowledge and belief:
   - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
   - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or in violation of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or proposed to taken to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:
   1. that there were no significant changes in internal controls over financial reporting during the period;
   2. that there were no other significant changes in accounting policies made during the period; and
   3. that there were no instances of significant fraud of which we have become aware.

Thanking you,

Yours faithfully,

For Motilal Oswal Home Finance Limited

sd/-
Sukesh Bhowal
Managing Director & Chief Executive Officer
DIN: 10242971

sd/-
Bhavin Shah
Chief Financial Officer

Place: Mumbai
Date: April 23, 2025

Annexure C

Declaration on Compliance with Code of Conduct

[Pursuant to Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Motilal Oswal Home Finance Limited

I, Sukesh Bhowal, Managing Director & Chief Executive Officer of the Company, hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company for the Financial Year 2024-25.

For Motilal Oswal Home Finance Limited

sd/-
Sukesh Bhowal
Managing Director & Chief Executive Officer
DIN:10242971

Place: Mumbai
Date: April 23, 2025

This page intentionally left blank

Financial Statements

This page intentionally left blank

Independent Auditor's Report

To

The Members of **Motilal Oswal Home Finance Limited**

Report on the Audit of the Financial Statements

1. Opinion

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

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

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current year. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
1	**Expected Credit Loss – Impairment of carrying value of loans and advances (as described in Note 24 of the Financial Statements)**	
	Ind AS 109: Financial Instruments ("Ind AS 109") requires the Company to provide for impairment of its financial instruments using the expected credit loss ('ECL') approach involving an estimation of probability of loss on the 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.	**Our Audit Approach:** Our audit approach was a combination of test of internal controls and substantive procedures which included the following: a. Evaluating the Company's policy, as approved by the Board of Directors, for impairment of carrying value of loans and advances and assessing appropriateness of the Company's impairment methodologies as required under Ind AS 109.

Sr. No.	Key audit matters	How our audit addressed the key audit matter
	As at March 31, 2025, the carrying value of loan assets measured at amortized cost, aggregated ₹ 4,83,553 Lacs (net of allowance of ECL ₹ 6,426 Lacs) In the process, a significant degree of judgement has been applied by the management in respect of following matters: • Defining qualitative/quantitative thresholds for significant increase in credit risk' ("SICR") and 'default'. • Estimation of losses in respect of loans or groups of loans which had no/ minimal defaults in the past. • Grouping of borrowers based on homogeneity by using appropriate statistical techniques. • Staging of loans and estimation of behavioral life. • Determining macro-economic factors impacting credit quality of receivables. The Company has developed models that derive key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of these models is then applied to the provision calculation with other information including the exposure at default (EAD). Given the high degree of management's judgement involved in estimation of ECL, this has been identified as key audit matter.	b. Obtained and reviewed reports relating to the independent "Back testing" and Model refresh exercise annually carried out by the Management. c. Tested the operating effectiveness of the controls for staging of loans based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3. d. Assessed the additional considerations applied by the management for staging of loans as SICR e. Tested the ECL model, including assumptions and underlying computation. Tested the input data used for determining the PD and LGD rates and agreed the data with the underlying books of accounts and records. f. Enquired Management on assumptions used in determining the overlay for macro-economic factors. g. Tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets. h. Test checked the basis of collateral valuation in the determination of ECL provision. i. Compared the disclosures included in the Financial Statements in respect of expected credit losses with the requirements of Ind AS.

4. Information other than the Financial Statements and Auditor's Report thereon

The other information comprises the information included in the Annual Report but does not include the Financial Statements and our auditors' report thereon. The Company's management and Board of Directors are responsible for the other information.

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

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

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

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

accordance with the accounting principles generally accepted in India, including the Indian accounting standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

In preparing the Financial Statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

1. 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 Standard on Auditing 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 Standard on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 the 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 the misstatement in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in; (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the statement.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The balance sheet, the statement of profit and loss including other comprehensive income, cash flows statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Financial Statements comply with the accounting standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2015, as amended;

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

   (f) With respect to the adequacy of the internal financial controls with reference to the Financial Statements of the Company with reference to these Financial Statements and the operating effectiveness of such controls, we request you to refer to our separate Report in "Annexure B" to this report.

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/ provided by the company to its directors in accordance with the provision of section 197 read with schedule V to the Act; and

   (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 has disclosed pending litigation cases as contingent liability in note No.33 to 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. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

v. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any other person(s) or entity(ies) including foreign entities (funding parties) with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide any guarantee, security or the like on behalf of the ultimate beneficiaries;

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

vii. No dividend was declared and paid during the year.

viii. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Also, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Other Matters

The audit of the Financial Statements of the Company for the year ended March 31, 2024, was conducted by the predecessor audit firm who had expressed unmodified opinion vide their audit report dated April 25, 2024.

Our opinion is not modified in respect of this matter.

For **MGB & Co. LLP**
Chartered Accountants
Firm Registration Number 101169W/W-100035

sd/-
Diwaker Sudesh Bansal
Partner
Membership Number - 409797
UDIN: 25409797BMKWTL6376

Date : April 23, 2025
Place : Mumbai

Annexure - A to the Independent Auditor's Report

The Annexure referred to in para 7(1) of "Report on Other Legal and Regulatory Requirements" to our report of even date to the members of the Company on the financial statements for the year ended March 31, 2025.

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-use Assets. The Company has maintained proper records showing full particulars including quantitative details and the situation of Intangible Assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which all the property, plant and equipment are verified in a phased manner over a period of three years. In our opinion this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management and on the basis of our examination of the records of the Company, the title deed of immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements is held in the name of the Company.

(d) According to the information and explanations given by the management, The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2025.

(e) According to the information and explanations given to us and based on the examination of the records of the Company, we report that, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company is primarily engaged in the business of providing loans and it does not hold any physical inventories. Therefore, reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Basis the information and explanation provided to us and basis our audit procedures undertaken, we have not come across any difference between the information submitted in the quarterly returns / statements filed by the company with such banks or financial institutions when compared with the books of account and other relevant information provided by the Company.

(iii) (a) In our opinion and according to the information and explanations given to us, Company being a non-banking financial company the provisions of clause 3(iii)(a) are not applicable to the Company.

(b) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the investments made and the terms and conditions of the grant of all loan and advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships and other parties are not prejudicial to the Company's interest. According to the information and explanations given to us, the company has not provided any guarantees during the year.

(c) In respect of loans and advances in the nature of loans, granted by the Company as part of its business, the schedule of repayment of principal and payment of interest has been stipulated by the Company. Having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay (as suggested in the Guidance Note on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause) in this report, in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay, in the normal course of lending business. Further, except for some instances noted during the year, the parties have been generally regular in repayment of the principal amounts, as stipulated, and are also generally regular in payment of interest, as applicable. Further, except for

those instances where there are delays or defaults in repayment of principal and / or interest as at the balance sheet date, in respect of which the Company has disclosed asset classification / staging of loans in Note 31.1 to the financial statements in accordance with Indian Accounting Standards (Ind AS) and the guidelines issued by the Reserve Bank of India, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest, as applicable.

(d) In respect of loans and advances in the nature of loans, the total amount overdue for more than ninety days as at March 31, 2025 and the details of the of such cases, are disclosed in Note 30 to the financial statements. In such instances, in our opinion, reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

(₹ In lacs)

Number of Cases	Principal Amount Overdue	Interest Amount Overdue	Total Amount Dues
728	153	463	616

(e) The Company being a Housing Financial Company the provisions of clause 3(iii)(e) are not applicable to the Company.

(f) The Company has not granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantee and securities granted in respect of which the provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

(v) According to the information and explanations given by the management, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge, the Company is not in the business of sale of any goods or provision of such services as prescribed u/s 148 (1) of Companies Act, 2013. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employee state insurance, income-tax, service tax, goods and service tax, cess and other material statutory dues, applicable to it, have generally been regularly deposited during the year by the Company with the appropriate authorities. The provisions relating to duty of excise, duty of custom, sales tax, value added tax and cess are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employee state insurance, income-tax, service tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues of provident fund, employee state insurance, service tax, and cess which have not been deposited with the appropriate authorities on account of any dispute. The dues outstanding in respect of income tax and goods and service tax on account dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ In lacs)	Period to which the Amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	15.09	AY 17-18	CIT(A)
Income Tax Act, 1961	Income Tax	50.00	AY 18-19	CIT(A)
Income Tax Act, 1961	Income Tax	388.36	AY 23-24	CIT(A)

(viii) According to the information and explanations given to us, during the year, there are no transactions which have not been recorded in the books of account but have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the information and explanations given to us by the management, the Company has not defaulted in repayment of loans or borrowings or in the repayment of interest thereon to any lender during the year.

(b) Basis the information and explanation provided to us, the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us and to the best of our knowledge and belief, in our opinion term loans availed by the Company during the year, were applied by the Company for the purposes for which the loans were obtained other than temporary deployment pending application of proceeds.

(d) In our opinion and on an overall examination of the Financial Statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) During the year, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and hence reporting under paragraph 3 (x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally convertible) during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) According to the information and explanation's given to us and on the basis of our examination of the records of the Company, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor, predecessor auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to 3(xii)(c) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

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

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

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

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

(c) Based on our examination, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) According to the information and explanations given to us by the management and based on our examination of records of the Company, the Company has not incurred cash losses in the current and preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 53(iii) to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no unspent amounts in respect of other than ongoing projects, that are required to be transferred to a fund specified in schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note 32 to the financial statements.

(b) According to the information and explanations given to us, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note 32 to the financial statement.

(xxi) According to the information and explanations given to us and based on our examination of the records of the Company, there are no subsidiaries / associates / joint ventures of the Company and hence the paragraph 3(xxi) of the Order is not applicable to the Company.

For **MGB & Co LLP**
Chartered Accountants
Firm Registration Number: 101169W/W-100035

sd/-
Diwaker Sudesh Bansal
Partner
Membership Number: 409797
UDIN: 25409797BMKWTL6376

Date: April 23, 2025
Place: Mumbai

Annexure B the Independent Auditor's report of even date on the Financial Statements of Motilal Oswal Home Finance Limited ("the Company")

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

We have audited the internal financial controls over financial reporting with reference to Financial Statement of Motilal Oswal Home Finance Limited ("the Company") as at March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 Companies Act, 2013.

Auditor's responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 with reference to these Financial Statements.

Meaning of internal financial controls over financial reporting with reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these Financial Statements includes those policies and procedures that:

(i) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(ii) 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

(iii) 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 with reference to these Financial Statements

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

Opinion

According to the information and explanations given to us and based on our audit, the Company has in all material respects, adequate internal financial controls over financial reporting with reference to these Financial Statements and such internal financial controls over financial reporting with reference to these Financial Statements were operating effectively as at March 31, 2025, 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.

For **MGB & Co LLP**
Chartered Accountants
Firm Registration Number: 101169W/W-100035

sd/-
Diwaker Sudesh Bansal
Partner
Membership Number: 409797
UDIN: 25409797BMKWTL6376

Date: April 23, 2025
Place: Mumbai

Balance Sheet as at March 31, 2025

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
1. ASSETS			
(I) Financial Assets			
(a) Cash and cash equivalents	4	61,149	44,334
(b) Bank balances other than (a) above	5	1,754	2,855
(c) Loans	6	4,83,632	4,03,177
(d) Other financial assets	7	2,216	1,534
Total Financial assets (A)		**5,48,751**	**4,51,900**
(II) Non-financial Assets			
(a) Current tax assets (net)	8	59	104
(b) Deferred tax assets (net)	9	1,689	1,455
(c) Property, plant and equipment	10	1,561	1,276
(d) Intangible assets	11	54	112
(e) Other non-financial assets	12	869	362
Total Non- Financial assets (B)		**4,232**	**3,309**
Total Assets (C) = (A) +(B)		**5,52,983**	**4,55,209**
2. LIABILITIES AND EQUITY			
LIABILITIES			
(I) Financial liabilities			
(a) Payables			
Trade payables			
(i) Total outstanding dues of micro enterprises and small enterprises	13	139	80
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	13	1,601	1,059
(b) Debt securities	14	57,233	21,399
(c) Borrowings (other than Debt securities)	15	3,13,059	2,78,025
(d) Other financial liabilities	16	36,659	25,033
Total financial liabilities (D)		**4,08,691**	**3,25,596**
(II) Non-financial liabilities			
(a) Provisions	17	978	553
(b) Other non-financial liabilities	18	450	346
Total non-financial liabilities (E)		**1,428**	**899**
EQUITY			
(a) Equity share capital	19	60,539	60,379
(b) Share Application Money Pending Allotment		174	21
(c) Other equity	20	82,151	68,314
Total equity (F)		**1,42,864**	**1,28,714**
TOTAL LIABILITIES AND EQUITY (G) = (D) + (E)+ (F)		**5,52,983**	**4,55,209**

The accompanying notes form an integral part of these financial statements
This is the Balance sheet referred to in our report of even date

For **MGB & Co LLP**
Chartered Accountants
Firm's Registration No.: 101169W/W-100035

sd/-
Diwaker Sudesh Bansal
Partner
Membership No: 409797

Place: Mumbai
Date: April 23, 2025

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

sd/-
Motilal Oswal
Chairman & Non-Executive Director
DIN: 00024503

sd/-
Sukesh Bhowal
Managing Director & CEO
DIN: 10242971

sd/-
Bhavin Shah
Chief Financial Officer

sd/-
Sunny Ganatra
Company Secretary

Place: Mumbai
Date: April 23, 2025

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	21		
Interest Income		60,770	55,822
Fees and other Income		1,944	1,539
Net gains on fair value changes (Realised)		281	438
Total revenue from operations (I)		**62,995**	**57,799**
Other income	22	2,162	1,109
Total other income (II)		**2,162**	**1,109**
Total Income (1) = (I+II)		**65,157**	**58,908**
Expenses			
Finance Costs	23	26,750	25,042
Impairment on financial instruments (including writeoffs, recoveries and OTS)	24	165	1,193
Employee benefits expense	25	16,860	12,066
Depreciation and amortisation expense	10 & 11	554	521
Other expenses	26	4,186	2,958
Total expenses (2)		**48,515**	**41,780**
Profit before tax for the year (3) = (1) -(2)		**16,642**	**17,128**
Less: Tax expense/(credit)	27		
(a) Current tax		3,603	3,537
(b) Deferred tax charge/(credit)		(41)	341
(c) Prior Period tax		54	(2)
Total tax expenses (4)		**3,616**	**3,876**
Profit for the year (5) = (3) - (4)		**13,026**	**13,252**
Other comprehensive income	28		
(A) Items that will not be reclassified to profit & loss			
(i) Re-measurement (losses) on defined benefit plans		(211)	(7)
(ii) Income Tax impact on above		53	2
(B) Items that will be reclassified to profit & loss			
(i) Derivatives designated as cash flow hedge		(553)	–
(ii) Income Tax impact on above		139	–
Total other comprehensive income (6)		**(572)**	**(5)**
Total comprehensive income for the year (7) = (5) + (6)		**12,454**	**13,247**
Earnings per share:	29		
Basic		0.22	0.22
Diluted		0.21	0.22
Face value per share		1.00	1.00

The accompanying notes form an integral part of these financial statements
This is the Statement of profit and loss referred to in our report of even date

For **MGB & Co LLP**
Chartered Accountants
Firm's Registration No.: 101169W/W-100035

sd/-
Diwaker Sudesh Bansal
Partner
Membership No: 409797

Place: Mumbai
Date: April 23, 2025

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

sd/-
Motilal Oswal
Chairman & Non-Executive Director
DIN: 00024503

sd/-
Sukesh Bhowal
Managing Director & CEO
DIN: 10242971

sd/-
Bhavin Shah
Chief Financial Officer

sd/-
Sunny Ganatra
Company Secretary

Place: Mumbai
Date: April 23, 2025

Statement of cash flow for the year ended March 31, 2025

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flows from operating activities:		
Profit before tax:	16,642	17,128
Adjustments :		
Depreciation and amortisation expense	554	521
Interest Income	(60,770)	(55,822)
Finance Costs	26,750	25,042
Share based payment to employees	760	523
Provisions for employee benefits	340	155
Change in fair value of Gratuity	(211)	(7)
Change in fair value of hedged items	(553)	–
Other provisions	84	(40)
Impairment on financial instruments	165	1,193
Net gains on fair value changes	(281)	(438)
Operating profit before working capital changes	**(16,519)**	**(11,745)**
Adjustments for increase/ decrease in operating assets and liabilities:		
(Increase)/Decrease in Loans	(80,619)	(27,085)
(Increase)/Decrease in Other financial assets	(682)	(23)
(Increase)/Decrease in Other non financial assets	(507)	(152)
Increase/(Decrease) in Non financial liabilities	104	70
Increase/(Decrease) in Trade payables	601	670
Increase/(Decrease) in Other financial liabilities	11,488	14,964
Finance Cost paid on borrowings	(26,678)	(24,978)
Interest Income received on loans	59,519	55,221
Cash (used in)/generated from operations	**(53,293)**	**6,942**
Income taxes paid (net of refunds)	(3,612)	(3,012)
Net cash (used in)/generated from operating activities	**(56,905)**	**3,930**
Cash flows from investing activities:		
(Purchase)/sale of property, plant and equipments	(782)	(421)
Sale of commercial paper	2,55,000	15,041
Purchase of commercial paper	(2,54,475)	(15,000)
Sale of Equity	72	–
Purchase of Equity	(32)	–
Sale of mutual funds units	2,38,179	3,07,922
Purchase of mutual funds units	(2,37,938)	(3,07,485)
(Increase)/Decrease in deposits with original maturity of more than 3 months	1,100	1,523
Interest income on fixed deposit & certificate of deposit & TREPs	726	560
Net cash generated from investing activities	**1,850**	**2,140**
Cash flows from financing activities:		
Proceeds from issue of share capital	161	44
Proceeds from share application money pending allotment	152	22
Share Premium on issue of share capital	623	106
Proceeds from Debt securities	57,500	–
Repayment of Debt securities	(21,666)	(39,809)
Proceeds from Borrowings other than debt securities	1,06,500	1,16,620
Repayment of Borrowings other than debt securities	(71,466)	(66,262)
Increase/(Decrease) lease liabilities	138	102
Interest on lease liabilities	(72)	(64)
Net cash generated from financing activities	**71,871**	**10,759**

Statement of cash flow for the year ended March 31, 2025 *(Contd.)*

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Increase/(Decrease) in Cash and cash equivalents	16,815	16,829
Add: Cash and cash equivalents as at beginning of the year	44,334	27,505
Cash and cash equivalents at end of the year*	**61,149**	**44,334**
***Component of Cash and cash equivalents**		
Cash and cash equivalents	42,265	5,316
Deposits with maturity of less than 3 months	18,884	39,018
Total	**61,149**	**44,334**

(A) Changes in liabilities arising from financing activities

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	**3,00,195**	**2,89,544**
Proceeds from borrowings (other than debt securities)	1,06,500	1,16,620
Proceeds from issue of non-convertible debentures	57,500	–
Repayments of borrowings	(71,466)	(66,262)
Repayments of debts securities	(21,666)	(39,809)
Increase/(Decrease) towards lease liabilities	138	102
Closing balance of debt securities, borrowings (other than debt securities) and subordinated liabilities	**3,71,201**	**3,00,195**

(B) Cash flow from operating activities includes

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest received	59,519	55,221
Interest paid	(26,678)	(24,978)

The Statement of cash flow has been prepared under the 'Indirect Method' given under Ind AS 7 - Statement of Cash Flows.

The accompanying notes form an integral part of these financial statements

This is the Statement of cash flow referred to in our report of even date

For **MGB & Co LLP**
Chartered Accountants
Firm's Registration No.: 101169W/W-100035

sd/-
Diwaker Sudesh Bansal
Partner
Membership No: 409797

Place: Mumbai
Date: April 23, 2025

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

sd/-
Motilal Oswal
Chairman & Non-Executive Director
DIN: 00024503

sd/-
Bhavin Shah
Chief Financial Officer

Place: Mumbai
Date: April 23, 2025

sd/-
Sukesh Bhowal
Managing Director & CEO
DIN: 10242971

sd/-
Sunny Ganatra
Company Secretary

Statement of changes in equity for the year ended March 31, 2025

(All amounts are in INR Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Number	Amount
Equity Shares of Re.1 issued, subscribed and fully paid up		
Balance as at April 01, 2023	**6,03,34,46,625**	**60,334**
Changes in equity share capital during the year	44,17,750	44
Balance as at March 31, 2024	**6,03,78,64,375**	**60,379**
Changes in equity share capital during the year	1,60,61,004	161
Balance as at March 31, 2025	**6,05,39,25,379**	**60,539**

B. Other equity

Particulars	Reserves and Surplus					Other Comprehensive Income	Total equity attributable to equity holders of the Company
				Retained earnings			
	Securities Premium	Statutory reserve	ESOS Outstanding Account	Re-measurement gains/(losses) on defined benefit plans	Others	Cash flow hedge reserve	
Balance as at April 01, 2024	26,454	12,632	1,005	308	27,915	–	68,314
Changes in accounting policy or prior year errors	–	–	–	–	–	–	–
Restated balance at the beginning of the previous reporting year	**26,454**	**12,632**	**1,005**	**308**	**27,915**	**–**	**68,314**
Profit for the year	–	–	–	–	13,026	–	13,026
Other comprehensive income during the year (net of taxes)	–	–	–	(158)	–	(414)	(572)
Total comprehensive income for the period	**26,454**	**12,632**	**1,005**	**150**	**40,941**	**(414)**	**80,768**
Transfer to statutory reserve	–	2,606	–	–	(2,606)	–	–
Transfer to security premium	155	–	(155)		–	–	–
Employee Stock Option Outstanding	–	–	916	–	–	–	916
Securities premium on shares issued during the year	467	–	–	–	–	–	467
Balance as at March 31, 2025	**27,076**	**15,238**	**1,766**	**150**	**38,335**	**(414)**	**82,151**

Statement of changes in equity for the year ended March 31, 2025 *(Contd.)*

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Reserves and Surplus					Other Comprehensive Income	Total equity attributable to equity holders of the Company
				Retained earnings			
	Securities Premium	Statutory reserve	ESOS Outstanding Account	Re-measurement gains/(losses) on defined benefit plans	Others	Cash flow hedge reserve	
Balance as at April 01, 2023	26,312	9,982	518	313	17,313	–	54,438
Changes in accounting policy or prior year errors	–	–	–	–	–	–	–
Restated balance at the beginning of the previous reporting year	**26,312**	**9,982**	**518**	**313**	**17,313**	**–**	**54,438**
Profit for the year	–	–	–	–	13,252	–	13,252
Other comprehensive income during the year (net of taxes)	–	–	–	(5)	–	–	(5)
Total comprehensive income for the period	**26,312**	**9,982**	**518**	**308**	**30,566**	**–**	**67,685**
Transfer to statutory reserve	–	2,650	–	–	(2,650)	–	–
Transfer to security premium	36	–	(36)	–	–	–	–
Employee Stock Option Outstanding	–	–	523	–	–	–	523
Securities premium on shares issued during the year	106	–	–	–	–	–	106
Balance as at March 31, 2024	**26,454**	**12,632**	**1,005**	**308**	**27,915**	**–**	**68,314**

The accompanying notes form an integral part of these financial statements
This is the Statement of changes in equity referred to in our report of even date

For **MGB & Co LLP**
Chartered Accountants
Firm's Registration No.: 101169W/W-100035

sd/-
Diwaker Sudesh Bansal
Partner
Membership No: 409797

Place: Mumbai
Date: April 23, 2025

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

sd/-
Motilal Oswal
Chairman & Non-Executive Director
DIN: 00024503

sd/-
Bhavin Shah
Chief Financial Officer

Place: Mumbai
Date: April 23, 2025

sd/-
Sukesh Bhowal
Managing Director & CEO
DIN: 10242971

sd/-
Sunny Ganatra
Company Secretary

Note 1: Corporate information

Motilal Oswal Home Finance Limited ("MOHFL" or "the Company") was incorporated in India on October 01, 2013. The Company is registered with Reserve Bank of India (RBI) under section 29A of the National Housing Bank (NHB) Act, 1987 as a Housing Finance Company (HFC) vide Certificate of Registration No. DOR-00111 dated February 12, 2020 (erstwhile registered with NHB vide Certificate of Registration No. 05.0111.14 dated May 19, 2014).

MOHFL is primarily engaged into providing loans for purchase or construction of residential houses. It offers housing finance in line with 'The Housing Finance Companies (NHB) Directions, 2010' ("NHB Directions") and RBI Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended from time to time. The Non-Convertible debentures (NCDs) of the Company are listed on Bombay Stock Exchange (BSE), India.

Note 2: Basis of Preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. As required by Division III issued under Schedule III of the Act, the Company has presented the assets and liabilities in the balance sheet in order of the liquidity.

(i) Compliance with Ind AS

The financial statements of the Company comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

The financial statements have been prepared using the material accounting policies and measurement bases summarized as below. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to the existing accounting standard requires a change in the accounting policy hitherto in use. Any application guidance / clarification / directions issued by the NHB or RBI or other regulators are implemented as and when they are issued / applicable.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and financial liabilities are measured at fair value (refer accounting policy regarding financial instruments).
- Assets held for sale – measured at fair value less cost to sell;
- Defined benefit plans – plan assets measured at fair value; and
- Share based payment determined on fair value of options.

(iii) Preparation of financial statements

The Company is covered in the definition of Non-Banking Financial Company as defined in Companies (Indian Accounting Standards) (Amendment) Rules, 2016. As per the format prescribed under Division III of Schedule III to the Companies Act, 2013, the Company presents the Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the order of liquidity. A maturity analysis of recovery or settlement of assets and liabilities within 12 months after the reporting date and more than 12 months after the reporting date is presented in note 39.

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.

(All amounts are in INR Lakhs, unless otherwise stated)

The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". 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 accounting standards.

(iv) Functional and presentation currency

The financial statements are presented in Indian rupee (INR) in lakhs rounded off to two decimal places except when otherwise stated as permitted by Schedule III to the Companies Act, 2013, which is MOHFL's functional and presentation currency.

(v) Use of estimates and judgment

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively.

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

(a) **Provision and contingent liability:** On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is provided in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are neither provided nor disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

(b) **Allowance for impairment of financial asset:** The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(c) **Recognition of deferred tax assets:** Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilized. Further details are disclosed in note 9 and note 27.

(d) **Share based payment:** The Company accounts for share based payments by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees based on grant date fair values. The determination of fair value involves a number of significant estimates. The Company uses the Black Scholes option pricing model to estimate the fair value of employee stock options which requires a number of assumptions to determine the model inputs. These include the expected volatility of Company's stock and employee exercise behavior which are based on historical data as well as expectations of future developments over the term of the option. As share based payment expense is based on awards ultimately expected to vest. Management's estimate of exercise is based on historical experience but actual exercise could differ materially as a result of voluntary employee actions and involuntary actions which would result in significant change in share-based payment expense amounts in the future.

(e) **Determination of the estimated useful lives of Property, plant and equipment:** Useful lives of property, plant and equipment are taken as prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are estimated by

(All amounts are in INR Lakhs, unless otherwise stated)

management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

(f) **Recognition and measurement of defined benefit obligations:** The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. Further details are disclosed in note 37.

(g) **Determining whether an arrangement contains a lease:** The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

(h) **Effective interest rate:** The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected behavioral life of the financial asset to the gross carrying amount of the financial asset. This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments, the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges) as well expected changes to the base rate and other transaction costs and fees paid or received that are integral parts of the instrument.

(i) **Business model assessment:** Classification and measurement of financial assets depends on the results of the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company considers the frequency, volume and timing of sales in prior years, the reason for such sales, and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of a holistic assessment of how company's stated objective for managing the financial assets is achieved and how cash flows are realized. Therefore, the Company considers information about past sales in the context of the reasons for those sales, and the conditions that existed at that time as compared to current conditions.

Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

(j) **De-recognition of financial instruments:** In case of transfer of loans through securitisation and direct assignment transactions, the transferred loans are de-recognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contract. In accordance with the Ind AS 109, on de-recognition of a financial asset under assigned transactions, the difference between the carrying amount and the consideration received are recognised in the Statement of Profit and Loss.

(k) **Taxes:** The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/ recovered for certain tax positions.

(All amounts are in INR Lakhs, unless otherwise stated)

(vi) Measurement of fair values:

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

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 categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

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 categorized 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 recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Note 3: Summary of material accounting policies

3.1. Financial instrument

(i) Initial recognition and measurement

Financial assets and financial liabilities are recognized when the entity becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees, commissions etc. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss. Immediately after initial recognition, an expected credit loss allowance (ECL) is recognized for financial assets measured at amortised cost.

When the fair value of financial assets and liabilities differs from the transaction price on initial recognition, the entity recognizes the difference as follows:

a) When the fair value is evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognized as a gain or loss.

b) In all other cases, the difference is deferred and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realized through settlement.

When the Company revises the estimates of future cash flows, the carrying amount of the respective financial assets or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognized in profit or loss.

(ii) Classification and subsequent measurement

(a) Financial Assets

As per principles given under Ind AS 109, the Company classifies its financial assets in the following measurement categories:

(All amounts are in INR Lakhs, unless otherwise stated)

- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI); or
- Amortised cost.

Classification and subsequent measurement of financial assets depend on:

- the Company's business model for managing the asset; and
- the cash flow characteristics of the asset.

Based on these factors, the Company classifies its financial assets into one of the following three measurement categories:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest ('SPPI'), and that are not designated at FVTPL, are subsequently measured at amortised cost using effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

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

Fair value through profit or loss: A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity securities held by MOHFL are classified as FVTPL unless conditions to classify at FVOCI are met.

(b) Financial liability and equity instruments

(i) Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

(ii) Financial liability:

Financial liabilities are classified at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. The company's financial liabilities include trade and other payables, debt securities and borrowings including bank overdrafts and derivative financial instruments.

(c) Impairment of financial asset

(i) Overview of ECL principles:

The Company applies the ECL model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise from all

(All amounts are in INR Lakhs, unless otherwise stated)

possible default events over the expected life of the financial asset ('lifetime ECL'), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12-month ECL. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is calculated on a collective basis, considering the retail nature of the underlying portfolio of financial assets.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. When determining whether the risk of default on a financial asset has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on a provision matrix which takes into account the Company's historical credit loss experience, current economic conditions, forward looking information and scenario analysis.

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

– Stage 1: Low credit risk, i.e. 0 to 30 days past due.

– Stage 2: Significant increase in credit risk, i.e. 31 to 90 days past due

– Stage 3: Impaired assets, i.e. more than 90 days past due

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

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

(ii) Impairment:

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

(All amounts are in INR Lakhs, unless otherwise stated)

(iii) Presentation of ECL in the financials:

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

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

(iv) Derecognition

(a) Financial assets

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

- The contractual rights to receive cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not de-recognised and the proceeds received are recognised as a collateralised borrowing.

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 or otherwise is recognised in profit or loss.

Assignment arrangements

Transfer of loans through assignment transaction can be made only after continuing involvement in loans i.e retaining a minimum specific percentage of loan but without retaining any substantial risk and reward in the loan assigned. The assigned portion of loans is derecognized and gains/ losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contracts. Gain/loss arising on such assignment transactions is recorded upfront in the Statement of Profit and Loss and the corresponding loan is derecognized from the Balance Sheet immediately. Further, if the transfer of loan qualifies for derecognition, entire interest spread at its present value (discounted over the life of the asset) is recognized on the date of derecognition itself as interest strip receivable (interest strip on assignment) and correspondingly presented as gain/loss on derecognition of financial asset.

(b) Financial liabilities

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

(All amounts are in INR Lakhs, unless otherwise stated)

modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying value of the original financial liability and the new financial liability with modified terms is recognised in profit or loss.

(v) Offsetting

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, the Company has a legally enforceable right to offset the recognised amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(vi) Write-offs

The gross carrying amount of a financial asset is written-off (either partially or in full) to the extent that there is no reasonable expectation of recovering the asset in its entirety or a portion thereof. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written-off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(vii) Derivative Financial Instruments and Hedge Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Hedge Accounting: The Company designates certain hedging instruments in respect of foreign currency risk and interest rate risk as cash flow hedges. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows, and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve.

The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts previously recognised in Other Comprehensive Income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. Hedge accounting is discontinued when the hedging instrument expires, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other equity and is recognised when the

(All amounts are in INR Lakhs, unless otherwise stated)

forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in the Statement of Profit and Loss.

3.2 Repossessed collateral

Repossessed collateral represents non-financial assets acquired by the Company in settlement of overdue loans. Any collateral obtained as a result of foreclosure is not recognized as a separate asset unless it is acquired by the Company in settlement of overdue loans.

3.3 Revenue Recognition

(i) Revenue from contract with customers:

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are exclusive of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes previous revenue recognition guidance found within Ind AS.

The Company recognises revenue from contracts with customers based on a five-step model as set out in Ind 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation

Specific policies for the Company's different sources of revenue are explained below:

(ii) Recognition of Interest income and other charges

(a) Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial asset after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

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 by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for ECLs).

(All amounts are in INR Lakhs, unless otherwise stated)

(b) Other financial charges

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

(iii) Dividend income

Dividend income is recognized in the statement of profit or loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

(iv) Other income

Other income represents income earned from the activities incidental to the business and is recognized when the right to receive the income is established as per the terms of the contract i.e., income is recognized following accrual principles when there is no significant uncertainty as to determination and realization.

3.4 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current Taxes

Current tax is measured at the amount of tax payable to tax authorities on the taxable income for the year calculated in accordance with the provision of Income Tax Act, 1961.

Deferred Taxes

Deferred tax is recognised for all the temporary differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised and carried forward only to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The Company has elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by 'The Taxation Laws (Amendment) Act, 2019'. Under this option, Company is not required to comply with provisions of Minimum Alternate Tax.

3.5 Leases – As lessee

For any new contracts entered into on or after 1 April 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

(All amounts are in INR Lakhs, unless otherwise stated)

Measurement and recognition of leases as a lessee

The Company has adopted Ind AS 116 "Leases" using the cumulative catch-up approach. Company has recognised Right of Use assets as at 1 April 2019 for leases previously classified as operating leases and measured at an amount equal to lease liability (adjusted for related prepayments/ accruals). The Company has discounted lease payments using the incremental borrowing rate for measuring the lease liability.

Right-of-use assets

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

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

3.6 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, balances with banks, deposits with original maturities of three months or less that are readily convertible to known amounts of cash, which are subject to insignificant risk of change in value.

3.7 Property, plant and equipment

(i) Recognition & measurement

Items of property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost less accumulated depreciation and accumulated impairment loss, if any includes expenditure that is directly attributable to the acquisition of the items.

(ii) Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

(All amounts are in INR Lakhs, unless otherwise stated)

(iii) Depreciation methods, estimated useful lives and residual value

The Company provides for depreciation on a straight-line basis over the useful life commencing from the month in which the asset is first put to use, over their estimated useful life prescribed under Schedule II to the Companies Act, 2013 as mentioned below

Assets	Useful life as prescribed by Schedule II of the Companies Act, 2013	Estimated Useful life as per the Company
Computers	3 Years	3 Years
Furniture & Fixtures	10 Years	10 Years
Motor car	8 Years	8 Years
Office equipments	5 Years	5 Years
Electrical equipments	10 Years	10 Years
Leasehold improvement	Over the period of lease	Over the period of lease

Based on internal assessment, the Management believes that the useful lives adopted by the Company best represent the period over which Management expects to use these assets.

(iv) Gain or Loss on disposal

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the statement of profit or loss.

3.8 Intangible assets

(i) Recognition and measurement

Intangible assets are recognized where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

(ii) Subsequent cost

Expenditure incurred on acquisition/development of intangible assets which are not put/ready to use at the reporting date is disclosed under intangible assets under development.

(iii) Amortisation

The Company amortises intangible assets on a straight-line basis over the useful life of 5 years commencing from the month in which the asset is first put to use.

3.9 Employee benefits

(i) Short-term employee benefit

Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered. The Company recognises the costs of bonus payments when it has a present obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made.

Compensated absences

An employee can carry forward leave to next financial year as per the policy of Company. No leave is allowed to be encashed. An obligation arises as employees render service that increases their entitlement to future compensated absences. Provision is made for expected cost of accumulating compensated absences as a result of unused leave entitlement which has accumulated as at the balance sheet date.

(All amounts are in INR Lakhs, unless otherwise stated)

(ii) Post-employment benefit

Defined contribution plan:

Contribution payable to the recognised provident fund, which is a defined contribution scheme, is charged to the Statement of Profit and Loss in the period in which they occur.

Defined benefits plan:

Gratuity is post-employment benefit and is in the nature of defined benefit plan. The liability recognised in the Balance Sheet in respect of gratuity is the present value of defined benefit obligation at the Balance Sheet date together with the adjustments for unrecognised actuarial gain or losses and the past service costs. The defined benefit obligation is calculated at or near the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses comprise experience adjustment and the effects of changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

(iii) Other long-term employee benefit

(a) Heritage club benefit

Heritage club benefits are recognised as liability at the present value of defined benefits obligation as at the Balance Sheet date. The defined benefit obligation is calculated at the Balance Sheet date by an independent actuary using the projected unit credit method.

(iv) Share-based payments

Employee Stock Option Scheme (ESOS)

The Employees Stock Options Scheme (the "Scheme") has been established by the Company. The Scheme provides that employees of Motilal Oswal Home Finance Limited and its group companies as well, are granted an option to subscribe to equity share of the Company that vest on the satisfaction of vesting conditions. The fair value of options granted under ESOS is recognized as an employee benefits expense with a corresponding increase in share based payment reserve. The total amount to be expensed is determined reference to the fair value of the options granted excluding the impact of any service conditions.

The total expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the service conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the statement of profit and loss.

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

Grants provided by the holding company to the employees at deputation to the company are also accounted for in line with accounting treatment described above. The corresponding impact of the expense recorded on account of such grants are recorded as payable to holding company.

3.10 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year.

(All amounts are in INR Lakhs, unless otherwise stated)

(b) Diluted earnings per share

Diluted earnings per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

3.11 Provisions and Contingent Liabilities:

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. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

3.12 Impairment of Non-financial assets

Assessment is done at each reporting date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each reporting date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased. After impairment (if any), depreciation/ amortisation is provided on the revised carrying amount of the assets over its remaining life.

3.13 Foreign currency

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each closing date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the date of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated into functional currency using the exchange rates at the date when the fair value was determined. Exchange differences are recognised in the statement of profit and loss.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 4: Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Cash on hand	242	350
(ii) Balance with banks :		
In current account	3,534	4,965
(iii) Deposits (includes certificate of deposit) with original maturity of less than 3 months	18,884	39,018
(iv) Treps lending	38,489	–
	61,149	**44,334**

1. There are no earmarked balances with banks.
2. Fixed Deposit of INR 770 Lakhs has been lien marked against the Bank Guarantee issued by IDBI Bank in favour of National Housing Bank (NHB).
3. There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

Note 5: Bank balances other than (4) above

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Deposits with original maturity of more than 3 months but less than 12 months*	–	–
(ii) Deposits with original maturity of more than 12 months *	1,754	2,855
	1,754	**2,855**

* Held as cash collateral to the tune of INR 1,539 Lakhs (PY 2,525 Lakhs) as margin for credit enhancement towards security securitisation of receivables.

Note 6.1: Loans

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost (Also refer Note: 30)		
(A) Loan Assets (Gross)*	4,89,979	4,09,616
less : Impairment loss allowance	(6,426)	(6,500)
Total (net)	**4,83,553**	**4,03,116**
* Comprises of housing loans and non housing loans		
(B) (i) Secured by tangible assets	4,89,979	4,09,616
(ii) Unsecured	–	–
Less : Impairment loss allowance	(6,426)	(6,500)
Total (net)	**4,83,553**	**4,03,116**

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
C) (I) Loans in India		
(i) Public sector	–	–
(ii) Others	4,89,979	4,09,616
Less : Impairment loss allowance	(6,426)	(6,500)
Total (net) (C) (I)	**4,83,553**	**4,03,116**
C) (II) Loans Outside India	–	–
Less : Impairment loss allowance	–	–
Total (net) (C) (II)	**–**	**–**
Total (C) (I) and (C) (II)	**4,83,553**	**4,03,116**
Stage wise break up of loans (net of provisions)		
(i) Low credit risk (Stage 1)	4,76,147	3,95,023
(ii) Significiant increase in credit risk (Stage 2)	5,144	6,034
(iii) Credit impaired (Stage 3)	2,262	2,059
Total	**4,83,553**	**4,03,116**

Note 6.2: Staff Loans

Particulars	As at March 31, 2025	As at March 31, 2024
Loans to staff	78	61
	78	**61**
Total (6.1 +6.2)	**4,83,632**	**4,03,177**
Loan assets hypothecated as security for borrowings	4,32,335	3,31,592

Note - There is no outstanding loan to Promotors, Directors, KMPs and related parties.

Note 7: Other Financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Other Receivable	35	44
(ii) EIS on assigned loans	303	389
(iii) Other Receivable from related parties	151	256
(iv) Security deposit at amortised cost	275	95
(v) Advance to Employees	15	23
(vi) Cross Currency Swap (Derivative ECB tranche)	1,437	726
	2,216	**1,534**

(All amounts are in INR Lakhs, unless otherwise stated)

Note 8: Current tax assets (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax and TDS (net of provision)	59	104
	59	**104**

Note 9: Deferred tax assets

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets (net) (Refer note 27)	1,689	1,455
	1,689	**1,455**

Note 10 : Property, Plant and Equipment

Particulars	Computers and data processing units	Furniture and fixtures	Electric installa-tions	Office equip-ments	Motor car	Leasehold improve-ments	Right of use (Office premise)	Total
Cost								
Balance as at April 1, 2023	1,190	410	207	375	23	991	1,309	4,506
Additions	33	1	–	9	24	29	321	416
Disposals	440	–	–	–	–	–	–	440
Balance as at March 31, 2024	**783**	**411**	**207**	**384**	**47**	**1,020**	**1,630**	**4,482**
Balance as at April 1, 2024	783	411	207	384	47	1,020	1,630	4,482
Additions	199	30	9	20	26	92	407	783
Disposals	13	–	–	–	–	–	–	13
Balance as at March 31, 2025	**969**	**441**	**217**	**404**	**73**	**1,112**	**2,037**	**5,253**
Accumulated depreciation								
Balance as at April 1, 2023	938	280	200	226	15	819	689	3,167
Depreciation for the year	117	30	2	25	5	56	222	456
Disposals	418	–	–	–	–	–	–	418
Balance as at March 31, 2024	**637**	**310**	**202**	**251**	**20**	**875**	**911**	**3,206**
Depreciation for the year	114	30	2	26	8	48	269	498
Disposals	12	–	–	–	–	–	–	12
Balance as at March 31, 2025	**739**	**340**	**203**	**277**	**28**	**924**	**1,180**	**3,692**
Carrying amounts (net)								
As at March 31, 2024	**146**	**101**	**5**	**133**	**27**	**145**	**719**	**1,276**
As at March 31, 2025	**230**	**101**	**13**	**127**	**45**	**188**	**857**	**1,561**

(All amounts are in INR Lakhs, unless otherwise stated)

Note 11 : Other Intangible assets

Reconciliation of carrying amount	Computer software
Cost or deemed cost	
Balance as at April 1, 2023	693
Additions	26
Balance as at March 31, 2024	**719**
Additions	–
Balance as at March 31, 2025	**719**
Accumulated amortisation and impairment losses	
Balance as at April 1, 2023	544
Amortisation for the year	63
Balance as at March 31, 2024	**607**
Amortisation for the year	58
Balance as at March 31, 2025	**665**
Carrying amounts (net)	
As at March 31, 2024	**112**
As at March 31, 2025	**54**

Title deeds of immovable properties not held in the name of company

Relevant line in the balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of company (also indicate if in dispute)
Property, plant and equipment	NA	NA	NA	NA	NA	NA
Investment property	NA	NA	NA	NA	NA	NA
Non current assets held for sale	NA	NA	NA	NA	NA	NA
Other	NA	NA	NA	NA	NA	NA

There is no revaluation of property, plant and equipment done during the year.

The Company does not hold any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 12: Other non-financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	149	135
GST Credit receivable	95	58
Capital advances	5	22
Other advances	24	66
Other asset	596	80
	869	**362**

Note 13: Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables		
Total outstanding dues of Micro small & medium enterprises (Refer Note 36)	139	80
Total outstanding dues of creditors other than Micro small & medium enterprises	1,601	1,059
	1,740	**1,139**

Trade payable ageing schedule as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment*					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	139	–	–	–	–	139
(ii) Other	–	1601	–	–	–	1601
(iii) Disputed dues – MSME	–	–	–	–	–	–
(iv) Disputed dues – others	–	–	–	–	–	–
(v) Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–
(vi) Disputed trade receivables – credit impaired	–	–	–	–	–	–
Total	**139**	**1601**	**–**	**–**	**–**	**1740**

Trade payable to MSME comprise of amount not due to the vendor being provisional expenses where actual invoice is not received / not approved by the company and also consist portion of Goods and Service Tax (GST) on invoices which is not reflecting on the GST portal.

(All amounts are in INR Lakhs, unless otherwise stated)

Trade payable ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment*					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	80	–	–	–	–	80
(ii) Other	–	1059	–	–	–	1059
(iii) Disputed dues - MSME	–	–	–	–	–	–
(iv) Disputed dues - others	–	–	–	–	–	–
(v) Disputed trade receivables - which have significant increase in credit risk	–	–	–	–	–	–
(vi) Disputed trade receivables – credit impaired	–	–	–	–	–	–
Total	**80**	**1059**	**–**	**–**	**–**	**1139**

Trade payable to MSME comprise of amount not due to the vendor being provisional expenses where actual invoice is not received / not approved by the company and also consist portion of Goods and Service Tax (GST) on invoices which is not reflecting on the GST portal.

* Date of transaction/invoice considered as due date of payment.

Note 14: Debt securities

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
(i) Secured redeemable non-convertible debentures	57,500	–
(ii) Unsecured redeemable non-convertible debentures	–	21,500
Unamortised borrowing cost	(267)	(101)
Total	**57,233**	**21,399**
Debt securities in India	57,233	21,399
Debt securities outside India	–	–

Security and other terms of debt securities

a) During the year, the Company had made quarterly submissions to banks or financial institutions or debenture trustees; however, there were no material discrepancies noted between the quarterly statements and the financial statements of the respective quarter.

b) Terms of repayment as below (repayment schedule mentioned below excludes unamortised borrowing cost):

Secured Debt securities as at March 31, 2025

NCD Series	Units	Amount (in Lakhs)	Security provided	Security coverage	Rate of Interest	Allotment Date	Maturity date
INE658R07430	37,500	37,500	Receivables	100%	8.55%	7-Jan-25	7-Jan-27
INE658R07448	20,000	20,000	Receivables	100%	8.55%	24-Mar-25	24-Mar-28

(All amounts are in INR Lakhs, unless otherwise stated)

Secured Debt securities as at March 31, 2024

NCD Series	Units	Amount (in Lakhs)	Security provided	Security coverage	Rate of Interest	Allotment Date	Maturity date
NIL							

Note:

The Secured Non-Convertible Debentures issued by the Company during the year is at fixed coupon rate and redeemable at par and are fully secured by way of exclusive and floating charge on identified list of receivables by way of hypothecation to the extent as stated in the respective offer document/Information Memorandum and/or Debenture Trust Deed, sufficient to discharge the principal amount and the interest thereon at all times for the Non-Convertible Debentures issued.

Unsecured Debt securities as at March 31, 2025

NCD Series	Amount	Units	Rate of Interest	Allotment Date	Maturity date
NIL					

Unsecured Debt securities as at March 31, 2024

NCD Series	Amount	Units	Rate of Interest	Allotment Date	Maturity date
Series MOHFL U-K1 FY2021-22 INE658R08180 (previous ISIN INE658R08172)	21,500	2,150	7.27%	10/Feb/2022	10/Feb/2025
Total	**21,500**	**2,150**			

Note 15: Borrowings (other than debt securities)

Particulars	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Secured		
(i) Term loans from banks	1,96,730	1,82,142
(ii) Term loans from financial institution	26,976	3,000
(iii) Term loans from securitization	7,768	9,508
(iv) Term loans from NHB refinance	42,821	43,546
(v) Term Loan ECB	40,223	41,144
Unamortised borrowing cost	(1,460)	(1,315)
Total	**3,13,059**	**2,78,025**
Borrowings in India	2,72,836	2,36,881
Borrowings outside India	40,223	41,144

Security and other terms of loans are as follows :

a) Securitisation liability represents amounts received in respect of securitisation transactions (net of repayments & investment therein) as these transactions do not meet the derecognition criteria specified under Ind AS. These are secured by way of hypothecation of designated assets on finance receivables.

(All amounts are in INR Lakhs, unless otherwise stated)

b) U.S. International Development Finance Corporation (DFC) has provided long term loan under ECB route at fixed ROI and same is fully hedged.

c) During the year under audit, company had made quarterly submissions to banks & other lenders, however, there were no material discrepancies noted between the quarterly statements and the financial statements of the respective quarter.

d) Terms of repayment of terms loans/NHB/ECB are as follows:-

As at March 31, 2025

(i) Term loans from Banks secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
7.50% - 8.49%	7,389	11,256	2,179	–	20,824
8.50% - 9.49%	30,499	65,808	49,482	23,004	1,68,792
9.50% - 10.50%	1,176	2,353	2,353	1,232	7,115
Total	**39,065**	**79,416**	**54,013**	**24,236**	**1,96,730**

(ii) Term loans from Financial Institutions secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
8.50% - 9.50%	4,289	7,936	7,550	7,201	26,976
Total	**4,289**	**7,936**	**7,550**	**7,201**	**26,976**

(iii) Term loans from NHB secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
3.90 % to 10.05% annually	1,618	4,314	3,174	305	9,411
8.50% - 9.50%	4,566	11,761	9,912	7,172	33,410
Total	**6,183**	**16,075**	**13,087**	**7,476**	**42,821**

(iv) Terms of maturity of securitization liability

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
9.35%	367	712	709	5,981	7,768
Total	**367**	**712**	**709**	**5,981**	**7,768**

(v) Term loan ECB secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
5.00% - 6.49%	2,738	5,476	5,476	18,489	32,179
6.50% - 7.49%	685	1,369	1,369	4,621	8,045
Total	**3,423**	**6,845**	**6,845**	**23,111**	**40,223**

(All amounts are in INR Lakhs, unless otherwise stated)

As at March 31, 2024

(i) Term loans from Banks secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
8.50% - 9.49%	32,664	66,973	50,061	26,292	1,75,990
9.50% - 10.50%	5,347	805			6,152
Total	**38,012**	**67,778**	**50,061**	**26,292**	**1,82,142**

(ii) Term loans from Financial Institutions secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
8.50% - 9.50%	1,500	1,500	–	–	3,000
Total	**1,500**	**1,500**	**–**	**–**	**3,000**

(iii) Term loans from NHB secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
<7.50%	1,478	3,942	3,889	918	10,227
7.50% - 8.49%	3,212	8,565	8,565	9,225	29,566
8.50% - 9.50%	833	2,222	697	–	3,752
Total	**5,523**	**14,729**	**13,150**	**10,143**	**43,546**

(iv) Terms of maturity of securitization liability

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
9.35 % annually	437	860	858	7,353	9,508
Total	**437**	**860**	**858**	**7,353**	**9,508**

(v) Term loan ECB secured by way of exclusive hypothecation of receivables i.e. loans and advances.

Maturity	0-1 years	1-3 years	3-5 years	> 5 years	Total
Rate of interest					
5.00% - 6.49%	1,812	4,885	5,259	20,959	32,915
6.50% - 7.49%	453	1,221	1,315	5,240	8,229
Total	**2,265**	**6,107**	**6,574**	**26,198**	**41,144**

1. There are no borrowings guaranteed by directors and others as at March 31, 2025 and as at March 31, 2024, except term loans from NHB amounting to INR 2,641 lakhs at March 31, 2025 were additionally secured by Bank Guarantee of ₹ 750 lakhs extended by IDBI Bank in favour of National Housing Bank.
2. There has not been any default in repayment of borrowings and interest during the year ended March 31, 2025, (no default during the year ended March 31, 2024).

(All amounts are in INR Lakhs, unless otherwise stated)

3. The Company has utilised the borrowings from banks and financial institutions for the purpose for which it was availed.
4. Borrowings from banks or financial institutions are secured by way of exclusive and floating charge over identified list of receivables by way of hypothecation to the extent of security cover as per respective sanction terms.
5. The Company has not entered into any transaction or arrangement with any person(s) or entity(ies) including foreign entities (intermediaries) which would result in onward lending to or on behalf of the lender.

Note 16: Other Financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	1,158	1,227
Interest Payable on Direct Assignment	11	15
Salary and bonus payable	2,459	1,774
Lease liability	909	771
Book overdraft	29,688	15,068
Other liabilities*	2,434	6,178
Total	**36,659**	**25,033**

* Other liabilities includes pre-closure liabilities and other payables

Note 17: Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Provision for employee benefits		
(i) Gratuity (Refer note 37 B)	560	277
(ii) Other employee benefit	30	15
(iii) Compensated absences	205	162
(b) Provision for expenses	183	99
Total	**978**	**553**

Provision for expenses ageing schedule as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	–	–	–	–	–
(ii) Other	183	–	–	–	183
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - others	–	–	–	–	–
(v) Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–
(vi) Disputed trade receivables – credit impaired	–	–	–	–	–

(All amounts are in INR Lakhs, unless otherwise stated)

Provision for expenses ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	–	–	–	–	–
(ii) Other	99	–	–	–	99
(iii) Disputed dues - MSME	–	–	–	–	–
(iv) Disputed dues - others	–	–	–	–	–
(v) Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–
(vi) Disputed trade receivables – credit impaired	–	–	–	– -	-

Note 18: Other non-financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Liabilities (GST, TDS and other statutory liabilities)	450	346
	450	**346**

Note 19 : Equity Share Capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
(a) Authorised Share Capital				
Equity shares of Re. 1/- each	10,00,00,00,000	1,00,000	10,00,00,00,000	1,00,000
(b) Equity shares of Re. 1/- each issued, subscribed and fully paid up				
Equity share capital of Re. 1/- each	6,05,39,25,379	60,539	6,03,78,64,375	60,379
	6,05,39,25,379	**60,539**	**6,03,78,64,375**	**60,379**

i) The Company has only one class of equity shares having a face value of Re. 1 each. Each holder of equity shares is entitled to one vote per share.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts, in proportion to their holding. However, there exists no preferential liability as at March 31, 2025.

(c) Reconciliation of share capital :

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	Amount	Number	Amount
Equity shares				
Outstanding at the beginning of the year	6,03,78,64,375	60,379	6,03,34,46,625	60,334
Issued during the year under ESOP	1,60,61,004	161	44,17,750	44
Outstanding at the end of the year	**6,05,39,25,379**	**60,539**	**6,03,78,64,375**	**60,379**

(All amounts are in INR Lakhs, unless otherwise stated)

(d) Details of shares holding more than 5% shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number	% of holding	Number	% of holding
Motilal Oswal Financial Services Limited				
Equity share of Re. 1 each fully paid-up	4,54,64,13,025	75.10%	4,54,64,13,025	75.30%
Motilal Oswal Finvest Limited				
Equity share of Re. 1 each fully paid-up	60,00,00,000	9.91%	60,00,00,000	9.94%
Motilal Oswal Wealth Limited				
Equity share of Re. 1 each fully paid-up	48,21,62,594	7.96%	48,21,62,594	7.99%
	5,62,85,75,619	**92.97%**	**5,62,85,75,619**	**93.22%**

(e) Details of shares held by promoters/promoter group as at March 31, 2025

Promoter name	Number of shares	% of total shares	% Change during the year
Motilal Oswal Financial Services Limited	4,54,64,13,025	75.10%	(0.20)%
Motilal Oswal Finvest Limited	60,00,00,000	9.91%	(0.03)%
Motilal Oswal Wealth Limited	48,21,62,594	7.96%	(0.02)%
Motilal Oswal Investment Advisors Limited	24,01,02,336	3.97%	(0.30)%
Motilal Oswal Asset Management Company Limited	10	0.00%	0.00%
Mr. Motilal Oswal	10	0.00%	0.00%
Mr. Raamdeo Agrawal	10	0.00%	0.00%
	5,86,86,77,985	**96.94%**	**(0.55)%**

(e) Details of shares held by promoters/promoter group as at 31 March, 2024

Promoter name	Number of shares	% of total shares	% Change during the year
Motilal Oswal Financial Services Limited	4,54,64,13,025	75.30%	(0.05)%
Motilal Oswal Finvest Limited	60,00,00,000	9.94%	9.94%
Motilal Oswal Wealth Limited	48,21,62,594	7.99%	7.99%
Motilal Oswal Investment Advisors Limited	25,78,44,836	4.27%	(0.05)%
Motilal Oswal Asset Management Company Limited	10	0.00%	0.00%
Mr. Motilal Oswal	10	0.00%	0.00%
Mr. Raamdeo Agrawal	10	0.00%	0.00%
	5,88,64,20,485	**97.49%**	**(0.11)%**

(f) Also refer note 38 for disclosure relating to employee stock option scheme.

(g) There is no buyback of shares during the five years immediately preceding March 31, 2025.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 20: Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Other Reserves		
(a) Share option outstanding account		
Opening Balance	1,005	518
Add: Addition during the year	916	523
Less: Transfer to security premium account	(155)	(36)
Total	**1,766**	**1,005**
(b) Statutory reserves and Special reserves		
Opening Balance		
Section 29C of The National Housing Bank Act, 1987	2,888	1,999
Special reserve u/s 36(1) (viii) of Income Tax Act, 1961	9,744	7,983
Transfer during the year		
Section 29C of The National Housing Bank Act, 1987	610	889
Special reserve u/s 36(1) (viii) of Income Tax Act, 1961	1,996	1,761
Closing Balance		
Section 29C of The National Housing Bank Act, 1987	3,498	2,888
Special reserve u/s 36(1) (viii) of Income Tax Act, 1961	11,740	9,744
Total	**15,238**	**12,632**
(c) Securities Premium account		
Opening Balance	26,454	26,312
Securities premium on shares issued during the year	467	106
Transfer from Stock option outstanding amount	155	36
Total	**27,076**	**26,454**
(II) Retained Earnings		
(a) Surplus in profit or loss account		
Opening Balance	28,223	17,626
Profit for the year	13,026	13,252
Re-measurement (losses) on defined benefit plans	(158)	(5)
Transfer to Statutory Reserve	(2,606)	(2,650)
Total	**38,485**	**28,223**
(b) Other comprehensive income		
Opening Balance	–	–
Derivatives designated as cash flow hedge (net of tax)	(414)	–
Total	**(414)**	**–**
Total Other Equity	**82,151**	**68,314**

There has been no draw down from reserves during the year ended March 31, 2025 and March 31, 2024.

(All amounts are in INR Lakhs, unless otherwise stated)

20.1 Nature and purpose of Other Reserve

(a) Share option outstanding account

The employee stock options reserve represents reserve created in respect of equity settled share options granted to the employees of the Company.

(b) Statutory reserves and Special reserves

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. The Company has transferred twenty percent of it's net profit during the previous year to the reserve fund. This includes Special Reserve created to avail the deduction as per the provisions of Section 36(1)(viii) of the Income Tax Act, 1961 on profits derived from the business of providing long-term finance for construction or purchase of houses in India for residential purposes.

(c) Securities Premium

The security premium account is use to record the premium received on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(d) Retained earnings

Retained earnings represents accumulated surplus/ deficit of the Company and are available for distribution to shareholders and cumulative actuarial gains/(losses) on defined employee benefit plans.

(e) Other comprehensive income

The amount refers to changes in the fair value of Derivative Financial Contracts which are designated as effective Cash Flow Hedge.

(All amounts are in INR Lakhs, unless otherwise stated)

NOTE 21: Revenue from operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Interest Income on Loan at amortised cost	59,519	55,222
(ii) Interest Income on Fixed Deposits and Investments	1,251	600
(iii) Net gains on fair value changes on financial instruments at FVTPL (realised)	281	438
(iv) Fees and other income	1,944	1,539
TOTAL	**62,995**	**57,799**

NOTE 22: Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Other non operating income	2,162	1,109
TOTAL	**2,162**	**1,109**

NOTE 23: Finance cost

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Interest cost on borrowings	24,906	23,234
(ii) Interest cost on lease liability	72	65
(iii) Interest cost on securitization	808	966
(iv) Other borrowing cost	964	777
TOTAL	**26,750**	**25,042**

NOTE 24: Impairment on financial instruments

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Impairment on loans (Loans measured at amortised cost)	(73)	(580)
(ii) Loss on derecognition of loan assets*	238	1,773
TOTAL	**165**	**1,193**

* FY2024 majorly includes loss of sale of asset to an asset reconstruction company.

NOTE 25: Employee benefits expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Salary, Bonus and Allowances	14,828	10,791
(ii) Share based payments	914	523
(iii) Contribution to provident & other funds (Refer note 37 A)	761	553
(iv) Staff welfare expenses	248	95
(v) Gratuity obligation (Refer note 37 B)	109	104
TOTAL	**16,860**	**12,066**

(All amounts are in INR Lakhs, unless otherwise stated)

NOTE 26: OTHER EXPENSES

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Rates & Taxes	67	99
(ii) Rent	314	264
(iii) Insurance	251	134
(iv) Computer Maintenance & Software Charges	114	26
(v) Legal & Professional Charges	904	651
(vi) Remuneration to auditors (Refer note 32)	31	28
(vii) Data processing charges	161	129
(viii) Marketing & brand promotion expenses	31	5
(ix) Advertisement expenses	19	11
(x) Printing & Stationary	50	30
(xi) Power and fuel	100	71
(xii) Communication and data charges	125	108
(xiii) Travelling, lodging and boarding expenses	936	487
(xiv) Miscellaneous expenses	398	376
(xv) Corporate social responsibility expense (Refer Note 32)	328	250
(xvi) Business Support Service	220	219
(xvii) Repair and Maintenance	137	70
TOTAL	**4,186**	**2,958**

NOTE 27: Income Tax Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Amounts recognised in statement of profit or loss		
Current tax (a)		
Current year	3,603	3,537
Deferred tax (b)		
Origination and reversal of temporary differences	(41)	341
Prior period tax (c)		
Changes in estimates related to prior years	54	(2)
Tax expense of continuing operations (a)+(b)+(c)	**3,616**	**3,876**
B. Amount recognised in other comprehensive income		
Tax Impact on remeasurements of defined benefit liability and Derivatives designated as cash flow hedge	192	2
	192	**2**

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
C. Reconciliation of effective tax		
Profit before tax	16,642	17,128
Tax at the rate of 25.168%	4,189	4,311
Effect of:		
Miscellaneous disallowance	(33)	(300)
Tax exemption on special reserve	(502)	(443)
Tax exemption on provision on doubtful assets	(50)	(31)
Tax diffrential on capital gains	(1)	–
Current Tax as per P&L	**3,603**	**3,537**
Prior Period tax	54	(2)
Deferred Tax Impact	(41)	341
Total Tax Expenses as per P&L	**3,616**	**3,876**
Effective Tax Rate	**21.73%**	**22.63%**
D. Recognised deferred tax assets /(liabilities)		
Deferred tax assets and liabilities are attributable to the following:		
Difference between book depreciation and tax depreciation	256	174
Difference in ROU and Lease liability	13	13
Other Employee Benefits	203	115
Unamortized borrowing cost	(434)	(356)
Deffered tax on OCI cash flow hedge reserve	139	–
Provision for Loan assets	1,617	1,636
Unamortized upfront income and expenses	(103)	(128)
Deferred tax assets	**1,689**	**1,455**

NOTE 28: Other comprehensive income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(i) Items that will not be reclassified to profit or loss		
Re-measurement (losses) on defined benefit plans	(211)	(7)
Deferred tax impact on above	53	2
(ii) Items that will be reclassified to profit or loss*		
Derivatives designated as cash flow hedge	(553)	–
Deferred tax impact on above	139	–
Total other comprehensive income, net of tax	**(572)**	**(5)**

*An omission of previous financial year relating to accounting of cash flow hedges on ECB borrowings was addressed during the current year as per the Hedge Accounting principles for Cash Flow Hedges under Ind As 109 'Financial Instruments', by taking into account the overall impact since inception of ECB borrowing. Considering the nature and quantum of the omission of ₹ 5.53 crores (Post tax ₹ 4.14 crores), which has no impact on profit or loss, earnings per share, or key financial ratios, and represents approximately 0.10% of total assets, the Company has assessed the omission as not material as to the financial statements of the prior year. Accordingly, the comparative information for the year ended March 31, 2024 has not been restated.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 29: Earnings per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic earnings per share		
Profit attributable to equity shareholders (Rupees) [A]	13,026	13,252
Nominal value per share (in Rupees)	1	1
Weighted average number of equity shares outstanding during the year [B] (Face value ₹ 1) (In Numbers)	6,04,65,01,279	6,03,58,51,519
Basic earnings per share [A] / [B] (Rupees)	**0.22**	**0.22**
Diluted earnings per share		
(Loss)/Profit attributable to equity shareholders (Rupees)	13,026	13,252
Less : Impact on profit due to exercise of diluted potential equity shares	–	–
Net profit attributable to equity shareholders for calculation of diluted earnings per share [A]	13,026	13,252
Weighted average number of equity shares used in computing basic earnings per share (In Numbers)	6,04,65,01,279	6,03,58,51,519
Effect of potential equity shares for stock options outstanding	4,01,06,620	76,99,651
Weighted number of equity shares used in computing diluted earnings per share [B] (In Numbers)	6,08,66,07,899	6,04,35,51,170
Diluted earnings per share (Rupees) [A] / [B]	**0.21**	**0.22**

Note 30: Loans and ECL movement

1. An analysis of change in the gross carrying amount and the corresponding expected credit loss allowance in relation to lending is as follows:

Particulars	For the year March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	3,94,377	6,989	3,470	4,04,836
New asset originated/purchased/further increases in existing asset	1,79,207	167	48	1,79,422
Assets derecognised (on repayment and assignments, excluding write-offs)	(94,080)	(812)	(721)	(95,613)
Transfers to/(from) Stage l	(6,034)	3,847	2,187	–
Transfers to/(from) Stage 2	3,694	(4,355)	661	–
Transfers to/(from) Stage 3	817	47	(864)	–
Amount written-off	(1,951)	(324)	(694)	(2,968)
Sub-Total	**4,76,030**	**5,559**	**4,087**	**4,85,676**
Interest accrued on loans	4,001	194	463	4,657
Unamortised Fees - EIR				(354)
Gross carrying amount closing balance				**4,89,979**

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	3,68,297	8,152	4,092	3,80,542
New asset originated/purchased/further increases in existing asset	1,00,510	186	3	1,00,699
Assets derecognised (on repayment and assignments, excluding write-offs)	(72,332)	(1,238)	(1,027)	(74,598)
Transfers to/(from) Stage I	(6,851)	4,892	1,959	–
Transfers to/(from) Stage 2	4,094	(4,739)	646	–
Transfers to/(from) Stage 3	1,603	78	(1,682)	–
Amount written-off	(945)	(342)	(521)	(1,807)
Sub-Total	**3,94,377**	**6,989**	**3,470**	**4,04,836**
Interest accrued on loans	4,158	236	342	4,736
Unamortised Fees - EIR				45
Gross carrying amount closing balance				**4,09,616**

Note:

During the previous year ended March 31, 2024, the Company has sold in one tranche pool of certain non performing loan assets aggregating to ₹ 2,370 Lakhs to an Asset Reconstruction Company vide agreement dated March 28, 2024. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan assets was done on "no-recourse" basis and on true sale basis. This has resulted in reversal of ECL amounting to ₹ 664 Lakhs which represents the amount of ECL allowance created on such loans.

2. Reconciliation of expected credit loss allowances balance is given below:

Particulars	For the year March 31, 2025			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	3,556	1,191	1,753	6,500
New asset originated/purchased/further increases in existing asset	882	21	23	926
Changes in provision on account of migration between stages and in same stage due to change in buckets and reversal on recovery	(1,598)	518	940	(140)
Transfers to/(from) Stage I	(177)	113	64	–
Transfers to/(from) Stage 2	635	(744)	109	–
Transfers to/(from) Stage 3	364	(384)	20	–
Amount written-off	(125)	(110)	(625)	(860)
Sub-Total	**3,538**	**605**	**2,284**	**6,426**

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	3,734	1,333	2,014	7,080
New asset originated/purchased/further increases in existing asset	477	19	1	496
Changes in provision on account of migration between stages and in same stage due to change in buckets and reversal on recovery	(1,661)	522	850	(289)
Transfers to/(from) Stage I	(292)	194	98	–
Transfers to/(from) Stage 2	650	(768)	118	–
Transfers to/(from) Stage 3	756	35	(791)	–
Amount written-off	(107)	(145)	(535)	(787)
Sub-Total	**3,556**	**1,191**	**1,753**	**6,500**

3. Non performing asset % (NPA %) are given as below

Ratios	For the year ended March 31, 2025	For the year ended March 31, 2024
Gross non performing asset ratio (GNPA %)	0.84%	0.86%
Net non performing asset ratio (NNPA %)	0.37%	0.42%

Note: There are no account which are past due beyond 90 days but not treated as impaired

Note 31: Remuneration to auditors

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory audit	22	20
For certification work	4	5
Reimbursement of expenses	2	1
GST*	3	2
Total	**31**	**28**

*Amount includes Goods and service tax for which Input credit has been disallowed

Note 32 : Corporate Social Responsibility

1. During the year, Company has spent ₹ 328 Lakhs (previous year ₹ 250 Lakhs) on CSR activities, considering the average book profit computed as per section 198 of the Companies Act for last three financial years.
2. Details of CSR spent during the Financial Year:
   (a) Total amount to be spent for the Financial Year: ₹ 304 Lakhs
   (b) Amount unspent, if any: NA
   (c) Manner in which the amount spent during the Financial Year is detailed below:

(All amounts are in INR Lakhs, unless otherwise stated)

For the year ended March 31, 2025

CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Address	Amount Outlay (Budget) or Project or program wise	Amount spent on the project or program Subheads:	Cumulative Expenditure upto the reporting period	Amount spent: directly or through implementing agency
Uttan Krishi Sanshodhan Sanstha	Education	Maharashtra	125	125	125	NA
Uttan Krishi Sanshodhan Sanstha	Education	Maharashtra	75	75	75	NA
Tattva Education Foundation	Education	Maharashtra	128	128	128	NA

For the year ended March 31, 2024

CSR Project or Activity identified	Sector in which the project is covered (As in Schedule VII)	Address	Amount Outlay (Budget) or Project or program wise	Amount spent on the project or program Subheads:	Cumulative Expenditure upto the reporting period	Amount spent: directly or through implementing agency
Global Vikas Trust	Skill Training	Maharashtra	50	50	50	NA
Rishihood Foundation	Infrastructure	HARYANA	100	100	100	NA
Dystrophy Annihilation Research Trust	Health	KARNATAKA	5	5	5	NA
Tattva Education Foundation	Education	Maharashtra	20	20	20	NA
Friends Of Tribals Society	Education	Maharashtra	25	25	25	NA
Land Purchase For Educational Project	Education	Maharashtra	50	50	50	NA

For the year ended March 31, 2025

Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of Previous year shorfall	Reason for shortfall	Nature of CSR activities	Details of related party transaction	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.
304	328	NA	NA	NA	Refer Note Below*	NA	Actual Expenses done

*Note: Promoting education & skill training for underprivileged children and reducing inequalities.

For the year ended March 31, 2024

Amount required to be spent by the company during the year	Amount of expenditure incurred	Shortfall at the end of the year	Total of Previous year shorfall	Reason for shortfall	Nature of CSR activities	Details of related party transaction	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.
249	250	NA	NA	NA	Refer Note Below*	NA	Actual Expenses done

*Note: Promoting education & skill training for underprivileged children and reducing inequalities.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 33: Contingent liabilities and commitments

Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledge as debt	494	15
Total	**494**	**15**

Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
Other Commitments towards partially disbursed/Sanctioned but not disbursed	78,957	60,161
Total	**78,957**	**60,161**

Note 34 : Leases

The Company has taken various office premises on operating lease for the period which ranges from 12 months to 110 months with an option to renew the lease by mutual consent on mutually agreeable terms.

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

(A) Right of use assets

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at April 1, 2024	719	620
Movement during the year	406	322
Depreciation on Right-Of-Use (ROU) assets	(268)	(224)
Balance as at March 31, 2025	**857**	**719**

(B) Lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at April 1, 2024	771	669
Movement during the year	204	139
Add: Interest cost accrued during the period	72	65
Less: Payment of lease liabilities	(138)	(102)
Balance as at March 31, 2025	**909**	**771**

(C) Maturity analysis - Discounted Cashflows of Contractual maturities of lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Less than three months	73	52
Three to twelve months	214	166
One to five years	567	522
More than five years	55	31
Total	**909**	**771**

(All amounts are in INR Lakhs, unless otherwise stated)

Note 35 : Credit Rating

For the year under review, following Credit Ratings have been assigned to various borrowing programs of the Company by " CRISIL", "India Ratings" and "ICRA":

Nature of borrowing	As at March 31, 2025			As at March 31, 2024		
	Rating / Outlook			Rating / Outlook		
	CRISIL	ICRA	India Ratings	CRISIL	ICRA	India Ratings
Short Term						
Commercial paper	CRISIL A1+	[ICRA]A1+	–	CRISIL A1+	[ICRA]A1+	–
Long Term						
Non-Convertible Debentures	CRISIL AA / Positive	[ICRA] AA(Positive)	IND AA/ Positive	CRISIL AA / Stable	[ICRA] AA (Stable)	IND AA / Stable
Bank Borrowings	CRISIL AA/ Positive	–	IND AA/ Positive	CRISIL AA / Stable	–	IND AA / Stable

1. CRISIL has upgraded its rating outlook to CRISIL AA/Positive from CRISIL AA/Stable on Non-Convertible Debentures and Bank loan facilities of the Company. The rating on the short-term debt instrument has been reaffirmed at CRISIL A1+.
2. India Ratings and Research (Ind-Ra) has upgraded its rating outlook to IND AA/Positive from IND AA/Stable on Non-Convertible Debentures and Bank loan facilities of the Company.
3. ICRA has assigned [ICRA]AA(Positive) on Non-Convertible Debentures and reaffirmed ICRA A1+ on short term debt instrument.
4. The revision in outlook to 'Positive' from 'Stable' is driven by similar action on the parent, Motilal Oswal Financial Services Ltd. This upward trend reflects the anticipated sustained improvement in the Company's business risk profile, driven by steady growth, robust risk management, and a strong liquidity position.
5. The rating takes into consideration Company's approach of geographical diversification, strengthening of the underwriting process and better asset quality, strengthening team and improvement in disbursements, stronger systems / processes and risk management capabilities, reduction in cost of funds and improvement in overall profitability. Further, Company enjoys healthy capitalisation and high liquidity.

Note 36: Details of dues to micro enterprises and small enterprises

Under the Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act, 2006), certain disclosures are required to be made relating to dues to Micro and Small enterprises. On the basis of information and records available with the management, following disclosures are made:

Particulars	As at March 31, 2025	As at March 31, 2024
1. The principal amount remaining unpaid at the end of the year.	–	–
2. The interest amount remaining unpaid at the end of the year.	–	–
3. 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	–	–

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
4. The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	–	–
5. The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	–	–
6. The amount of interest accrued and remaining unpaid at the end of accounting year	–	–
7. 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.	–	–
The balance of MSMED parties as at the end of the year	**–**	**–**

Note 37: Disclosure pursuant to Ind AS 19 - Employee Benefits

A) Defined contribution plan :

The Company makes contributions to provident fund for qualifying employees to Regional Provident Fund Commissioner under defined contribution plan under the Provident Fund Act.

Amount recognised as an expense and included under the head "Contribution to Provident and Other Funds" of Statement of Profit and Loss are as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Employer's contribution to provident fund	725	518
Employer's contribution to ESIC	22	25
Employer's contribution to National Pension Scheme	14	10
Total	**761**	**553**

B) Defined benefit plan :

The details of the Company's post- retirement benefit plans for its employees including whole time directors are given below which is as certified by the actuary and relied upon by the auditors.

Principal actuarial assumptions at the balance sheet date

Particulars	As at March 31, 2025	As at March 31, 2024
Interest / Discount Rate	6.35%	6.88%
Rate of increase in compensation	9.30%	7.28%
Employee attrition rate (Past Service) (PS)	PS: 0 to 40 : 50%	PS: 0 to 40 : 68.1%

(All amounts are in INR Lakhs, unless otherwise stated)

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

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the beginning of the year	277	171
Current service cost	97	96
Transfer in liability	1	22
Transfer out liability	(23)	(0)
Interest cost	12	8
Benefit paid	(15)	(26)
Curtailment cost		
Settlement cost		
Net actuarial (gain) or loss recognized in the year	211	7
Present value of obligation at the end of the year	**560**	**277**

Fair value of plan assets

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the beginning of the year	(277)	(171)
Actual return on plan assets	–	–
Contributions	15	26
Benefit paid	(15)	(26)
Fair value of plan assets at end of period	–	–
Funded status (including unrecognized past service cost)	(560)	(277)
Excess of actual over estimated return of plan assets	**–**	**–**

Experience history

Particulars	As at March 31, 2025	As at March 31, 2024
(Gain) on obligation due to change in assumption	157	11
Experience (gain)/loss on obligation	54	(4)
Actuarial gain/(loss) on plan assets	**211**	**7**

Amounts to be recognized in the balance sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of obligation at the beginning of the year	(277)	171
Fair value of plan assets at end of period		
Funded status	(560)	(277)
Unrecognized actuarial gain/(loss)	–	–
Unrecognized past service cost - non vested benefits	–	–
Net assets/(liability) recognized in balance sheet	(560)	(277)

(All amounts are in INR Lakhs, unless otherwise stated)

Expense recognized in the statement of profit and loss account

Particulars	As at March 31, 2025	As at March 31, 2024
Current service cost	97	96
Interest cost	12	8
Past service cost (non vested benefits)	–	–
Past service cost (vested benefits)		
Unrecognized past service cost - non vested benefits	–	–
Expected return on plan assets	–	–
Net actuarial gain/ (loss) recognized for the period	–	–
Expense recognized in the statement of profit and loss account	**109**	**104**

Movements in the liability recognized in balance sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Opening net liability	277	171
Expenses as above	109	104
Transfer in liability	1	22
Transfer Out liability	(23)	–
Expenses recognized	86	126
Employer's contributions	(15)	(26)
Other Comprehensive Income(OCI)	211	7
Closing net liability	560	277
Closing provisions at the end of the year	**560**	**277**

Defined benefit plans

Particulars	As at March 31, 2025	As at March 31, 2024
Defined benefit obligation	560	277
Plan assets	(560)	(277)
Experience adjustments :		
On plan liabilities	–	–
On plan assets	–	–

Sensitivity analysis

Particulars	DR: Discount Rate		ER Salary Escalation Rate	
	PVO DR +1%	PVO DR -1%	PVO ER + 1%	PVO ER - 1%
Present value of obligation (PVO)	544	578	574	547

Expected Payout

Year	Expected Outgo First	Expected Outgo Second	Expected Outgo Third	Expected Outgo Fourth	Expected Outgo Fifth	Expected Outgo Six to Ten years
Payouts	162	119	95	65	52	146

(All amounts are in INR Lakhs, unless otherwise stated)

Asset Liability Comparisons

Year	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025
PVO at the end of year	78	116	171	277	560
Plan Assets	–	–	–	–	–
Surplus / (Deficit)	(78)	(116)	(171)	(277)	(560)
Experience adjustments on plan assets	–	–	–	–	–

Note 38: Disclosure relating to Employee stock option scheme

The Company has following stock option schemes:

Motilal Oswal Home Finance Ltd -Employees' Stock Option Scheme 2014 - (ESOS - 2014)

The Scheme was approved by Board of Directors on 11 September 2014 and by the shareholders in EGM dated 16 October 2014 for issue of 5,00,00,000 options representing 5,00,00,000 Equity shares of Re. 1 each.

Motilal Oswal Home Finance Ltd - Employees' Stock Option Scheme 2016 (ESOS-2016)

The Scheme was approved by Board of Directors on 29 April 2016 and by the shareholders in AGM dated 07 July 2016 for issue of 5,00,00,000 options representing 5,00,00,000 Equity shares of Re. 1 each.

Motilal Oswal Home Finance Ltd - Employees' Stock Option Scheme 2017 (ESOS-2017)

The Scheme was approved by Board of Directors on 25 April 2017 and by the shareholders in EGM dated 25 May 2017 for issue of 1,00,00,000 options representing 1,00,00,000 Equity shares of Re. 1 each.

Motilal Oswal Home Finance Ltd - Employees' Stock Option Scheme 2017 (ESOS-2017 H Co.) (Issued to Holding Company Employees)

The Scheme was approved by Board of Directors on 25 April 2017 and by the shareholders in EGM dated 25 May 2017 for issue of 3,00,00,000 options representing 3,00,00,000 Equity shares of Re. 1 each.

Motilal Oswal Home Finance Ltd - Employees' Stock Option Scheme 2022 (IV)

The Scheme was approved by Board of Directors on 26 April 2022 and by the shareholders meeting dated 24 June 2022 for issue of 10,00,00,000 options representing 10,00,00,000 Equity shares of Re. 1 each.

Motilal Oswal Home Finance Ltd - Employees' Stock Option Scheme 2023 (V)

The Scheme was approved by Board of Directors on 26 April 2023 and by the shareholders meeting dated 22 June 2023 for issue of 10,00,00,000 options representing 10,00,00,000 Equity shares of Re. 1 each.

The activity in the (ESOS 2014), (ESOS 2016) , (ESOS 2017) , (ESOS 2017 H Co.), (ESOS 2022) & (ESOS 2023) during the year ended 31 March 2025 and 31 March 2024 is set below:

Equity Shares	As at March 31, 2025 (in numbers)	Weighted Average Exercise price	As at March 31, 2024 (in numbers)	Weighted Average Exercise price
The MOHFL (ESOS 2014): (Face value of Re. 1 each)				
Options outstanding at the beginning of the year	2,55,23,000	3.93	2,27,49,500	3.65
Add: Granted	–	–	1,16,80,000	4.20
Less: Exercised	54,47,028	3.53	28,07,000	3.29
Less: Lapsed	21,82,000	4.03	60,99,500	3.72
Options outstanding at the end of the year	1,78,93,972	4.04	2,55,23,000	3.93
Exercisable at the end of the year	50,14,972	4.10	37,99,750	3.55

(All amounts are in INR Lakhs, unless otherwise stated)

Equity Shares	As at March 31, 2025 (in numbers)	Weighted Average Exercise price	As at March 31, 2024 (in numbers)	Weighted Average Exercise price
The MOHFL (ESOS 2016) : (Face value of Re. 1 each)				
Options outstanding at the beginning of the year	4,23,53,425	4.13	3,35,40,640	3.94
Add: Granted	20,80,000	4.20	2,27,55,000	4.20
Less: Exercised	45,12,876	3.97	11,56,250	3.47
Less: Lapsed	68,98,500	4.20	1,27,85,965	3.80
Options outstanding at the end of the year	3,30,22,049	4.15	4,23,53,425	4.13
Exercisable at the end of the year	96,15,849	4.18	46,50,700	4.19
The MOHFL (ESOS 2017) : (Face value of Re. 1 each)				
Options outstanding at the beginning of the year	76,82,500	4.18	60,87,500	4.16
Add: Granted	–	–	29,35,000	4.20
Less: Exercised	8,85,600	4.07	1,40,000	3.50
Less: Lapsed	19,58,500	4.22	12,00,000	4.25
Options outstanding at the end of the year	48,38,400	4.18	76,82,500	4.18
Exercisable at the end of the year	20,06,400	4.24	12,77,250	4.25
The MOHFL (ESOS 2017) (Holding Company): (Face value of Re. 1 each)				
Options outstanding at the beginning of the year	3,75,000	4.00	5,50,000	4.05
Add: Granted	–	–	–	–
Less: Exercised	1,00,000	4.00	85,000	4.03
Less: Lapsed	–	–	90,000	4.25
Options outstanding at the end of the year	2,75,000	4.00	3,75,000	4.00
Exercisable at the end of the year	–	–	–	–
The MOHFL (ESOS 2022): (Face value of Re. 1 each)				
Options outstanding at the beginning of the year	9,60,25,500	4.32	4,93,85,000	4.25
Add: Granted	1,81,85,000	4.22	6,25,95,000	4.36
Less: Exercised	49,92,000	4.25	2,29,500	4.25
Less: Lapsed	1,79,64,000	4.24	1,57,25,000	4.26
Options outstanding at the end of the year	9,12,54,500	4.32	9,60,25,500	4.32
Exercisable at the end of the year	2,21,46,217	4.33	64,99,000	4.25
The MOHFL (ESOS 2023): (Face value of Re. 1 each)				
Options outstanding at the beginning of the year	9,62,45,000	2.79	–	–
Add: Granted	1,53,80,000	4.40	9,62,85,000	2.79
Less: Exercised	1,01,000	4.50	–	–
Less: Lapsed	1,52,86,500	4.23	40,000	4.50
Options outstanding at the end of the year	9,62,37,500	2.82	9,62,45,000	2.79
Exercisable at the end of the year	47,22,500	4.27	–	–

(All amounts are in INR Lakhs, unless otherwise stated)

Employees' Stock Options Scheme (ESOS) :

The Company has its accounting policy for ESOPs valuation at fair value method for appropriate presentation of financial statements.

Particulars	ESOS 2014	ESOS 2016	ESOS 2017	ESOS 2017 H Co.	ESOS 2022 (IV)	ESOS 2023 (V)
Date of grant	Various dates	Various dates	Various dates	Various dates	Various dates	Various dates
Date of board approval	11 September 2014	29 April 2016	25 April 2017	25 April 2017	26 April 2022	26 April 2023
Date of shareholders' approval	16 October 2014	07 July 2016	25 May 2017	25 May 2017	24 June 2022	22 June 2023
Number of options granted	9,04,80,500	18,07,69,250	2,01,87,500	3,03,90,000	13,63,27,500	11,16,65,000
Method of settlement	Equity shares	Equity shares	Equity shares	Equity shares	Equity shares	Equity shares
Vesting period	1 year to 5 years	1 year to 5 years	1 year to 5 years	1 year to 5 years	1 year to 6 years	1 year to 6 years
Vesting pattern	Various pattern	Various pattern	Various pattern	Various pattern	Various pattern	Various pattern
Weighted average remaining contractual life						
Granted but not vested	6.01 Years	6.25 Years	6.1 Years	6.14 Years	6.11 Years	8.15 Years
Vested but not exercised	1.83 Years	1.95 Years	3.34 Years	0 Years	1.4 Years	0.25 Years
Weighted average share price at the date of exercise for stock options exercised during the year	CY ₹ 4.26 (PY ₹ 4.34)	CY ₹ 4.24 (PY ₹ 4.35)	CY ₹ 4.23 (PY ₹ 4.36)	CY ₹ 4.37 (PY ₹ 4.34)	CY ₹ 4.20 (PY ₹ 4.36)	CY ₹ 4.37 (PY ₹ NA)
Exercise period	Within a period of 5 years from the date of vesting or in case of resignation, the options shall be exercised within 90 days from the date of resignation or such extended period as may be decided by the Nomination and Remuneration Committee.					
Vesting conditions	Vesting of Options would be subject to continued employment with the Company and/or its holding/subsidiary, and thus the Options would vest on passage of time. In addition to this, the Remuneration/Compensation Committee may also specify certain performance parameters subject to which the options would vest. In case of performance based vesting, the options would vest on achievement of performance parameters irrespective of the time horizon.					
Weighted average fair value of options as on grant date	1.88	1.95	1.76	1.22	1.51	2.51

Exercise pricing formula

The exercise pricing formula for MOHFL ESOS 2014, MOHFL ESOS 2016, MOHFL ESOS 2017, MOHFL ESOS 2017 H Co.,MOHFL ESOS 2022 and MOHFL ESOS 2023 are as under:

The nomination and remuneration committee shall have the authority to determine the exercise price having regard to the valuation report of an independent practicing chartered accountant that may be based on such valuation method, as may be considered suitable by him, including but not restricted to the Net Asset Value Method, Discounted Cash Flow Method, Earnings Capitalisation Method, Dividend Yield Model, etc. and may also rely upon the future projections of the Company, which would be prepared by the management from time to time having regard to the future potential and prospects of the Company. The said committee shall in its absolute discretion, have the authority to grant the options at such discount as it may deem fit.

(All amounts are in INR Lakhs, unless otherwise stated)

Fair Value Methodology:

The fair value of options have been estimated on the date of grant using Black-Scholes model as under:

The key assumptions used in Black-Scholes model for calculating fair value under ESOS 2014, ESOS 2016, ESOS 2017, ESOS 2017 H Co.,ESOS 2022 & ESOS 2023, as on the date of grant are as follow :

Particulars	ESOS 2014	ESOS 2016	ESOS 2017	ESOS 2017 H Co.	ESOS 2022	ESOS 2023
Risk-free interest rate	5.63% - 7.37%	5.63% - 7.25%	6.18% - 7.25%	5.63%	7.06% - 7.38%	7.06% - 7.25%
Expected dividend yield	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Expected volatility of share price*	40%	40%	40%	40%	40%	40%

*Expected volatility has been calculated of listed Holding Company shares of Motilal Oswal Financial Services Limited long term average since listing.

Note 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, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	61,149	–	61,149	44,334	–	44,334
Bank balance other than cash and cash equivalents above	1,754	–	1,754	2,855	–	2,855
Loans	95,069	3,88,563	4,83,632	65,145	3,38,032	4,03,177
Other financial assets	503	1,713	2,216	642	892	1,534
Total Financial Assets (A)	**1,58,475**	**3,90,276**	**5,48,751**	**1,12,975**	**3,38,924**	**4,51,900**
Non-financial assets						
Current tax assets (Net)	59	–	59	104	–	104
Deferred tax assets (Net)	–	1,689	1,689	–	1,455	1,455
Property, plant and equipment	–	1,561	1,561	–	1,276	1,276
Other intangible assets	–	54	54	–	112	112
Other non-financial assets	869	–	869	362	–	362
Total Non-Financial Assets (B)	**928**	**3,304**	**4,232**	**466**	**2,843**	**3,309**
Total assets (C) = (A) + (B)	**1,59,403**	**3,93,580**	**5,52,983**	**1,13,441**	**3,41,767**	**4,55,209**

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025			As at March 31, 2024		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial liabilities						
Payables						
Trade payables						
(i) total outstanding dues of micro enterprises and small enterprises	139	–	139	80	–	80
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,601	–	1,601	1,059	–	1,059
Debt securities*	–	57,233	57,233	21,500	–	21,500
Borrowings (Other than debt securities)*	53,531	2,59,528	3,13,059	47,737	2,31,603	2,79,340
Other financial liabilities	35,415	1,244	36,659	24,480	553	25,033
Total Financial Liabilities (A)	**90,686**	**3,18,005**	**4,08,691**	**94,856**	**2,32,156**	**3,27,012**
Non-financial Liabilities						
Provisions	978	–	978	553	–	553
Other non-financial liabilities	450	–	450	346	–	346
Total Non-Financial Liabilities (B)	**1,428**	**–**	**1,428**	**899**	**–**	**899**
Total liabilities (C) = (A)+(B)	**92,114**	**3,18,005**	**4,10,119**	**95,755**	**2,32,156**	**3,27,911**

* FY2024 borrowings and debt securities are shown at unamortised cost.

Note 40: Segmental Reporting

The Company is primarily engaged into business of providing loans for purchase or construction of residential houses. The Company also provides top-up loans and loan against properties. The Board reviews the Company's performance as a single business. Further the Company does not have any separate geographical segment in India. There being only one segment, disclosure for segment as per Ind AS 108 is not applicable. Further, no clients individually accounted for more than 10% of the revenue in financial year ended March 31, 2025 and March 31, 2024.

Note 41: Related parties

List of related parties as per IndAS 24 with whom transaction have taken place during the year.

The transaction with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions.

(A) Names of related parties

Motilal Oswal Financial Services Limited - Holding Company

Motilal Oswal Wealth Limited - Fellow Subsidiary Company

Motilal Oswal Finvest Limited - Fellow Subsidiary Company

(B) Key managerial personnel & Directors

Motilal Oswal – Chairman & Non-Executive Director (Chairman & Interim Managing Director (01 August 2022 to 31 July 2023) Chairman & Non-Executive Director (w.e.f. 01 August 2023)

(All amounts are in INR Lakhs, unless otherwise stated)

Raamdeo Agrawal	–	Non Executive Director
Sukesh Bhowal	–	Chief Executive Officer w.e.f 14 June 2023 and Managing Director & Chief Executive Officer w.e.f. 27 October 2023
Divya Momaya	–	Independent Director
Neha Gada	–	Independent Director (w.e.f. October 27, 2023)
P H Ravikumar	–	Independent Director (upto September 30, 2024)
Satinder Singh Rana	–	Independent Director (from September 30, 2024)
Sunny Ganatra	–	Company Secretary (w.e.f. January 23, 2024)
Ritin Mawani	–	Company Secretary (upto November 24, 2023)
Shalibhadra Shah	–	Chief Financial Officer (upto January 23, 2024)
Bhavin Shah	–	Chief Financial Officer (w.e.f. January 24, 2024)

(C) Transactions with related parties are as enumerated below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Reimbursement of expenses by the Company		
Motilal Oswal Financial Services Limited		
– Sundry expenses	16	13
– Rent	270	212
– Electricity expense	15	13
Share based payment cost incurred by Holding Company		
Motilal Oswal Financial Services Limited	1	0
Loan Given^		
Motilal Oswal Financial Services Limited	3,29,000	2,18,500
Motilal Oswal Finvest Limited	74,000	1,20,900
Loan repayment received^		
Motilal Oswal Financial Services Limited	3,29,000	2,18,500
Motilal Oswal Finvest Limited	74,000	1,20,900
Interest Income		
Motilal Oswal Financial Services Limited	2,249	1,681
Motilal Oswal Finvest Limited	95	478
Commission		
Motilal Oswal Wealth Limited	5	–
Payment towards collections from derecognised loan assets		
Motilal Oswal Finvest Limited	10,137	11,508
Business Support Charges paid		
Motilal Oswal Financial Services Limited	220	219
Rent Income		
Motilal Oswal Financial Services Limited	11	16

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Remuneration paid*		
Mr. Motilal Oswal	–	4
Mr. P H Ravikumar**	7	10
Mrs. Neha Gada**	5	1
Mrs. Divya Momaya**	8	7
Mr. Satinder Singh Rana**	3	–
Mr. Sukesh Bhowal	286	180
Mr. Bhavin Shah	100	15
Mr. Sunny Gantara	12	3
*The above figures do not include provision for gratuity since it is actuarially determined for the Company as a whole.		
** Director sitting fees and commission		
Subscription of equity shares (under ESOP scheme) including premium		
Mr. Shalibhadra Shah	9	11
Balance payable		
Motilal Oswal Finvest Limited	528	3,741
Motilal Oswal Financial Services Limited	80	22
Motilal Oswal Wealth Limited	3	–
Balance Receivable		
Motilal Oswal Finvest Limited	0	66
Motilal Oswal Financial Services Limited	151	193
Motilal Oswal Wealth Limited	–	0

^ This respresents cumulative amount given and received

"0" represents amount less than ₹ 50,000

Key Management personnel compensation		
Short term employee benefit	–	4
Share based payments	–	–

Note 42: Unhedged Foreign Currency Exposure

In terms of RBI Circular No. DBOD.No. BP.BC.85/21.06.200/2013-14 dt. 15.01.2014, there is no unhedged foreign currency exposure of the Company as at Balance sheet date.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 43 : Fair value measurement

a) Financial instruments by category

Particulars	As at March 31, 2025			As at March 31, 2024		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
Financial assets						
Cash and cash equivalents	–	–	61,149	–	–	44,334
Bank balance other than cash and cash equivalents above	–	–	1,754	–	–	2,855
Receivables						
Loans	–	–	4,83,632		–	4,03,177
Other financial assets	–	1,437	779	–	–	1,534
Total financial assets	**–**	**1,437**	**5,47,314**	**–**	**–**	**4,51,899**
Financial liabilities						
Trade payables						
total outstanding dues of micro enterprises and small enterprises	–	–	139	–	–	80
Total outstanding dues of creditors other than micro enterprises and small enterprises	–	–	1,601	–	–	1,059
Debt securities	–	–	57,233	–	–	21,399
Borrowings (Other than debt securities)	–	–	3,13,059	–	–	2,78,025
Other financial liabilities	–	–	36,659	–	–	25,033
Total financial liabilities	**–**	**–**	**4,08,691**	**–**	**–**	**3,25,596**

b) As at March 31, 2025

Assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at FVTPL				
- Mutual funds	–	–	–	–
Financial assets at FVOCI				
- Cross currency swaps (Derivative ECB tranche)		1,437		
Total financial assets	**–**	**1,437**	**–**	**–**
Financial liabilities	**–**	**–**	**–**	**–**
Total financial liabilities	**–**	**–**	**–**	**–**

(All amounts are in INR Lakhs, unless otherwise stated)

As at March 31, 2024

Assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
Financial assets				
Financial investments at FVTPL				
- Mutual funds	–	–	–	–
Total financial assets	–	–	–	–
Financial liabilities	–	–	–	–
Total financial liabilities	–	–	–	–

Fair value of financial assets and liabilities measured at amortised cost

The fair values for security deposits is calculated based on cash flows discounted using a current lending rate, however the change in current rate does not have any significant impact on fair values as at the current year end. For financial assets and liabilities that are measured at amortised cost, the carrying amounts are equal to the fair values.

Note 44: Financial risk management

The Company is exposed primarily to market risk, liquidity risk and credit risk. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The focus of the risk management is to assess the unpredictability of the financial environment and to mitigate potential adverse effect on the financial performance of the Company. The Company's principal financial liabilities comprises of Bank Borrowings and Non Convertible debentures. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, cash and cash equivalents and other receivables from customers that derive directly from its operations.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk:

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, loans, bank balance, trade and other receivables, Investments and other financial assets	• measured as the amount that could be lost if a customer or counterparty fails to make repayments; • monitored using various internal risk management measures and within limits approved by individuals within a framework of delegated authorities; and • managed through a robust risk control framework, which outlines clear and consistent policies, principles and guidance for risk managers.
Liquidity risk	Debt securities, Borrowings (other than debts), trade and other payable and other financial liabilities.	• measured using a range of metrics, including liquidity coverage ratio and net stable funding ratio; • monitored against the Company's liquidity and funding risk framework.
Market risk	Long term borrowings at variable rate and loans	• measured using sensitivities, value at risk and stress testing, giving a detailed picture of potential gains and losses for a range of market movements and scenarios, as well as tail risks over specified time horizons; • managed using risk limits approved by the RMM and the risk management meeting in various global businesses.

(All amounts are in INR Lakhs, unless otherwise stated)

A - Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans and advances to customers. For risk management reporting purposes, the Company considers and consolidates all elements of credit risk exposure.

Management of credit risk

The Risk Management Committee develops the credit risk management framework, policies, procedures, reviews the same on periodic basis which is further noted and approved by the Board of Directors. The Risk Management Committee also reviews delinquent accounts and makes decisions on recovery actions. Credit reviews are conducted regularly to monitor the health of the loan portfolio and to detect early signs of weaknesses and deviations.

The Risk Management Committee manages risk on a portfolio-wide basis and recommends alternative portfolio strategies, analyses results of portfolio management actions and develops portfolio limits for each portfolio segment for approval of the Board of Directors. Credit risk concentration is addressed by setting a credit portfolio mix limit and monitoring the limits on a regular basis. Credit stress tests are also conducted periodically to determine the impact of security values and other stress parameters on the loan portfolio. The Company also conducts annual valuation of delinquent accounts, to determine the actual value and marketability of the collateral which is adequately factored in Capital Adequacy Ratio. This allows the Company to assess the potential financial impact of losses arising from plausible adverse scenarios on the Company's loan portfolio.

Expected credit loss measurement

Ind AS 109 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

1. A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.
2. If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired.
3. If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.

Financial instruments in Stage 1 have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis.

The following diagram summarises the impairment requirements under Ind AS 109 (other than purchased or originated credit-impaired financial assets):

Change in credit quality since initial recognition ⟷

Stage 1	Stage 2	Stage 3
(Initial recognition)	(Significant increase in credit risk since initial recognition)	(Credit-impaired assets)
12-month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

The key judgements and assumptions adopted by the Company in addressing the requirements of the standard are discussed below:

Significant increase in credit risk (SICR)

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

(All amounts are in INR Lakhs, unless otherwise stated)

a. Quantitative criteria:

When days passed dues from the borrower is more than 30 days but less than 90 days*

b. Qualitative criteria:

If the borrower meets one or more of the following criteria:

a. In short-term forbearance

b. Direct debit cancellation

c. Extension to the terms granted*

d. Previous arrears within the last [12] months

Default and credit-impaired assets

The Company defines a financial instrument as in default, which is fully aligned with the definition of credit impaired, when it meets one or more of the following criteria:

a. Quantitative criteria

The borrower is more than 90 days past due on its contractual payments (until clearance of entire overdue)

b. Qualitative criteria

The borrower meets unlikeliness to pay criteria, which indicates the borrower is in significant financial difficulty. These are instances where:

a. The borrower is in long-term forbearance

b. The borrower is deceased

c. The borrower is insolvent

d. Concessions have been made by the lender relating to the borrower's financial difficulty

e. It is becoming probable that the borrower will enter bankruptcy

The criteria above have been applied to all financial instruments held by the Company and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default (PD), Exposure at Default (EAD) and Loss given Default (LGD) throughout the Company's expected loss calculations.

Measuring ECL - Explanation of inputs, assumptions and estimation techniques

The Expected Credit Loss (ECL) is measured on either a 12-month basis (12M) or Lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit losses are the discounted product of the Probability of Default (PD), Exposure at Default (EAD), and Loss Given Default (LGD), defined as follows:

- The Probability of Default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.
- The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

  To calculate the EAD for a Stage 1 loan, the Group assesses the possible default events within 12 months for the calculation of the 12 month ECL. For stage 2, Stage 3 Financial Assets, the exposure at default is considered for events over the lifetime of the instruments.

(All amounts are in INR Lakhs, unless otherwise stated)

- Loss Given Default (LGD) represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default. LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each three bucket explained above and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each three buckets, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof.

The Lifetime PD is developed by applying a maturity profile to the current 12M PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. This is supported by historical analysis.

The 12-month and lifetime EADs are determined based on the expected payment profile. Estimate of an exposure at a future default date – expected changes in exposure after the reporting date, including repayment of principal and interest, and expected drawdowns on committed facilities. This is based on the contractual repayments owed by the borrower over a 12month or lifetime basis. This will also be adjusted for any expected overpayments made by a borrower. Early repayment assumptions are also incorporated into the calculation.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by collateral type.

Forward-looking information : Forward- looking economic variable/assumptions used are – such as how the maturity profile of the PDs and how collateral values change etc. – are monitored and reviewed on a quarterly basis. While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, inflations rates set by International Monetary Fund, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

Impact of RBI Circular - COVID-19 – Resolution plan

RBI on 5th May 2021 came up with resolution plan Framework for COVID-19-related Stress, it has been decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible borrowers. Company in view of same duly implemented one time measure to offer the facility of restructuring to its eligible customers identified basis RBI circular on resolution plan & joint decision of credit, risk, collection & legal departments of the Company.

Company is of the view that the restructuring under the disruption scenario is not indicative of increase in credit risk. Accordingly, the same should ideally not be considered as a factor for considering SICR and in turn, should not result in shifting of the financial instruments from one stage to another. However, considering the requirements of RBI circular on resolution plan, Company's management has recognised provisions in terms of the requirements of the circular.

The Company has identified certain pool of assets where as per Company's internal evolution of risk is higher considering implementation of resolution plan, their repayment history & valuation of its collaterals, basis this evaluation the company has decided to recognise additional provision on such pool of assets.

(All amounts are in INR Lakhs, unless otherwise stated)

Loss allowance

The loss allowance recognised in the period is impacted by a variety of factors, as described below:

a. Transfers between Stage 1 and Stages 2 or 3 due to financial instruments experiencing significant increases (or decreases) of credit risk or becoming credit-impaired in the period, and the consequent "step up" between 12-month and Lifetime ECL;

b. Additional allowances for financial instruments de-recognised in the period;

c. Impact on the measurement of ECL due to changes in PDs, EADs and LGDs in the period, arising from regular refreshing of inputs to models;

d. Financial assets derecognised during the period and write-offs of allowances related to assets that were written off during the period.

Write-off policy

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include

(i) ceasing enforcement activity and

(ii) where the Company's recovery method is foreclosing on collateral and the value of the collateral is such that there is no reasonable expectation of recovering in full.

The Company may write-off financial assets that are still subject to enforcement activity. The Company still seeks to recover amounts it is legally receivable in full, but which have been full / partially written off due to no reasonable expectation of full recovery.

Modification of financial assets

The Company sometimes modifies the terms of loans provided to customers due to commercial renegotiations, or for distressed loans, with a view to maximising recovery.

Such restructuring activities include extended payment term arrangements, payment holidays and payment forgiveness. Restructuring policies and practices are based on indicators or criteria which, in the judgement of management, indicate that payment will most likely continue. These policies are kept under continuous review.

The risk of default of such assets after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original asset. The Company monitors the subsequent performance of modified assets. The Company may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for a year or more.

Note 45: Liquidity risk and funding management

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Analysis of financial assets and liabilities by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial assets and liabilities.

(All amounts are in INR Lakhs, unless otherwise stated)

As at March 31, 2025

Contractual maturities of assets and liabilities	Less than 3 months	3 to 12 months	1 to 5 years	above 5 years	Total
Financial assets					
Cash and cash equivalents	61,149	–	–	–	61,149
Bank balance other than cash and cash equivalents above	1,539	215	–	–	1,754
Loans	26,121	68,948	2,46,523	1,42,040	4,83,632
Other financial assets	126	378	1,712	–	2,216
Total financial assets	**88,935**	**69,541**	**2,48,235**	**1,42,040**	**5,48,751**
Financial liabilities					
(I) Trade payables					
(i) total outstanding dues of micro enterprises and small enterprises	139	–	–	–	139
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	296	1,305	–	–	1,601
Debt securities	–	–	57,233	–	57,233
Borrowings (Other than debt securities)	11,587	41,944	1,93,188	66,341	3,13,059
Other financial liabilities	30,573	4,842	1,110	134	36,659
Total financial liabilities	**42,595**	**48,091**	**2,51,531**	**66,475**	**4,08,691**

As at March 31, 2024

Contractual maturities of assets and liabilities	Less than 3 months	3 to 12 months	1 to 5 years	above 5 years	Total
Financial assets					
Cash and cash equivalents	44,334	–	–	–	44,334
Bank balance other than cash and cash equivalents above	2,525	330	–	–	2,855
Trade receivables	–	–	–	–	
Loans	19,882	45,263	2,17,518	1,20,514	4,03,177
Investments	–	–	–	–	–
Other financial assets	160	481	892	–	1,534
Total financial assets	**66,901**	**46,074**	**2,18,410**	**1,20,514**	**4,51,899**
Financial liabilities					
(I) Trade payables					
(i) total outstanding dues of micro enterprises and small enterprises	80	–	–	–	80
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	205	854	–	–	1,059
Debt securities*	–	21,500	–	–	21,500
Borrowings (Other than debt securities)*	9,591	38,146	1,61,617	69,986	2,79,340
Other financial liabilities	16,831	7,650	522	31	25,033
Total financial liabilities	**26,706**	**68,150**	**1,62,138**	**70,017**	**3,27,012**

*The above borrowings and debt securities are shown at unamortised cost.

(All amounts are in INR Lakhs, unless otherwise stated)

(C) Market Risk

Company's exposure to market risk i.e. risk that fair value for future cash flow of financial instruments will be effected due to change in market variable such as interest rate.

(i) Foreign currency risk

The company has foreign currency exposure, however same is not exposed to risk as it is fully hedged.

(ii) Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings and loans with variable rates, which expose the company to cash flow interest rate risk. The company is exposed to interest rate risk as it is involved in lending business. Interest rate risk can arise from either macro events in economy or due to company's financial position. Company tries to mitigate this risk by taking all positive measures which can boost profitability and strengthens company's balance sheet. Company takes continuous efforts to reduce its cost of funds by diversifying its liability mix and deepening its relationship with lenders. Moreover, strong parental support also provides cushion to company in adverse interest rate scenario.

The Company's fixed rate borrowings are not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Interest rate risk exposure

Out of the total assets & liabilities, exposure to the interest rate risk of the Company in mainly towards borrowings and loan assets.

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase/decrease in the fair value of the cash flow hedges related to borrowings.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss and equity.

Particulars	Impact on profit after tax	
	As at March 31, 2025	As at March 31, 2024
Loans		
Interest rates – increase by 100 basis points	2,668	1,920
Interest rates – decrease by 100 basis points	(2,668)	(1,920)
Borrowings		
Interest rates – increase by 100 basis points	(1,984)	(1,726)
Interest rates – decrease by 100 basis points	1,984	1,726

(iii) Exposure of price risk

The Company is not exposed to price risk as it does not have any significant exposure to financial instruments susceptible to changes in market price.

Note 46 : Securitisation

Transferred financial assets that are not derecognised in their entirety

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

(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	March 31, 2025	March 31, 2024
Number of pools	1	1
Carrying amount of transferred assets measured at amortised cost	7,768	9,508
Carrying amount of associated liabilities	(7,768)	(9,508)

A description of the nature of the relationship between the transferred assets and the associated liabilities, including restrictions arising from the transfer on the reporting entity's use of the transferred assets is as follows:

Loans and advances to customers are sold by the Company to securitisation vehicles, which in turn issue PTCs to investors collateralised by the purchased assets. In securitisation transactions entered, the Company transfers loans and advances to an unconsolidated securitisation vehicle, however it retains credit risk (principally through credit enhancement provided by the Company).

Since substantially all the risks and rewards of the loans transferred has been retained by the Company, it does not derecognise the loans transferred in its entirety and recognise an associated liability for the consideration received.

Note 47: Direct Assignment and Stressed Loans

Disclosure pursuant to RBI Circular- RBI/DOR/2021-22/86/DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021

a) with respect to Direct Assignment transaction transferred for the period indicated:

There is no direct assignment transaction transferred during the year ended March 31, 2025 & March 31, 2024.

b) with respect to Direct Assignment transaction acquired for the period indicated:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Number of loans	–	100
Aggregate Amount	–	1073
Purchase consideration	–	1073
Number of transactions	–	1
Weighted average remaining maturity (in months)	–	113 Months
Weighted average holding period after origination (in months)	–	8 Months
Retention of beneficial economic interest (average)	–	NA
Coverage of tangible security coverage	–	NA
Rating wise distribution of related loans	–	NA
Number of instances (transactions) where transferor has agreed to replace the transferred loans	–	NA
Number of transferred loans replaced	–	NA

c) with respect to details of stressed loan transferred for the period indicated:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Number of accounts	–	434
Aggregate principal outstanding of loans transferred	–	2,370
Weighted average residual tenor of the loans transferred	–	262 Months
Net book value of loans transferred (at the time of transfer)	–	1706
Retention of beneficial economic interest	–	–
Aggregate consideration	–	1,670
Additional consideration realised in respect of accounts transferred in earlier years	–	Nil

(All amounts are in INR Lakhs, unless otherwise stated)

Note 48 : Restructuring note

The economic fallout on account of the Covid-19 pandemic has led to significant financial stress for borrowers across the board. RBI in view of same on 6 August 2020 and 5 May 2021 came up with resolution plan Framework for COVID-19-related Stress. The intent was to facilitate revival of real estate sector activities and mitigate the impact on the ultimate borrowers, it has been decided to provide a window under the Prudential Framework to enable the lenders to implement a resolution plan in respect of eligible borrowers.

In accordance with Resolution Framework for COVID-19 announced by RBI on 6 August 2020 and 5 May 2021, the Company has implemented one-time restructuring for certain eligible borrowers identifed in accordance with the above framework and joint decision of credit, risk, collection and legal departments of the Company.

Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated 6 August 2020 and 05 May 2021 are given below.

Type of Borrowers *	Exposure to accounts classified as standard consequent to implementation of resolution plan - Position as at the end of the previous half- year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A), amount written off during the half-year	Of (A), amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of this half-year
Personal loans - Housing/ Non Housing loans	18,972	422	535	590	17,424
Total	**18,972**	**422**	**535**	**590**	**17,424**

* Disclosed to the extent the category of borrowers as prescribed in the aforesaid circular were present in the Company's portfolio at the time of implementation of resolution plan.

Note 49 : Disclosure for comparison between provisions required under IRACP and impairment allowances made under Ind AS 109

The following disclosures have been given in terms of Master Direction RBI/2019-20/170 DOR (NBFC).CC.PD. No.109/22.10.106/2019-20 dated 13 March 2020

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS *	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	4,80,031	3,438	4,76,593	3,355	83
	Stage 2	5,753	604	5,149	169	436
Subtotal		**4,85,784**	**4,042**	**4,81,742**	**3,524**	**519**
Non-Performing Assets (NPA)						
Substandard	Stage 3	2,941	1,239	1,702	410	829
Doubtful - up to 1 year	Stage 3	1,097	660	437	235	426
1 to 3 years	Stage 3	316	190	126	103	87
More than 3 years	Stage 3	45	45	–	32	13
Subtotal for doubtful		**1,458**	**895**	**563**	**370**	**526**

(All amounts are in INR Lakhs, unless otherwise stated)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS *	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Loss	Stage 3	151	151	–	128	22
Subtotal for NPA		**4,550**	**2,285**	**2,265**	**908**	**1,377**
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	78,957	100	78,857	–	–
	Stage 2	–	–	–	–	–
	Stage 3	–	–	–	–	–
Subtotal		**78,957**	**100**	**78,857**	**–**	**–**
Total	Stage 1	5,58,988	3,537	5,55,451	3,355	183
	Stage 2	5,753	604	5,149	169	436
	Stage 3	4,550	2,285	2,265	908	1,377
	Total	**5,69,291**	**6,426**	**5,62,865**	**4,432**	**1,996**

* Amounts are including overdue principal and interest and provision is duly created on the same and reported.

50 Other Disclosures

50.1 Principal Business Criteria

Particulars	March 31, 2025	March 31, 2024
Percentage of total assets towards Housing Finance (net of intangible assets)	64.60%	67.55%
Percentage of total assets towards Housing Finance for Individual (net of intangible assets)	56.76%	58.21%

50.2 Capital

Particulars	As at March 31, 2025	As at March 31, 2024
CRAR (%)*	40.81%	45.41%
CRAR - Tier I Capital (%)	39.77%	44.30%
CRAR - Tier II Capital (%)	1.04%	1.11%
Amount of subordinated debt raised as Tier - II Capital	–	–
Amount raised by issue of perpetual debt Instruments	–	–

* CRAR (%) as at March 31, 2025 & March 31, 2024, is shown as per NHB prudential norms.

(All amounts are in INR Lakhs, unless otherwise stated)

50.3 Exposure to Real estate sector

Category	As at March 31, 2025	As at March 31, 2024
a) Direct exposure		
(i) Residential mortgage:		
Lending fully secured by mortgage 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.	4,09,555	3,40,778
(ii) Commercial real estate:		
Lending secured by mortgages on commercial real estates (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or ware house space, hotels, land acquisitions, development and construction, etc.) Exposure would also include non-fund based (NFB) limits;	76,121	64,058
(iii) Investment in mortgage backed securities (MBS) and other securitised exposures:		
(a) Residential	–	–
(b) Commercial real estate	–	–
b) Indirect exposure		
Fund based and non fund based exposures on National Housing bank (NHB) and Housing Finance Companies (HFCs)	–	–
Total Exposure to Real Estate Sector	**4,85,676**	**4,04,836**

50.4 Penalty

Particulars	As at March 31, 2025	As at March 31, 2024
Penalty levied by NHB/RBI	–	–
Total	**–**	**–**

50.5 Adverse comments

Particulars	As at March 31, 2025	As at March 31, 2024
Adverse comments if any given by NHB/RBI	–	–

50.6 Percentage of outstanding loans granted against collateral of gold jewellery to their outstanding total assets.

There are no loans granted against collateral of gold jewellery as at March 31, 2025 & March 31, 2024.

Disclosures pursuant to Reserve Bank of India (RBI) Master Direction-Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021

The following disclosures have been given in pursuant to Master Direction RBI/DOR/2021-22/85 DOR.STR. REC.53/21.04.177 /2021-22 dated September 24, 2021 issued by the RBI as amended from time to time.

(All amounts are in INR Lakhs, unless otherwise stated)

50.7 Securitisation

Particulars	As at March 31, 2025	As at March 31, 2024
(I) No of SPEs holding assets for securitisation transactions originated by the originator (only the SPVs relating to outstanding securitization exposures to be reported here)	1	1
(II) Total amount of securitised assets as per books of the SPEs	7,768	9,508
(III) Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet		
(a) Off-balance sheet exposure • First loss • Others	–	–
(b) On-balance sheet exposures • First loss • Others	1,539	2,525
(IV) Amount of exposures to securitisation transactions other than MRR		
(a) Off-balance sheet exposure		
(i) Exposure to own securitisations • First loss • Others	–	–
(ii) Exposure to third party securitisations • First loss • Others	–	–
(b) On-balance sheet exposures		
(i) Exposure to own securitisations • First loss • Others	–	–
(ii) Exposure to third party securitisations • First loss • Others	–	–
(V) Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	–	–
(VI) Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	–	–
(VII) Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided. (a) Amount paid (b) Repayment received (c) Outstanding amount	–	–
(VIII) Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc (may mention average default rate of previous 5 years)	–	–
(IX) Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	–	–
(X) Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	–	–

(All amounts are in INR Lakhs, unless otherwise stated)

Disclosures pursuant to Reserve Bank of India (RBI) Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021

The following disclosures have been given in pursuant to Master Direction RBI/DOR/2021-22/86 DOR.STR. REC.51/21.04.048/2021-22 dated September 24, 2021 issued by the RBI as amended from time to time.

50.8 Disclosure on loans not in default that are transferred or acquired

Particulars	Amount
Weighted average maturity	–
Weighted average holding period	–
Retention of beneficial economic interest	–
Coverage of tangible security coverage	–
Rating-wise distribution of related loans	–
Break-up of:	
(i) Loans acquired	–
(ii) Acquired through assignment	–
(iii) Novation and loan participation	–

50.9 Disclosure for stressed loans transferred or acquired

Details of stressed loans transferred during the year (to be made separately for loans classified as NPA and SMA)

Particulars	To ARCs
No: of accounts	–
Aggregate principal outstanding of loans transferred	–
Weighted average residual tenor of the loans transferred	–
Net book value of loans transferred (at the time of transfer)	–
Aggregate consideration	–
Additional consideration realized in respect of accounts transferred in earlier years	–

Particulars	To permitted transferees
No: of accounts	–
Aggregate principal outstanding of loans transferred	–
Weighted average residual tenor of the loans transferred	–
Net book value of loans transferred (at the time of transfer)	–
Aggregate consideration	–
Additional consideration realized in respect of accounts transferred in earlier years	–

Particulars	To other transferees
No: of accounts	–
Aggregate principal outstanding of loans transferred	–
Weighted average residual tenor of the loans transferred	–
Net book value of loans transferred (at the time of transfer)	–
Aggregate consideration	–
Additional consideration realized in respect of accounts transferred in earlier years	–

(All amounts are in INR Lakhs, unless otherwise stated)

Details of loans acquired during the year

Particulars	From lenders	From ARCs
Aggregate principal outstanding of loans acquired	–	–
Aggregate consideration paid	–	–
Weighted average residual tenor of loans acquired	–	–

50.10 Maturity pattern of certain items of asset and liabilities - As at March 31, 2025

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits											–
Borrowings from banks	330	–	545	1,181	7,644	9,370	20,200	79,416	54,013	22,571	1,95,270
Market Borrowings	125	31	–	564	311	3,254	6,553	81,956	21,346	20,658	1,34,798
Foreign Currency Liabilities	–	–	–	–	856	856	1,711	6,845	6,845	23,111	40,224
Assets											–
Advances	6,584	1,421	3,247	7,487	7,382	21,793	47,155	1,55,474	91,049	1,42,040	4,83,632
Investments											–
Foreign Currency Asset											–

Maturity pattern of certain items of asset and liabilities - As at March 31, 2024

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits											–
Borrowings from banks	301	–	417	1,753	6,511	9,113	19,917	67,778	50,061	24,977	1,80,828
Market Borrowings	–	36	–	536	37	2,450	25,800	17,089	14,008	17,496	77,452
Foreign Currency Liabilities	–	–	–	–	–	755	1,510	6,107	6,574	26,198	41,144
Assets											–
Advances	4,127	3,063	2,242	5,222	5,227	15,245	30,017	1,28,094	89,424	1,20,514	4,03,177
Investments											–
Foreign Currency Asset											–

(All amounts are in INR Lakhs, unless otherwise stated)

50.11 Public Disclosure for year/quarter ended March 31, 2025

i) Funding Concentration based on significant counterparty (both deposits and borrowings)

Sr. no.	Type of instrument	Number of Significant Counter parties	Amount	% of Total deposits	% of Total Liabilities
1	Deposits	NA	NA	NA	NA
2	Borrowings	20	3,64,102	NA	88.78%

ii) Top 20 large deposits (% of total deposits)

Sr. no.	Description	Amount	% of Total deposits
1	Total for Top 20 large deposits	NA	NA

iii) Top 10 borrowings (% of total borrowings)

Sr. no.	Type of instrument	Amount	% of Total borrowings
1	Total for Top 10 borrowings	2,90,545	78.10%

iv) Funding Concentration based on significant instrument/product

Sr. no.	Name of instrument/product	Amount	% of Total Liabilities
1	Term loans from banks	1,88,814	46.0%
2	Term loans from financial institution	26,976	6.6%
3	Term loans from Securitization	7,768	1.9%
4	Term loans from NHB Refinance	42,821	10.4%
5	Secured redeemable non-convertible debentures	57,500	14.0%
6	Unsecured redeemable non-convertible debentures	–	0.0%
7	External Commercial Borrowings	40,223	9.8%
	Total funding Concentration pertaining to significant instruments/products	**3,64,102**	
	Funding Concentration pertaining to insignificant instruments/ products	7,917	1.9%
	Total borrowings under all instruments/products	**3,72,019**	

* The above borrowings and debt securities are shown at unamortised cost.

v) Stock Ratios

Sr. no.	Name of instrument/product	Amount	% of Public Funds	% of Total Liabilities	% of Total Assets
1	Commercial papers (CPs)	–	NA	–	–
2	Non-convertible debentures (NCDs) with original maturity of less than one year	–	NA	–	–
3	Other short-term liabilities	53,531	NA	13.05%	9.68%

(All amounts are in INR Lakhs, unless otherwise stated)

vi) Institutional set-up for liquidity risk management

The ultimate responsibility for liquidity risk management rests with the Board of directors, which has established Asset-Liability Management ('ALM') Policy & Asset and Liability Management Committee (ALCO). The ALM Policy provides the governance framework for the identification, measurement, monitoring and reporting of liquidity risk arising out of Company's lending and borrowing activities. The liquidity risk is measured in terms of structural liquidity gaps across various time-buckets. Actual liquidity gaps against the Gap Limits are discussed every quarter in the ALCO meeting. ALCO manages Company's short, medium and long-term funding and liquidity management requirements. The ALCO meets regularly to review the liquidity position based on future cash flows. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities. The Company also maintains adequate liquid assets, banking facilities and reserve borrowing facilities against unexpected requirements.

Definition of terms as used in the table above:

a) Significant counterparty:

A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the NBFC's total liabilities.

b) Significant instrument/product:

A "Significant instrument/product" is defined as a single instrument/product of group of similar instruments/ products which in aggregate amount to more than 1% of the NBFC's total liabilities.

c) Total liabilities:

Total liabilities include all external liabilities (other than equity).

d) Other short-term liabilities:

All short-term borrowings other than CPs and NCDs with original maturity less than 12 months.

e) Borrowings:

Borrowings are inclusive of Debt securities and are considered at unamortised cost.

50.12 Credit Default Swaps (CDS)

S. No	Particulars	Amount
1	No. of transactions during the year	–
2	Amount of protection bought during the year	–
3	No. of transactions where credit event payment was received during the year	–
a	Pertaining to current year's transactions	–
b	Pertaining to previous year(s)' transactions	–
4	Outstanding transactions as on March 31, 2025	–
a	No. of Transactions	–
b	Amount of protection	–
5	Net income / profit (expenditure / loss) in respect of CDS transactions during year-to-date	–
a	Premium paid	–
b	Credit event payments received (net of value of deliverable obligation).	–

(All amounts are in INR Lakhs, unless otherwise stated)

50.13 Net Profit or Loss for the period, prior period items and changes in accounting policies

Particulars	As at March 31, 2025	As at March 31, 2024
Net profit/Loss for the period*	13,026	13,252
Impact of prior period items on current year's profit:		
Prior Period Tax	54	(2)
Reason for Changes in accounting policies	Not Applicable	Not Applicable

** ₹ 0.56 cr of login fee for FY24 amortised during the year and Payment of ₹ 1.1 crs for FY24 was made towards LTGP in current year*

50.14 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	For the year ended March 31, 2025	For the year ended March 31, 2024
1. Provisions for depreciation on investment	–	–
2. Provisions for bad and doubtful debts (Including standard provision)	(73)	(580)
3. Provisions made towards income tax	3,616	3,876
4. Provisions towards NPAs	531	(269)
5. Provisions for standard assets	(605)	(312)
6. Other provision and contingencies	–	–
Gratuity	109	104
Compensated absence	43	46
Heritage Club	33	28
Provision for expenses	183	99

Break up of Loans & Advances & Provisions thereon	As at March 31, 2025	
	Housing Loans	Non-Housing Loans
Standard Asset		
Principal outstanding	3,51,905	1,29,640
Overdue principal	30	14
Interest accrued	2,993	1,202
Total Outstanding Amount	**3,54,928**	**1,30,856**
Provisions made	3,163	978
Sub-standard assets		
Principal outstanding	1,978	697
Overdue principal	39	17
Interest accrued	163	48
Total Outstanding Amount	**2,180**	**762**
Provisions made	959	280
Doubtful assets- Category I		
Principal outstanding	685	206
Overdue principal	37	11
Interest accrued	129	30
Total Outstanding Amount	**851**	**247**
Provisions made	535	125

(All amounts are in INR Lakhs, unless otherwise stated)

Break up of Loans & Advances & Provisions thereon	As at March 31, 2025	
	Housing Loans	Non-Housing Loans
Doubtful assets- Category II		
Principal outstanding	180	46
Overdue principal	26	6
Interest accrued	51	8
Total Outstanding Amount	**257**	**60**
Provisions made	160	30
Doubtful assets- Category III		
Principal outstanding	22	1
Overdue principal	9	–
Interest accrued	12	–
Total Outstanding Amount	**43**	**1**
Provisions made	43	1
Loss assets		
Principal outstanding	80	40
Overdue principal	8	0
Interest accrued	20	3
Total Outstanding Amount	**108**	**43**
Provisions made	108	43
Total		
Principal outstanding	3,54,849	1,30,630
Overdue principal	148	48
Interest accrued	3,367	1,290
Total Outstanding Amount	**3,58,367**	**1,31,969**
Provisions made	4,969	1,457

Break up of Loans & Advances & Provisions thereon	As at March 31, 2024	
	Housing Loans	Non-Housing Loans
Standard Asset		
Principal outstanding	3,02,682	98,633
Overdue principal	36	14
Interest accrued	3,199	1,195
Total Outstanding Amount	**3,05,917**	**99,843**
Provisions made	3,765	981
Sub-standard assets	–	–
Principal outstanding	2,040	566
Overdue principal	47	15
Interest accrued	176	34
Total Outstanding Amount	**2,263**	**615**
Provisions made	932	200
Doubtful assets- Category I	–	–
Principal outstanding	417	85
Overdue principal	30	9
Interest accrued	65	8
Total Outstanding Amount	**512**	**102**
Provisions made	300	44

(All amounts are in INR Lakhs, unless otherwise stated)

Break up of Loans & Advances & Provisions thereon	As at March 31, 2024	
	Housing Loans	Non-Housing Loans
Doubtful assets- Category II	–	–
Principal outstanding	126	10
Overdue principal	22	2
Interest accrued	36	1
Total Outstanding Amount	**185**	**12**
Provisions made	108	3
Doubtful assets- Category III	–	–
Principal outstanding	43	2
Overdue principal	15	1
Interest accrued	21	–
Total Outstanding Amount	**79**	**3**
Provisions made	111	3
Loss assets		
Principal outstanding	–	41
Overdue principal	–	0
Interest accrued	–	1
Total Outstanding Amount	**–**	**42**
Provisions made	–	52
Total		
Principal outstanding	3,05,307	99,337
Overdue principal	151	40
Interest accrued	3,497	1,239
Total Outstanding Amount	**3,08,955**	**1,00,616**
Provisions made	5,216	1,283

Note 51: Capital management

The primary objectives of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. No changes have been made to the objectives, policies and processes from the previous years. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities.

Net Debt-to-Equity Ratio:

Net Debt-to-Equity Ratio as at March 31, 2025	2.15 times
Net Debt-to-Equity Ratio as at March 31, 2024	1.96 times

Net Debt represents the Total Debt securities and Borrowings, as reduced by cash and cash equivalents and other bank balances as at year end.

Equity represents the Total equity as disclosed in the financials as at year end.

(All amounts are in INR Lakhs, unless otherwise stated)

(ii) Analytical Ratios

Following analytical ratios need to be disclosed:

	Numerator	Denominator	As at March 31, 2025	As at 31 March 31, 2024	% Variances	Reason for variances (if above 25%)
(i) Capital to risk-weighted asset ratio (CRAR)	1,38,177	3,38,553	40.81%	45.41%	-10.12%	NA
(ii) Tier I CRAR	1,34,639	3,38,553	39.77%	44.30%	-10.23%	NA
(iii) Tier II CRAR	3,537	3,38,553	1.04%	1.11%	-5.87%	NA
(iv) Liquidity coverage ratio	NA	NA	NA	NA	NA	NA

Note 52:

Additional information required in terms of Master Direction RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021 read with RBI/DoR/2023-24/106 DoR.FIN.REC.No.45/03.10.119/2023-24 dated October 19, 2023 and any other applicable master directions, guidelines and circulars, issued by the RBI as maybe applicable and amended from time to time, is given in Annexure 1, which have been presented solely based on the information compiled by the Management.

Note 53:

The Company is not a declared wilful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on wilful defaulters issued by reserve bank of india, during the year ended March 31, 2025 and March 31, 2024.

Note 54:

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("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;

The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("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.

Note 55:

The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2025 and March 31, 2024.

Note 56:

There are no charges pending for satisfaction with the Registrar of Companies (ROC) relating to borrowings that were closed during the year.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 57: Amendments issued but not yet effective

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards. At March 31, 2025, there are no notification issued by the MCA with respect to applicability of any new standard or amendments to the existing standards, which are applicable from April 1, 2025.

Note 58:

The previous period figures have been regrouped/reclassified wherever necessary to correspond with the current period's presentation.

For MGB & Co LLP
Chartered Accountants
Firm's Registration No.: 101169W/W-100035

sd/-
Diwaker Sudesh Bansal
Partner
Membership No: 409797

Place: Mumbai
Date: April 23, 2025

For and on behalf of the Board of Directors of
Motilal Oswal Home Finance Limited
CIN: U65923MH2013PLC248741

sd/-
Motilal Oswal
Chairman & Non-Executive Director
DIN: 00024503

sd/-
Sukesh Bhowal
Managing Director & CEO
DIN: 10242971

sd/-
Bhavin Shah
Chief Financial Officer

sd/-
Sunny Ganatra
Company Secretary

Place: Mumbai
Date: April 23, 2025

Annexure 1 to the financial statements

(All amounts are in INR crore, unless otherwise stated)

I Disclosures pursuant to Reserve Bank of India (RBI) Master Direction–Non-Banking Financial Company–Housing Finance Company (Reserve Bank) Directions, 2021 and Master Direction – Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023 and any other master directions, circulars and guidelines.

The following disclosures have been given in pursuant to Master Direction RBI/2020-21/73 DOR.FIN. HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021, RBI/DoR/2023-24/106 DoR.FIN.REC. No.45/03.10.119/2023-24 dated October 19, 2023 and any other master directions, circulars and guidelines, issued by the RBI as maybe applicable and amended from time to time and have been presented solely based on the information compiled by the Management.

1 Summary of Significant Accounting Policies

Disclose the accounting policies regarding key areas of operations at one place along with NTA in their financial statements. A suggestive list includes – Basis of Accounting, Transactions involving Foreign Exchange, Investments - Classification, Valuation, etc. Advances and Provisions thereon, Fixed Assets and Depreciation, Revenue Recognition, Employee Benefits, Provision for Taxation, Net Profit, etc

Reconciliation of loans as per IGAAP and IND AS

Housing and Non-housing Loan	As at March 31, 2025	As at March 31, 2024
(i) Loans as per IGAAP	4,857.54	4,048.36
(ii) Unamortized upfront income / expense- IND AS Adjustment	(3.54)	0.45
(iii) Loans to related parties		
Standard assets (considered good)		
(iv) Overdue Interest and Interest accrued on loans	46.57	47.36
Total Loans (i) + (ii) + (iii) + (iv)	**4,900.57**	**4,096.16**
less : Impairment loss allowance	(64.26)	(65.00)
Loans as per IND AS	**4,836.32**	**4,031.16**

2 Disclosures

2.1 Capital

The information related to capital disclosures are disclosed in Note No. 50.2 to Financial Statements

2.2 Reserve Fund under 29C of NHB Act, 1987

Statutory reserve

Particulars	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year		
a) Statutory reserve (As per Section 29C of The National Housing Bank Act, 1987)	28.88	19.99
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	97.44	79.83
Total	**126.32**	**99.82**

(All amounts are in INR crore, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Addition / appropriation / withdrawals during the year		
Add:		
a) Amount transferred as per Section 29C of The National Housing Bank Act, 1987.	6.10	8.89
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	19.96	17.61
Less:		
a) Amount appropriate as per Section 29C of The National Housing Bank Act, 1987.	–	–
b) Amount of withdrawn from special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	–	–
Balance at the end of the year		
a) Statutory reserve under Section 29C of The National Housing Bank Act, 1987	34.98	28.88
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken into account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	117.40	97.44
Total	**152.38**	**126.32**

2.3 Investment

Particulars	As at March 31, 2025	As at March 31, 2024
(a) Value of Investments		
(I) Gross value of investments		
(a) In India	–	–
(b) Outside India	–	–
(II) Provisions for Depreciation		
(a) In India	–	–
(b) Outside India	–	–
(III) Net value of investments		
(a) In India	–	–
(b) Outside India	–	–
(b) Movements of provisions held towards depreciation on investments		
(I) Opening balance	–	–
(II) Add : Provisions made during the year	–	–
(III) Less : Write-off/ Written- back of excess provisions during the year	–	–
(IV) Closing balance	–	–

(All amounts are in INR crore, unless otherwise stated)

2.4 Derivatives

2.4.1 Forward Rate Agreement (FRA)/ Interest Rate Swap

Particulars	As at March 31, 2025	As at March 31, 2024
(I) The notional principal of swap agreements	382.12	411.44
(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	NA	NA
(IV) Concentration of credit risk arising from the swaps*	–	–
(V) The fair value (MTM) of the swap book	14.37	7.26

* The counterparty for Swap agreement entered is a Schedule Commercial Bank.

2.4.2 Exchange Traded Interest Rate (IR) Derivative.

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	–	–
(II) Notional principal amount of exchange traded IR derivatives outstanding as on March 31, 2025 (Instrument-wise)	–	–
(III) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	–	–
(IV) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	–	–

2.4.3 Disclosure on Risk exposure in derivative.

A. Qualitative Disclosure

The information related to Qualitative Disclosures are disclosed in Note No. 44 to Financial Statements

B. Quantitative Disclosure

Particulars	Currency Derivatives	
	As at March 31, 2025	As at March 31, 2024
(I) Derivatives (Notional Principal Amount)	382.12	411.44
(II) Marked to Market Positions		
(a) Assets	14.37	7.26
(b) Liability	Nil	Nil
(III) Credit exposure	–	–
(IV) Unhedged exposure	Nil	Nil

2.5 Asset liability management

The information related to exposure to asset liability management are disclosed in Note No. 50.10 to Financial Statements

(All amounts are in INR crore, unless otherwise stated)

2.6 Exposure

2.6.1 Exposure to Real estate sector

The information related to exposure to real estate sector are disclosed in Note No. 50.3 to Financial Statements

2.6.2. Exposure to Capital Market

Particulars	As at March 31, 2025	As at March 31, 2024
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	–	–
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	–	–
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	–	–
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	–	–
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	–	–
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	–	–
(vii) bridge loans to companies against expected equity flows / issues;	–	–
(viii) Underwriting commitments taken up by the Company in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	–	–
(ix) Financing to stockbrokers for margin trading	–	–
(x) All exposures to Alternate Investment Funds (both registered and unregistered) (i) Category I (ii) Category II (iii) Category III	–	–
Total Exposure to Capital Market	**–**	**–**

(All amounts are in INR crore, unless otherwise stated)

2.6.3. Details of financing of parent company products

Particulars	As at March 31, 2025	As at March 31, 2024
Details of financing of parent company products	–	–

2.6.4. Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL)

The company has not lent to any borrower exceeding the single/group borrower limit

2.6.5. Unsecured Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Amount of unsecured advances given against rights, licenses, authorisations etc.	–	–

2.6.6. Exposure to group companies engaged in real estate business

Description	March 31, 2025	
	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	–	–

Description	March 31, 2024	
	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	–	–

2.7 Liquidity Coverage Ratio

The following disclosure have been given pursuant to RBI Master Direction vide no. RBI/2020-21/73 DOR.FIN. HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021, read with vide no. RBI/DoR/2023-24/106 DoR.FIN. REC.No.45/03.10.119/2023-24 dated October 19, 2023 wherein guidelines has been issued on maintenance of Liquidity Coverage Ratio (LCR) for Housing Finance Companies (HFCs). The guidelines required all non-deposit taking HFCs with an asset size of INR 5,000 crore and above, but less than INR 10,000 crore, to maintain LCR of 100%.

LCR aims to maintain adequate liquidity for upcoming 30 days under severe stress scenario in which 30 days' cash flows are stressed by assigning a predefined stress percentage. LCR is to be maintained by holding investments in HQLA. HQLA of the Company primarily includes cash on hand, bank balances in current account, Triparty Repo Dealing and Settlement (TREPs) and Commercial Papers not issued by a Bank/PD/financial institution or any of its affiliated entities, which have a short-term rating equivalent to the long-term rating of AA- or above by an eligible credit rating agency with a haircut of 15%. LCR is represented as (Stock of HQLA/Total net cash outflows over the next 30 calendar days).

Since, the total assets of the Company has surpassed INR 5,000 crores as at March 31, 2025, the Company has presented the LCR related disclosures for position as at March 31, 2025. In accordance with para 6 of Guidelines on Liquidity Coverage Ratio (LCR) specified in Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, the quarterly/annual LCR disclosures shall be made from FY 2025–26 onwards.

(All amounts are in INR crore, unless otherwise stated)

LCR Disclosure as at March 31, 2025

(INR in crs)

	Particulars	Total unweighted value (average)	Total weighted value (average)
High Quality Liquid Assets			
1	**Total High Quality Liquid Assets (HQLA)	419.4	419.4
Cash Outflows			
2	Deposits (for deposit taking companies)	–	–
3	Unsecured wholesale funding	–	–
4	Secured wholesale funding	24.5	28.2
5	Additional requirements, of which		
(i)	*Outflows related to derivative exposures and other collateral requirements*	3.9	4.4
(ii)	*Outflows related to loss of funding on debt products*	–	–
(iii)	*Credit and liquidity facilities*		
6	Other contractual funding obligations	455.1	523.4
7	Other contingent funding obligations	–	–
8	**TOTAL CASH OUTFLOWS**	483.5	556.0
Cash Inflows			
9	Secured lending	100.00	75.00
10	Inflows from fully performing exposures	39.24	29.43
11	Other cash inflows	179.90	134.93
12	**TOTAL CASH INFLOWS**	319.14	239.36
			Total Adjusted Value
13	**Total HQLA**		419.35
14	**Total Net Cash Outflows**		316.64
15	**Liquidity Coverage Ratio (%)**		132%

*Since the asset size of the Company has surpassed ₹ 5,000 crore at March 31, 2025, LCR disclosure is computed for the position at day ending March 31, 2025.

The Company has implemented the LCR framework at March 31, 2025 and has maintained LCR well above the regulatory threshold.

**Component of HQLA:

Sr No.	High Quality Liquid Assets (HQLA)	Total Unweighted Value (average)	Total Weighted Value (average)
1	Cash in hand	35.26	35.26
2	Government approved Securities and /or Unencumbered approved securities (other than those held as per the provisions of Section 29B of NHB Act, 1987, if applicable)	384.09	384.09
	Total (HQLAs)	**419.35**	**419.35**

(All amounts are in INR crore, unless otherwise stated)

3 Miscellaneous

3.1 Registration/ license/ authorisation obtained from other financial sector regulators

Registration has been obtained from Reserve Bank of India having Registration Number DOR-00111

Company has been notified by Ministry of Finance to perform Aadhaar authentication under Aadhaar Act with Unique Identification Authority of India.

3.2 Disclosure of Penalties imposed /Adverse comments by National Housing Bank (NHB)/Reserve Bank of India (RBI)/Other Regulators

3.2.1 Penalty

The information related to disclosure of penalty charged by National Housing Bank (NHB)/Reserve Bank of India (RBI)/Other Regulators are disclosed in Note No. 50.4 to Financial Statements

3.2.2 Adverse comments

The information related to disclosure of adverse comment given by National Housing Bank (NHB)/Reserve Bank of India (RBI)/Other Regulators are disclosed in Note No. 50.5 to Financial Statements

3.3 Related Party Transactions- Detail of material transaction

S. No.	Items	Related Party	*Parent (as per ownership or control)		#Key Management Personnel		**Others		Total	
			March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
1	Borrowings - Received	Motilal Oswal Financial Services Limited	–	–	–	–	–	–	–	–
	Borrowings - Received	Motilal Oswal Finvest Limited	–	–	–	–	–	–	–	–
	Borrowings - Maximum Outstanding during the year	Motilal Oswal Financial Services Limited	–	–	–	–	–	–	–	–
	Borrowings - Maximum Outstanding during the year	Motilal Oswal Finvest Limited	–	–	–	–	–	–	–	–
2	Borrowings paid	Motilal Oswal Financial Services Limited	–	–	–	–	–	–	–	–
	Borrowings paid	Motilal Oswal Finvest Limited	–	–	–	–	–	–	–	–
3	Deposits	–	–	–	–	–	–	–	–	–
4	Placement of deposits	–	–	–	–	–	–	–	–	–
5	Advances - Given	Motilal Oswal Financial Services Limited	3,290.00	2,185.00	–	–	–	–	3,290.00	2,185.00
	Advances - Given	Motilal Oswal Finvest Limited	–	–	–	–	740.00	1,209.00	740.00	1,209.00
	Advance - Maximum Outstanding during the year	Motilal Oswal Financial Services Limited	200.00	200.00	–	–	–	–	200.00	200.00

(All amounts are in INR crore, unless otherwise stated)

S. No.	Items	Related Party	*Parent (as per ownership or control)		#Key Management Personnel		**Others		Total	
			March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	"Advance - Maximum Outstanding during the year"	Motilal Oswal Finvest Limited	–	–	–	–	200.00	195.00	200.00	195.00
6	Advances received	Motilal Oswal Financial Services Limited	3,290.00	2,185.00	–	–	–	–	3,290.00	2,185.00
	Advances received	Motilal Oswal Finvest Limited	–	–	–	–	740.00	1,209.00	740.00	1,209.00
7	Investments	–	–	–	–	–	–	–	–	–
8	Purchase of fixed/ other assets	–	–	–	–	–	–	–	–	–
9	Sale of fixed/other assets	–	–	–	–	–	–	–	–	–
10	Amount payable	Motilal Oswal Financial Services Limited	0.80	0.22	–	–	–	–	0.80	0.22
	Amount payable	Motilal Oswal Finvest Limited	–	–	–	–	5.28	37.41	5.28	37.41
	Amount payable	Motilal Oswal Wealth Limited					0.03	–		
11	Amount Receivable	Motilal Oswal Financial Services Limited	1.51	1.93	–	–	–	–	1.51	1.93
	Amount Receivable	Motilal Oswal Finvest Limited	–	–	–	–	0.00	0.66	0.00	0.66
	Amount Receivable	Motilal Oswal Wealth Limited	–	–	–	–	0.00	0.00	0.00	0.00
12	Interest paid	Motilal Oswal Financial Services Limited	–	–	–	–	–	–	–	–
	Interest paid	Motilal Oswal Finvest Limited	–	–	–	–	–	–	–	–
13	Interest received	Motilal Oswal Financial Services Limited	22.49	16.81	–	–	–	–	22.49	16.81
	Interest received	Motilal Oswal Finvest Limited	–	–	–	–	0.95	4.78	0.95	4.78
14	Others - Income	Motilal Oswal Financial Services Limited	0.11	0.16	–	–	–	–	0.11	0.16
15	Others - Expense	Motilal Oswal Financial Services Limited	5.22	4.57	–	–	–	–	5.22	4.57
	Others - Expense	Motilal Oswal Finvest Limited	–	–	–	–	–	–	–	–
	Others - Expense	Motilal Oswal Wealth Limited	–	–	–	–	0.05	–	0.05	–
	Others - Expense	Mr. Shalibhadra Shah	–	–	0.09	0.11	–	–	0.09	0.11
	Others - Expense	Mr. Sukesh Bhowal	–	–	2.86	1.80	–	–	2.86	1.80

(All amounts are in INR crore, unless otherwise stated)

S. No.	Items	Related Party	*Parent (as per ownership or control)		#Key Management Personnel		**Others		Total	
			March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Others - Expense	Mr. Bhavin Shah	–	–	1.00	0.15	–	–	1.00	0.15
	Others - Expense	Mr. Sunny Gantara	–	–	0.12	0.03	–	–	0.12	0.03
16	Payment towards collections from derecognised loan assets	Motilal Oswal Finvest Limited	–	–	–	–	101.37	115.08	101.37	115.08

There is no related party transaction with respect to subsidiaries, associates/ joint ventures and relative of key managerial personnel.

Refer Note 41 of the financial statement

*Motilal Oswal Financial Services Limited - Holding/parent Company (MOFSL)

** Motilal Oswal Wealth Limited (MOWML) & Motilal Oswal Finvest Limited (MOFL) - Fellow Subsidiary Company

#Key managerial personnel includes

a. Shalibhadra Shah – Chief Financial Officer (upto 23 January 2024)

b. Sukesh Bhowal – Chief Executive Officer w.e.f 14 June 2023 and Managing Director & Chief Executive Officer w.e.f. 27 October 2023

c. Bhavin Shah – Chief Financial Officer (w.e.f. 24 January 2024)

d. Sunny Ganatra – Company Secretary (w.e.f. 23 January 2024)

e. Ritin Mawani – Company Secretary (upto 24 November 2023)

Disclosures for directors and relatives of directors

S. No.	Items	Related Party	*Directors		Relatives of Directors	
			March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
1	Borrowings		–	–	–	–
2	Deposits		–	–	–	–
3	Placement of deposits		–	–	–	–
4	Advances		–	–	–	–
5	Investments		–	–	–	–
6	Purchase of fixed/other assets		–	–	–	–
7	Sale of fixed/other assets		–	–	–	–
8	Interest paid		–	–	–	–
9	Interest received		–	–	–	–
	Others	Mr. Motilal Oswal	–	0.04	–	–
	Others	Mr. P H Ravikumar	0.07	0.10	–	–
	Others	Mrs. Neha Gada	0.05	0.01		
	Others	Mr. Satinder Singh Rana	0.03			
	Others	Mrs. Divya Momaya	0.08	0.07	–	–

(All amounts are in INR crore, unless otherwise stated)

Refer Note 41 of the financial statement

* Director includes

a. Motilal Oswal - Chairman & Interim Managing Director (01 August 2022 to 31 July 2023) Chairman & Non-Executive Director (w.e.f. 01 August 2023)

b. Raamdeo Agarawal - Non Executive Director

c. Divya Momaya - Independent Director

d. P H Ravikumar - Independent Director (upto September 30, 2024)

e. Neha Gada - Independent Director (w.e.f. 27 October 2023)

f. Sukesh Bhowal - Chief Executive Officer w.e.f 14 June 2023 and Managing Director & Chief Executive Officer w.e.f. 27 October 2023

g. Satinder Singh Rana - Independent Director (from September 30, 2024)

Loans to Directors, Senior Officers and relatives of Directors

Sr. No.	Particulars	Amount	
		As at March 31, 2025	As at March 31, 2024
1	Directors and their relatives	–	–
2	Entities associated with directors and their relatives	–	–
3	Senior Officers and their relatives	–	–

3.4 Group Structure

The information related to Group Structure is disclosed in Board's Report

3.5 Rating assigned by Credit Rating Agencies and migration of rating during the year

Nature of Borrowing	March 31, 2025		
	Credit Rating / Outlook		
	CRISIL	ICRA	India Ratings
Short Term			
Commercial paper	CRISIL A1+	[ICRA]A1+	–
Long Term			
Non-Convertible Debentures	CRISIL AA /Positive	[ICRA]AA(Positive)	IND AA/Positive
Bank Borrowings	CRISIL AA/Positive	–	IND AA/Positive

Nature of Borrowing	March 31, 2024		
	Credit Rating / Outlook		
	CRISIL	ICRA	India Ratings
Short Term			
Commercial paper	CRISIL A1+	[ICRA]A1+	–
Long Term			
Non-Convertible Debentures	CRISIL AA /Stable	[ICRA] AA(Stable)	IND AA / Stable
Bank Borrowings	CRISIL AA / Stable	–	IND AA / Stable

(All amounts are in INR crore, unless otherwise stated)

1. CRISIL has upgraded its rating outlook to CRISIL AA/Positive from CRISIL AA/Stable on Non-Convertible Debentures and Bank loan facilities of the Company. The rating on the short-term debt instrument has been reaffirmed at CRISIL A1+
2. India Ratings and Research (Ind-Ra) has has upgraded its rating outlook to IND AA/Positive from IND AA/Stable on Non-Convertible Debentures and Bank loan facilities of the Company.
3. ICRA has assigned [ICRA]AA(Positive) on Non-Convertible Debentures and reaffirmed ICRA A1+ on short term debt instrument
4. The revision in outlook to 'Positive' from 'Stable' is driven by similar action on the parent, Motilal Oswal Financial Services Ltd. This upward trend reflects the anticipated sustained improvement in the Company's business risk profile, driven by steady growth, robust risk management, and a strong liquidity position
5. The rating takes into consideration Company's approach of geographical diversification, strengthening of the underwriting process and better asset quality, strengthening team and improvement in disbursements, stronger systems / processes and risk management capabilities, reduction in cost of funds and improvement in overall profitability. Further, Company enjoys healthy capitalisation and high liquidity.

3.6 Remuneration of Directors

The information related to pecuniary relationship or transactions with the non-executive director of the company is disclosed in Note No. 41 to Financial Statements

3.7 Management

The Management Discussion and Analysis Report forms part of Annual report.

3.8 Net Profit or Loss for the period, prior period items and changes in accounting policies

Description	As at March 31, 2025	As at March 31, 2024
Net profit/Loss for the period*	130.26	132.52
Impact of prior period items on current year's profit:		
Prior Period Tax	0.54	(0.02)
Reason for Changes in accounting policies	Not Applicable	Not Applicable

* ₹ 0.56 cr of login fee for FY24 amortised during the year and Payment of ₹ 1.1 crs for FY24 was made towards LTGP in current year

3.9 Revenue Recognition

There were no circumstances requiring postponement of Revenue Recognition for the year ended on March 31, 2025 & March 31, 2024.

3.10 Consolidated Financial Statements (CFS)

MOHFL has no subsidiary as on date.

3.11 Information for area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries

Description	As at March 31, 2025	As at March 31, 2024
Area	–	–
Country of operation	–	–
Partners of Joint Venture	–	–
Overseas subsidiaries	–	–

(All amounts are in INR crore, unless otherwise stated)

4 Additional Disclosures

4.1 Draw Down from Reserves

There were no draw down from Reserves during FY 2024-2025.

4.2 Concentration of Public Deposits, Advances, Exposures and NPAs

4.2.1 Concentration of Public Deposits

Particulars	As at March 31, 2025	As at March 31, 2024
Total Deposits of twenty largest depositors	–	–
Percentage of Deposits of twenty largest depositors to total deposits of the HFC	–	–

4.2.2 Concentration of Loans & Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Total Loans & Advances to twenty largest borrowers	566.19	604.78
Percentage of Loans & Advances to twenty largest borrowers to total advances of the HFC	11.55%	14.94%

4.2.3 Concentration of all Exposure (including off-balance sheet exposure)

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to twenty largest borrowers / customers	911.68	955.68
Percentage of exposure to twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers.	16.02%	20.55%

4.2.4 Concentration of NPAs

Particulars	As at March 31, 2025	As at March 31, 2024
Total Exposure to top ten NPA accounts	2.72	2.01

4.2.5 Sector-wise NPA

Sector	As at March 31, 2025	As at March 31, 2024
A. Housing Loans: (in %) (out of total advances in that sector)		
(I) Individuals	0.98%	1.04%
(II) Builders / Project Loans		
(III) Corporates		
(IV) Others (Specify)		
B. Non - Housing Loans: (in %) (out of total advances in that sector)		
(I) Individuals	1.01%	0.94%
(II) Builders / Project Loans		
(III) Corporates		
(IV) Others (Specify) - Commercial Real Estate (CRE)		

(All amounts are in INR crore, unless otherwise stated)

4.3 Movement of NPAs.

Particulars	As at March 31, 2025	As at March 31, 2024
(I) Net NPAs to Net Advances (%) *	0.59%	0.57%
(II) Movement of Gross NPAs		
(a) Opening Balance	34.70	40.92
(b) Additions during the year (excluding write off's)	27.73	25.01
(c) Reduction during the year (excluding write off's)	21.56	31.23
(d) Closing balance	40.87	34.70
(III) Movement of Net NPAs		
(a) Opening Balance	17.17	20.79
(b) Additions during the year (excluding write off's)	14.80	14.12
(c) Reduction during the year (excluding write off's)	13.94	17.74
(d) Closing balance	18.03	17.17
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening Balance	17.53	20.14
(b) Provisions made during the year (excluding write off's)	12.93	10.89
(c) Write off/ write back of excess provision	7.63	13.49
(d) Closing balance	22.84	17.53

* As per notification's wordings, total loan book net of provision made is considered as net of advances. Whereas in Note 30 of financials, total loan book is considered for computation of ratios.

4.4 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

Nil

4.5 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)-

Name of the SPV sponsored	As at March 31, 2025	As at March 31, 2024
Domestic	–	–
Overseas	–	–

5 Principal Business Criteria

The information related to principal business criteria is disclosed in Note No. 50.1 to Financial Statements

6 Percentage of outstanding loans granted against collateral of gold jewellery to their outstanding total assets.

The information related to percentage of outstanding loans granted against collateral of gold jewellery to their outstanding total assets. is disclosed in Note No. 50.6 to Financial Statements

7 Details of all off-balance sheet exposures

The information related to off-balance sheet exposures are disclosed in Note No. 33 to Financial Statements

(All amounts are in INR crore, unless otherwise stated)

8 Intra-group exposures

Particulars	Amount	
	As at March 31, 2025	As at March 31, 2024
i) Total amount of intra-group exposures	–	–
ii) Total amount of top 20 intra-group exposures	–	–
iii) Percentage of intra-group exposures to total exposure of the company on borrowers/customers	–	–

9 Unhedged foreign currency exposure

The information related to unhedged foreign currency exposure are disclosed in Note No. 42 to Financial Statements

10 Corporate governance

10.1 Composition of the Board

The information related to composition of the board is disclosed in Board's Report.

10.2 Committees of the Board and their composition

The information related to Committees of the board and their composition is disclosed in Board's Report.

10.3 General Body Meetings

The information related to general body meetings is disclosed in Board's Report.

10.4 Details of non-compliance with requirements of Companies Act, 2013

There is no non-compliance with respect to requirements of companies Act, 2013, accounting standards & secreterial standards.

11 Breach of covenant

There is no breach of covenant with respect to any term loan & debt security issued.

12 Divergence in Asset Classification and Provisioning

NBFCs are required to disclose the divergences in asset classification and provisioning consequent to NHB's (in case of HFCs) annual supervisory process in their notes to accounts to the financial statements, wherever either (a) the additional provisioning requirements assessed by NHB exceed 5% of the reported net profits before tax and impairment loss on financial instruments or (b) the additional gross NPAs identified by NHB exceed 5% of the published reported gross NPAs for the reference period, or both. Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to NHB's supervisory process for the year ended March 31, 2024.

13 Items of income and expenditure of exceptional nature.

There is no items of income and expenditure of exceptional nature for the year ended on March 31, 2025 & March 31, 2024.

14 Contingent Provisions against Standard Assets.

There is no contingent provisions against standard asset for the year ended on March 31, 2025 & March 31, 2024.

15 Participation in Currency Options & Currency futures

There is no transaction undertaken during year ended on March 31, 2025 & March 31, 2024

(All amounts are in INR crore, unless otherwise stated)

16 Disclosure Requirement on Perpetual Debt Instruments (PDI)

Sr. No.	Particulars	Amount (₹ in crore)
1	Amount of funds raised through PDI during the year	NIL
2	Outstanding at the close of the financial year	NIL
3	Percentage of the amount of PDI of the amount of its Tier 1 capital	NIL
4	Mention the financial year in which interest on PDI has not been paid in accordance with paragraph 1.8 of the directions	NIL

17 Details of auctions conducted during the financial year in case of loans granted against collateral of gold jewellery

The information related to percentage of outstanding loans granted against collateral of gold jewellery to their outstanding total assets. is disclosed in Note No. 50.6 to Financial Statements.

18 Disclosure on modified opinion, if any, expressed by auditors, its impact on various financial items and views of management on audit qualifications.

The statutory auditors have conducted audit and issued an unmodified opinion for the year ended on March 31, 2025 & March 31, 2024.

II Disclosures pursuant to Reserve Bank of India (RBI) Master Direction-Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021

The following disclosures have been given in pursuant to Master Direction RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/2021-22 dated September 24, 2021 issued by the RBI as amended from time to time.

The information related to Disclosures pursuant to Reserve Bank of India (RBI) Master Direction-Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 vide Master Direction RBI/DOR/2021-22/85 DOR.STR.REC.53/21.04.177/ 2021-22 dated September 24, 2021 issued by the RBI has been disclosed in Note No. 46 and 50.7 to Financial Statements.

III Disclosures pursuant to Reserve Bank of India (RBI) Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021

The following disclosures have been given in pursuant to Master Direction RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 issued by the RBI as amended from time to time.

The information related to Disclosures pursuant to Reserve Bank of India (RBI) Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 vide master direction RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021 issued by the RBI has been disclosed in Note No. 50.8 & 50.9 to Financial Statements.

IV Disclosures pursuant to Reserve Bank of India (RBI) Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs) (including Housing Finance Companies) - formerly known as (Master Direction-Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016)

The following disclosures have been given in pursuant to Master Direction RBI/DOS/2024-25/120 DOS.CO.FMG.SEC.No.7/23.04.001/2024-25 dated July 15, 2024 issued by the RBI as amended from time to time

Amount related to Fraud reported in the company for the year

Particulars	As at March 31, 2025	As at March 31, 2024
Amount related to Fraud reported during the year	–	0.21

(All amounts are in INR crore, unless otherwise stated)

Resolution Framework for COVID-19-related Stress

The information related to Resolution Framework for COVID-19-related Stress as per RBI circular dated 6 August 2020 and 05 May 2021 mentioned in Note No. 48 of Financial Statements

V Public Disclosure for year/quarter ended March 31, 2025 pursuant to Paragraph 3 of Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies

The information related to Public Disclosure for year/quarter ended March 31, 2024 pursuant to Paragraph 3 of Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies mentioned in Note No. 50.11 of Financial Statements

19 Disclosure of Complaints

19.1 Customer Complaints.

Summary information on complaints received by the company from customers and from the Offices of Ombudsman

Particulars	As at March 31, 2025	As at March 31, 2024
Complaints received by the company from its customers		
1) No. of complaints pending at the beginning of the year	–	–
2) No. of complaints received during the year	224	353
3) No. of complaints redressed during the year	223	353
3.1) Of which, number of complaints rejected by the company	–	–
4) No. of complaints pending at the end of the year	1	–
Maintainable complaints received by the company from Office of Ombudsman		
5) Number of maintainable complaints received by the company from Office of Ombudsman	–	–
5.1) Of 5, number of complaints resolved in favour of the company 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 company	–	–
6) Number of Awards unimplemented within the stipulated time (other than those appealed)	–	–

Note

Complaints uploaded on NHB-GRIDS, where company provides redressal to customer from their end. All complaints have been redressed by the Company.

Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously The Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme. It shall only be applicable to NBFCS which are included under The Reserve Bank - Integrated Ombudsman Scheme, 2021.

(All amounts are in INR crore, unless otherwise stated)

19.2 Top five grounds of complaints received by the company from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the 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
As at March 31, 2025					
Collection Follow Up	–	48	26%	–	–
Builder related	–	38	-73%	–	–
FCL And LOD	–	28	-33%	–	–
Legal	–	17	240%	–	–
ROI	–	15	-17%	1	–
Other	–	78	-18%	–	–
Total	**–**	**224**	**-37%**	**1**	**–**
As at March 31, 2024					
Builder related	–	142	1675%	–	–
FCL And LOD	–	42	–9%	–	–
Collection Follow Up	–	38	31%	–	–
Foreclosed Original Documents	–	18	80%	–	–
ROI	–	18	–10%	–	–
Other	–	95	58%	–	–
Total	**–**	**353**	**93%**	**–**	**–**

20 Sectoral exposure

Sectors	As at March 31, 2025			As at March 31, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)*	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	–	–				
2. Industry						
3. Services						
i. Commercial Real Estate	1,301.85	–	0.00%	1,069.16	–	0.00%
Total of Services	**1,301.85**	**–**	**0.00%**	**1,069.16**	**–**	**0.00%**
4. Personal Loans						
i. Housing Loans	3,317.46	30.62	0.92%	2,781.17	27.40	0.99%
ii. Non Housing Loan	1,027.01	10.24	1.00%	799.63	7.30	0.91%
Total of Personal Loans (i+ii)	**4,344.47**	**40.87**	**0.94%**	**3,580.80**	**34.70**	**0.97%**

* Total exposure includes undrawn committed sanctions to borrowers.

(All amounts are in INR crore, unless otherwise stated)

21. Schedule to Motilal Oswal Home Finance Ltd. Balance Sheet as at March 31, 2025.

Particulars			Amount (₹ in crore)	
Liabilities side			**Amount outstanding**	**Amount overdue**
(1)	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**			
	(a)	Debentures : Secured	579.69	–
		Debentures : Unsecured	–	–
		(other than falling within the meaning of public deposits*)		
	(b)	Deferred Credits	–	–
	(c)	Term Loans	3,134.81	–
	(d)	Inter-corporate loans and borrowing	–	–
	(e)	Commercial Paper	–	–
	(f)	Public Deposits*	–	–
	(g)	Other Loans (specify nature)	–	–
	* Please see Note 1 below			
(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	–	–
	* Please see Note 1 below			
Assets side				**Amount outstanding**
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**			
	(a)	Secured		4,835.54
	(b)	Unsecured		0.78
(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		–

(All amounts are in INR crore, unless otherwise stated)

Particulars			Amount (₹ in crore)
Assets side			Amount outstanding
(5)	**Break-up of Investments**		
	Current Investments		
	1.	Quoted	
		(i) Shares	
		(a) Equity	–
		(b) Preference	–
		(ii) Debentures and Bonds	–
		(iii) Units of mutual funds	–
		(iv) Government Securities	–
		(v) Others (please specify)	–
	2.	Unquoted	
		(i) Shares	
		(a) Equity	–
		(b) Preference	–
		(ii) Debentures and Bonds	–
		(iii) Units of mutual funds	–
		(iv) Government Securities	–
		(v) Others (please specify)	–
	Long Term investments		
	1.	Quoted	
		(i) Share	
		(a) Equity	–
		(b) Preference	–
		(ii) Debentures and Bonds	–
		(iii) Units of mutual funds	–
		(iv) Government Securities	–
		(v) Others (please specify)	–
	2.	Unquoted	
		(i) Shares	
		(a) Equity	–
		(b) Preference	–
		(ii) Debentures and Bonds	–
		(iii) Units of mutual funds	–
		(iv) Government Securities	–
		(v) Others (please specify)	–

(All amounts are in INR crore, unless otherwise stated)

Particulars			Amount (₹ in crore)		
Assets side					**Amount outstanding**
(6)	**Borrower group-wise classification of assets financed as in (3) and (4) above:** (Please see Note 2 below)				
	Category		**Amount net of provisions**		
			Secured	**Unsecured**	**Total**
	1.	**Related Parties ****			
		(a) Subsidiaries	–	–	–
		(b) Companies in the same group	–	–	–
		(c) Other related parties	–	–	–
	2.	Other than related parties	4,835.54	0.78	4,836.32
		Total	**4,835.54**	**0.78**	**4,836.32**

(7)	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):** (Please see Note 3 below)			
	Category		**Market Value /Break up or fair value or NAV**	**Book Value (Net of Provisions)**
	1.	Related Parties **		
		(a) Subsidiaries	–	–
		(b) Companies in the same group	–	–
		(c) Other related parties	–	–
	2.	Other than related parties	–	–
		Total	**–**	**–**
	** As per applicable Accounting Standard (Please see Note 3)			

(8)	**Other information**		
		Particulars	**Amount**
	(i)	Gross Non-Performing Assets	
		(a) Related parties	
		(b) Other than related parties	40.87
	(ii)	Net Non-Performing Assets	
		(a) Related parties	
		(b) Other than related parties	18.03
	(iii)	Assets acquired in satisfaction of debt	–

Notes:

1. As defined in Paragraph 4.1.30 of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 ("The Directions").
2. Provisioning norms shall be applicable as prescribed in the Directions.
3. As per applicable Accounting Standards including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

Notes

Notes

motilal oswal
Home Finance

MOTILAL OSWAL HOME FINANCE LIMITED
CIN: U65923MH2013PLC248741

REGISTERED OFFICE
Motial Oswal Tower, Rahimtullah Sayani Road,
Opp. Parel ST Depot, Prabhadevi,
Mumbai - 400 025.
Contact: +91 8291889898
Email: hfquery@motilaloswal.com