



**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED  
IND AS FINANCIAL INFORMATION**

The Board of Directors  
India Shelter Finance Corporation Limited  
6th Floor, Plot No. 15,  
Sector - 44, Institutional Area NA Gurgaon  
Gurugram, Haryana 122002

Dear Sirs /Madams,

1. We have examined the attached Restated Consolidated Indian Accounting Standards ("Ind AS") Financial information of India Shelter Finance Corporation Limited (the "Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group") comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, September 30, 2022, March 31, 2023, and March 31, 2022, the Restated Consolidated Statement of Profit & Loss (including other comprehensive income), the Restated Consolidated Cash Flow Statement, and the restated consolidated statement of changes in equity for the half year ended September 30, 2023, September 30, 2022, and year ended March 31, 2023 and March 31, 2022; restated standalone statement of assets and liabilities as at March 31, 2021, restated standalone statement of profit & loss (including other comprehensive income), the restated standalone statement of cash flow for the year ended March 31, 2021 and the summary statement of significant accounting policies and other explanatory information (collectively, the "Restated Consolidated Ind AS Financial information") as approved by the board of directors of the company ("Board of Directors") at their meeting held on November 13, 2023 for the purpose of inclusion in the red herring prospectus ("RHP") and prospectus (collectively referred to as the "Offer Documents") prepared and to be filed with Securities and Exchange Board of India, Bombay Stock Exchange of India Limited, National Stock Exchange of India Limited, and Registrar of Companies, Delhi ("RoC") by the Company in connection with its proposed initial public offer of equity shares of face value of Rs.5 each ("IPO") prepared in terms of requirements of:
  - a. Section 26 of Part I of Chapter III of The Companies Act, 2013 (the "Act");
  - b. Relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the 'Guidance Note')
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Ind AS Financial information to be included in the Offer Documents in connection with the proposed IPO of the Company. The Restated Consolidated Ind AS Financial information have been prepared by the management of the Company on the basis of preparation stated in note 1.1 to this Restated Consolidated Ind AS Financial information. The Board of Directors responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Ind AS Financial information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.





3. We have examined such Restated Consolidated Ind AS Financial information taking into consideration:
- The terms of reference and our engagement agreed with you vide our engagement letter dated June 20, 2023, in connection with the proposed IPO of the Company;
  - The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Ind AS Financial information; and
  - The requirements of Section 26 of the Act and applicable provisions of the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act; the ICDR Regulations and the Guidance Note in connection with the Proposed IPO.

4. The Restated Consolidated Ind AS Financial information have been compiled by the management from audited Consolidated Interim financial statements of the Group as at and for the half year ended September 30, 2023, September 30, 2022, audited Consolidated financial statements of the Group as at and for the year ended March 31, 2023 and March 31, 2022 and audited standalone financial statements of the company as at and for the year ended March 31, 2021 prepared in accordance with the Indian Accounting Standard (IND AS) specified under section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the directions, circulars and guidelines issued by RBI from time to time, which have been approved by the Board of Directors at their meeting held on October 27, 2023, May 09, 2023, May 12, 2022 and May 12, 2021 respectively.

5. For the purpose of our examination, we have relied on
- Auditor's report issued by us dated October 27, 2023 on the audited consolidated interim financial statements of the Group as at and for the half year ended September 30, 2023 and September 30, 2022 as referred in Paragraph 4 above.
  - Auditor's reports issued by us dated May 9 2023 and May 12, 2022 on the audited consolidated financial statements of the Group as at and for the year ended March 31, 2023 and March 31, 2022, respectively, as referred in Paragraph 4 above.
  - Auditor's report issued by Previous Auditor Walker Chandilok & Co LLP, dated May 12, 2021 on the audited financial statements of the Company as at and for the years ended March 31, 2021 as referred in Paragraph 4 above. The audited financial statements for the years ended March 31, 2021 and the independent auditors' report thereon issued by the Previous Auditor have been furnished to us by the Company. The adjustments in so far as it relates to the amounts, disclosures, material errors, regrouping, reclassification, etc., included in respect of the years ended March 31, 2021 is restricted to and based solely on the audited financial statements and auditor's reports issued by the Previous Auditor for such years. We have not performed any additional procedures other than those stated herein.
  - We did not audit the standalone financial statements of the wholly owned subsidiary, M/s India Shelter Capital Finance Limited as at and for the half year ended September 30, 2023 and September 30, 2022 and for the year/period ended March 31, 2023 and March 31, 2022 as applicable whose aggregate share of total assets, total revenues and net cash flows, included in the Restated Consolidated Ind AS Financial Information, for the relevant years are tabulated below:





(In Lakhs)

Particulars	30 <sup>th</sup> September 2023	30 <sup>th</sup> September 2022	31 March 2023	31 March 2022	31 March 2021
<b>Total Assets*</b>	1276.93	1208.22	1247.55	Not Applicable	Not Applicable
<b>Revenue*</b>	49.53	20.20	61.64	Not Applicable	Not Applicable
<b>Cash and cash Equivalent *</b>	3.10	14.67	240.58	Not Applicable	Not Applicable

\*Gross before giving Consolidation adjustments.

The financial statements of the wholly owned subsidiary have been audited by other audit firm for the year period from March 24, 2022 to March 31, 2023 and for the period ended September 30, 2023, September 30, 2022, whose report dated May 3, 2023 and October 23, 2023 respectively have been furnished to us by the Company and our opinion in so far as it relates to the amounts included in these Restated Consolidated Ind AS Financial Information are based solely on the audit reports of the other auditor.

6. Based on the above and according to the information and explanations given to us, we report that the Restated Consolidated Ind AS Financial information:

- have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial statement as at and for the half year ended September 30, 2023, September 30, 2022 and year ended March 31, 2023, March 31 2022, March 31 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the half year ended September 30, 2023.
- There are no qualifications in the auditors' reports on the audited consolidated financial statements of the Company as at and for the half years ended September 30, 2023, September 30, 2022 and for the year ended March 31, 2023, 2022 and 2021; and

There are no Emphasis of matter paragraphs included in the auditors' report on the financial statements for the half year ended September 30, 2023, September 30, 2022 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 and there is no requirement for any corrective adjustment in the Restated Consolidated Ind AS Financial information in this regard.

- have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
  - The Restated Consolidated Ind AS Financial information do not reflect the effects of events that occurred subsequent to the respective dates of the report on the audited financial statements mentioned in paragraph 4 above.
  - In our opinion, the Restated Consolidated Ind AS Financial information, read with Summary of Significant Accounting Policies disclosed in Note no.1, accompanying this report, are prepared after making adjustments and regroupings as considered appropriate and disclosed in Note no. 56 have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.





10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit report issued by us or Previous Auditors (Walker Chandilok & Co LLP Chartered Accountants), nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the offer documents to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited and the RoC Delhi in connection with proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **T R Chadha & Co LLP**

Chartered Accountants

Firm's Registration No.: 006711N/N500028

**Aashish Gupta**

Partner

Membership No.: 097343

UDIN: 23097343B61QJVS5021

Place: Gurugram

Date: 13<sup>th</sup> November 2023



**India Shelter Finance Corporation Limited**  
**Restated Consolidated statement of assets and liabilities**  
**(All amounts in Rs. millions, unless otherwise stated)**

	Notes	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Assets</b>						
<b>(1) Financial assets</b>						
(a) Cash and cash equivalents	3	79.41	1,291.91	3,609.44	1,438.02	2,330.94
(b) Bank balance other than cash and cash equivalents	4	2,021.85	1,282.45	1,463.34	1,864.92	1,805.83
(c) Derivative financial instruments	5	-	-	0.58	-	-
(d) Loans	6	42,660.72	30,867.58	36,091.44	26,225.25	19,811.70
(e) Investments	7	996.00	2,978.12	469.28	1,753.20	-
(f) Other financial assets	8	1,295.98	790.45	902.13	619.75	280.92
<b>(2) Non-financial assets</b>						
(a) Current tax assets (net)	9	-	66.86	-	-	0.35
(b) Deferred tax assets (net)	10	42.75	30.14	30.36	29.50	93.37
(c) Property, plant and equipment	11	249.15	236.19	238.35	165.73	140.31
(d) Other intangible assets	12	3.66	2.54	4.84	4.65	10.77
(e) Other non-financial assets	13	140.16	100.38	81.64	77.54	117.43
(f) Assets held for sale	36	97.10	53.51	64.51	33.65	34.78
<b>Total assets</b>		<b>47,586.78</b>	<b>37,499.93</b>	<b>42,955.91</b>	<b>32,212.21</b>	<b>24,626.40</b>
<b>Liabilities and equity</b>						
<b>Liabilities</b>						
<b>(1) Financial liabilities</b>						
(a) Derivative financial instruments		30.57	16.02	-	-	-
(b) Trade payables		-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	14	-	-	-	-	1.21
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	88.85	79.10	61.49	45.94	45.06
(c) Debt securities	15	1,191.27	1,789.21	1,766.34	1,865.98	822.24
(d) Borrowings (other than debt securities)	16	31,693.54	23,624.77	28,123.35	18,834.11	14,090.67
(e) Other financial liabilities	17	681.77	501.53	534.35	595.18	238.88
<b>(2) Non-financial liabilities</b>						
(a) Provisions	18	67.98	47.76	46.90	51.33	35.97
(b) Current tax liabilities (Net)	9	41.31	-	6.85	43.22	-
(c) Other non-financial liabilities	19	43.83	21.45	12.36	15.18	19.98
<b>Total liabilities</b>		<b>33,337.12</b>	<b>26,079.84</b>	<b>30,550.63</b>	<b>21,450.94</b>	<b>15,253.71</b>
<b>(3) Equity</b>						
(a) Equity share capital	20	450.23	437.32	437.65	437.07	429.78
(b) Other equity	21	13,299.43	10,982.77	11,967.63	10,324.20	8,942.91
<b>Total equity</b>		<b>13,749.66</b>	<b>11,420.09</b>	<b>12,405.28</b>	<b>10,761.27</b>	<b>9,372.69</b>
<b>Total liabilities and equity</b>		<b>47,586.78</b>	<b>37,499.93</b>	<b>42,955.91</b>	<b>32,212.21</b>	<b>24,626.40</b>

The accompanying notes form an integral part of these restated consolidated financial information.  
This is the restated consolidated statement of assets and liabilities referred to in our report of even date.

For T R Chadha & Co LLP  
Chartered Accountants  
Firm's Registration No.: 006711/N/500028

*Aashish*  
**Aashish Gupta**  
Partner  
Membership No.: 097343



Place: Gurugram  
Date: 13 November 2023

For and on behalf of the Board of Directors of  
India Shelter Finance Corporation Limited

*U.S.T.S.*  
**Sudhin Bhagwandas Choksey**  
Chairman and  
Non-Executive Director  
DIN: 00036085  
Place: Ahmedabad



*Ashish*  
**Ashish Gupta**  
Chief Financial Officer  
Place: Gurugram

*Rupinder Singh*

**Rupinder Singh**  
Managing Director and  
Chief Executive Officer  
DIN: 09153382  
Place: Gurugram

*Mukti Chhapot*  
**Mukti Chhapot**  
Company Secretary  
Membership No. 38326  
Place: Gurugram



India Shelter Finance Corporation Limited  
Restated Consolidated statement of profit and loss  
(All amounts in Rs. millions, unless otherwise stated)

	Notes	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Revenue from operations</b>						
(i) Interest income	22	3,200.06	2,306.90	5,029.46	3,739.16	2,745.72
(ii) Fees and commission income	23	178.99	160.29	315.84	200.58	99.93
(iii) Net gain on fair value changes	24	57.81	26.49	60.92	45.89	29.19
(iv) Net gain on derecognition of financial instruments under amortised cost category		423.05	152.83	439.08	497.15	292.23
<b>(I) Total revenue from operations</b>		<b>3,859.91</b>	<b>2,646.51</b>	<b>5,845.30</b>	<b>4,479.78</b>	<b>3,167.07</b>
(II) Other income	25	125.85	82.35	217.01	118.28	60.92
<b>(III) Total Income (I+II)</b>		<b>3,985.76</b>	<b>2,728.86</b>	<b>6,062.31</b>	<b>4,598.06</b>	<b>3,227.99</b>
<b>Expenses</b>						
(i) Finance costs	26	1,397.48	961.34	2,098.70	1,483.39	1,053.48
(ii) Impairment on financial instruments	27	94.10	89.87	140.68	120.12	195.94
(iii) Employee benefits expenses	28	844.19	641.19	1,345.60	1,013.09	619.64
(iv) Depreciation and amortisation	29	43.37	39.72	82.02	65.39	50.98
(v) Other expenses	30	223.05	184.99	375.79	247.06	175.38
<b>(IV) Total expenses</b>		<b>2,602.19</b>	<b>1,917.11</b>	<b>4,042.79</b>	<b>2,929.05</b>	<b>2,098.42</b>
<b>(V) Profit before tax (III-IV)</b>		<b>1,383.57</b>	<b>811.75</b>	<b>2,019.52</b>	<b>1,669.01</b>	<b>1,129.57</b>
(VI) Tax expense:	31					
(1) Current tax		305.89	187.78	464.84	318.36	247.72
(2) Deferred tax charge/(credit)		4.14	3.76	1.26	66.18	7.96
<b>Total tax expense</b>		<b>310.03</b>	<b>191.54</b>	<b>466.10</b>	<b>384.54</b>	<b>255.68</b>
<b>(VII) Profit for the year (V-VI)</b>		<b>1,073.54</b>	<b>620.21</b>	<b>1,553.42</b>	<b>1,284.47</b>	<b>873.89</b>
<b>(VIII) Other comprehensive income</b>						
(i) Items that will not be reclassified to profit or loss						
-Remeasurement of defined benefit obligations		(1.12)	13.72	15.20	(9.21)	(2.84)
-Income tax effect relating to re-measurement loss on defined benefit plans		0.28	(3.45)	(3.83)	2.32	0.71
(ii) Items that will be reclassified to profit or loss						
-Re-measurement gains/ (losses) on hedge instruments		(64.64)	(33.42)	(23.52)	-	-
-Income tax effect relating to re-measurement gains/ (losses) on hedge instruments		16.27	7.55	5.92	-	-
<b>Total other comprehensive income</b>		<b>(49.22)</b>	<b>(15.30)</b>	<b>(6.23)</b>	<b>(6.89)</b>	<b>(2.13)</b>
<b>(IX) Total comprehensive income for the year (VII+VIII)</b>		<b>1,024.33</b>	<b>604.91</b>	<b>1,547.19</b>	<b>1,277.58</b>	<b>871.76</b>
(X) Earnings per equity share	41					
(EPS for period ended 30 September 2023/30 September 2022 is not annualised)						
Basic (Rs.)		12.13	7.09	17.75	14.80	10.19
Diluted (Rs.)		12.00	7.02	17.47	14.63	9.93

The accompanying notes form an integral part of these restated consolidated financial information.  
This is the restated consolidated statement of profit and loss referred to in our report of even date.

For T R Chadha & Co LLP  
Chartered Accountants  
Firm's Registration No.: 006711N/N500028

*Aashish*  
Aashish Gupta  
Partner  
Membership No.: 097343



Place: Gurugram  
Date: 13 November 2023

For and on behalf of the Board of Directors of  
India Shelter Finance Corporation Limited

*U.S.S.B.*  
Sudhin Bhagwandas Choksey  
Chairman and  
Non-Executive Director  
DIN: 00036085  
Place: Ahmedabad

*Aashish*  
Aashish Gupta  
Chief Financial Officer

Place: Gurugram



*Rupinder Singh*

Rupinder Singh  
Managing Director and  
Chief Executive Officer  
DIN: 09153382  
Place: Gurugram

*Mukti Chaptot*  
Mukti Chaptot  
Company Secretary  
Membership No. 38326  
Place: Gurugram

India Shelter Finance Corporation Limited  
Restated Consolidated statement of cash flows  
(All amounts in Rs. millions, unless otherwise stated)

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>(A) Cash flows from operating activities</b>					
Profit before tax	1,383.57	811.75	2,019.52	1,669.01	1,129.57
Adjustments for:					
Depreciation and amortisation	43.37	39.72	82.02	65.39	50.98
Effective interest rate adjustment on financial assets	82.50	80.08	200.19	77.68	53.33
Effective interest rate adjustment on debt securities and borrowings	(2.37)	(31.15)	(39.30)	(40.02)	(0.99)
Share based payments to employees	56.20	53.30	83.04	59.41	16.12
Impairment on financial instruments	64.28	83.01	112.19	118.89	198.48
Impairment on assets held for sale	29.84	6.86	28.49	1.23	0.48
Net loss on derecognition of property, plant and equipment	0.92	0.21	1.31	0.64	1.47
Net unrealised gain on fair value change of investments	(0.04)	1.60	-	(3.07)	-
Net gain on derecognition of financial instruments under amortised cost category	(423.05)	(152.83)	(439.08)	(497.15)	(292.23)
Gain on termination of leases	(0.65)	(0.71)	(0.81)	(0.82)	(2.20)
Interest expense on lease liabilities	8.53	5.92	11.92	8.18	7.73
<b>Operating profit before working capital changes</b>	<b>1,240.08</b>	<b>897.75</b>	<b>2,061.69</b>	<b>1,460.38</b>	<b>1,162.76</b>
<b>Movements in working capital</b>					
Increase in loans	(6,710.50)	(4,807.74)	(10,178.90)	(6,605.86)	(5,306.62)
Decrease in other financial assets	28.28	(17.45)	155.28	165.91	30.65
(Increase)/Decrease in other non-financial assets	(120.85)	(49.55)	(63.48)	39.80	(13.72)
Increase in derivative financial instruments	(33.49)	(17.40)	(24.11)	-	-
Increase/(Decrease) in trade payables	25.36	33.16	16.65	(0.33)	5.57
(Decrease)/Increase in other financial liabilities	147.42	(93.65)	(60.32)	386.29	145.51
(Decrease)/Increase in other non-financial liabilities	31.48	6.27	(2.82)	(34.51)	32.94
Increase/(Decrease) in provisions	17.33	12.05	12.63	4.36	(10.47)
Increase/(Decrease) in interest accrued on debt securities and borrowings	11.49	32.84	64.28	(84.02)	(41.20)
<b>Cash flows used in operating activities post working capital changes</b>	<b>(5,365.50)</b>	<b>(3,803.92)</b>	<b>(8,020.59)</b>	<b>(4,678.04)</b>	<b>(3,954.89)</b>
Income tax paid (net)	(271.41)	(297.54)	(501.22)	(274.78)	(213.62)
<b>Net cash flows used in operating activities (A)</b>	<b>(5,636.91)</b>	<b>(4,101.46)</b>	<b>(8,521.82)</b>	<b>(4,952.82)</b>	<b>(4,208.51)</b>
<b>(B) Cash flows from Investing activities</b>					
Payments made for purchase of property, plant and equipment and intangible assets	(25.76)	(33.27)	(63.97)	(50.78)	(17.80)
Proceeds from sale of property, plant and equipment	2.29	0.06	3.43	2.23	0.08
Proceeds/(Payments) from investments (net)	(526.59)	(1,225.52)	1,283.92	(1,750.13)	938.59
Proceeds/(Investment) in other bank balance (net)	(558.51)	552.47	401.53	(58.09)	(154.45)
<b>Net cash used in investing activities (B)</b>	<b>(1,108.70)</b>	<b>(697.26)</b>	<b>1,624.98</b>	<b>(1,857.78)</b>	<b>766.42</b>
<b>(C) Cash flows from financing activities</b>					
Proceeds from issue of equity share capital	264.87	0.51	13.78	51.58	2.00
Proceeds from debt securities	-	-	-	1,850.00	150.00
Proceeds from borrowings (other than debt securities)	7,737.00	7,753.90	16,385.80	11,498.35	9,784.00
Repayment of borrowings	(4,180.53)	(3,018.01)	(7,122.94)	(6,845.83)	(2,518.48)
Repayment of debt securities	(575.00)	(75.00)	(150.00)	(800.00)	(1,785.72)
Payment towards lease liabilities	(30.56)	(28.78)	(59.48)	(44.82)	(32.17)
<b>Net cash flows from financing activities (C)</b>	<b>3,215.88</b>	<b>4,692.62</b>	<b>9,068.28</b>	<b>5,917.68</b>	<b>5,999.63</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(3,530.03)</b>	<b>(146.11)</b>	<b>2,171.42</b>	<b>(892.92)</b>	<b>2,157.54</b>
Cash and cash equivalents at the beginning of the year	3,609.44	1,438.02	1,438.02	2,330.94	173.40
Cash and cash equivalents at the end of the year	79.41	1,291.91	3,609.44	1,438.02	2,330.94
Components of cash and cash equivalents:-					
Cash on hand	21.71	6.01	17.60	11.73	5.36
<b>Balances with banks (of the nature of cash and cash equivalents)</b>					
(a) Balance with banks in current accounts	57.70	75.90	628.14	6.00	405.12
(b) Deposits with original maturity of less than 3 months	-	1,216.00	2,993.70	1,429.69	1,920.46
<b>Total cash and cash equivalents</b>	<b>79.41</b>	<b>1,291.91</b>	<b>3,609.44</b>	<b>1,438.02</b>	<b>2,330.94</b>

Note:

- The above restated consolidated statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 'Statement of Cash flows' as specified under Section 133 of the Companies Act, 2013, (Act) read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- Refer note 16 for reconciliation of liabilities arising from financing activities.
- Previous year figures have been regrouped/reclassified wherever applicable.

The accompanying notes form an integral part of these restated consolidated financial information.  
This is the restated consolidated statement of cash flows referred to in our report of even date.

For T R Chadha & Co LLP  
Chartered Accountants  
Firm's Registration No.: 005711N/H500028

Aashish Gupta  
Partner  
Membership No.: 097348



For and on behalf of the Board of Directors of  
India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey  
Chairman and  
Non-Executive Director  
DIN: 00635085  
Place: Ahmedabad

Aashish Gupta  
Chief Financial Officer  
Place: Gurugram



Rupinder Singh  
Managing Director and  
Chief Executive Officer  
DIN: 09163382  
Place: Gurugram

Mukhl Chaplot  
Company Secretary  
Membership No. 38326  
Place: Gurugram

Place: Gurugram  
Date: 13 November 2023

India Shelter Finance Corporation Limited  
Restated Consolidated statement of changes in equity  
(All amounts in ₹G. millions, unless otherwise stated)

Particulars	Balance as at	Changes during	Balance as at	Changes during	Balance as at	Changes during	Balance as at	Changes during	Balance as at	Changes during	Balance as at
	31 April 2020	the year	31 March 2021	the year	31 March 2022	the period	30 September 2022	the period	31 March 2023	the period	30 September 2023
<b>A. Equity share capital</b>	428.30	1.48	428.78	7.28	437.07	0.25	437.32	437.65	0.33	12.58	450.23
<b>B. Other equity</b>											
<b>Share application money pending allotment</b>											
<b>Statutory reserve</b>	267.58		174.79		6.781.84	38.91	993.05	3.05	(174.79)		8,054.53
Transfer to statutory reserve					0.49						
Issue of share capital					0.02						0.49
Share options exercised during the year											
Share based payment to employees											16.12
Profit for the year											875.86
Other comprehensive income/(net of taxes)											(2.12)
<b>Balance as at 31 March 2021</b>	442.36		256.89		6,792.45	55.01	1,882.16	5.93			8,942.91
Transfer to statutory reserve					44.30		(256.89)				44.30
Issue of share capital					31.03						
Share options exercised during the year											
Share based payment to employees											59.41
Profit for the year											1,284.47
Other comprehensive income/(net of taxes)											(6.69)
<b>Balance as at 31 March 2022</b>	695.25		6,857.78		63.39	2,696.74	(5.96)				10,324.20
Transfer to statutory reserve					0.26						0.26
Issue of share capital											
Share options exercised during the period											53.40
Share based payment to employees											630.21
Profit for the period											18.27
Other comprehensive income/(net of taxes)											(25.57)
<b>Balance as at 30 September 2022</b>	695.25		308.95		6,858.04	136.79	3,306.95	4.34			10,952.77
Transfer to statutory reserve					12.94		(308.95)				12.94
Issue of share capital					0.33						
Share options exercised during the period											29.64
Share based payment to employees											933.21
Profit for the period											1.10
Other comprehensive income/(net of taxes)											(17.99)
<b>Balance as at 31 March 2023</b>	1,006.20		7,200.31		137.28	5,006.75	4.58				13,289.43
Transfer to statutory reserve					245.08						245.08
Issue of share capital					83.82						83.82
Share options exercised during the period											55.20
Share based payment to employees											1,073.54
Profit for the period											(0.84)
Other comprehensive income/(net of taxes)											
Share application money received during the period											7.18
<b>Balance as at 30 September 2023</b>											7.18

The accompanying notes form an integral part of these restated consolidated financial information. This is the restated consolidated statement of changes in equity referred to in our report of even date.

For T R Chaudha & Co LLP  
Chartered Accountants  
Firm's Registration No.: 005711N/600628



Aashish Gupta  
Partner  
Membership No.: 097343

Place: Gurugram  
Date: 13 November 2023

For and on behalf of the Board of Directors of  
India Shelter Finance Corporation Limited

M.S. S. S.  
Sudhin Bhagwanadas Chotrey  
Non-Executive and  
Independent Director  
DIN: 80038085  
Place: Ahmedabad

Ashish Gupta  
Chief Financial Officer  
Place: Gurugram

Rupinder Singh  
Managing Director and  
Chief Executive Officer  
DIN: 86183932  
Place: Gurugram  
Anand Kumar  
Company Secretary  
Membership No. 98329  
Place: Gurugram



## India Shelter Finance Corporation Limited

### Summary of significant accounting policies and other explanatory information on restated consolidated financial information

#### 1. Corporate information

India Shelter Finance Corporation Limited ("the Company") is a Housing Finance Company registered under section 29A of The National Housing Bank Act, 1987 vide Registration Certificate No. 09.0087.10 dated 14 September 2010. The Group is engaged in providing secured retail home loans, home equity loans and loans against property to borrowers for a period up to twenty years. These loans are primarily to be used by the borrowers for home purchase, home improvements, home extension and for construction of dwelling units on plots owned by borrowers.

India Shelter Capital Finance Limited ("Subsidiary Company") was incorporated on 24 March 2022 to carry on lending business as Non-Banking Finance Company subject to receipt of regulatory approvals.

The above two companies are collectively referred to as the ("Group").

#### 1.1 Basis of preparation and presentation

The Restated Consolidated financial information of the Group comprise the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2023, September 30, 2022, March 31, 2023 and March 31, 2022, the Restated Consolidated Statement of Profit & Loss account (including Other Comprehensive Income), the Restated Consolidated Statement of Cash Flows and the Restated Consolidated Statement of Changes in Equity for half year ended September 30, 2023, September 30, 2022 and for year ended March 31, 2023 and March 31, 2022; Restated Standalone Statement of Assets and Liabilities as at March 31, 2021, the Restated Standalone Statement of Profit & Loss account (including Other Comprehensive Income), the Restated Standalone Statement of Cash Flows and the Restated Standalone Statement of Changes in Equity for year ended March 31, 2021 and significant accounting policies and other explanatory information to the Restated Consolidated financial information (collectively, the 'Restated Consolidated financial information'), has been specifically prepared by the management for inclusion in the document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") and National Stock Exchange of India Limited and BSE Limited, where the Equity Shares are proposed to be listed (the "Stock Exchanges") in connection with the proposed Initial Public Offer ('IPO') of equity shares of the Company (referred to as the "Issue"), in accordance with the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act") and
- b. Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.
- c. The Guidance Note on Report in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India.

The restated consolidated financial information were approved by the Company's Board of Directors and authorised for issue on 13 November 2023.

#### (i) Statement of compliance with Indian Accounting Standards (Ind AS)

These restated Consolidated financial statements ("the Financial Statements") of the Group have been prepared in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 ('Act') and other relevant provisions of the Act and guidelines issued by Reserve Bank of India (RBI) and National Housing Bank (NHB) to the extent applicable. The Group has uniformly applied the accounting policies for the periods presented in these financial statements.

#### (ii) Historical cost convention

The restated consolidated financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values at the end of each reporting period as explained in relevant accounting policies. The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.



## **India Shelter Finance Corporation Limited**

### **Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 'Leases' and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 'Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

#### **(iii) Basis of consolidation**

The restated consolidated financial information comprise the financial statements of the Company and its subsidiaries including controlled structured entities as at September 30, 2023. The Company consolidates a subsidiary when it controls it. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Company's voting rights and potential voting rights.
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the restated consolidated financial information from the date the Company gains control until the date the Company ceases to control the subsidiary.

Restated Consolidated financial information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Company uses accounting policies other than those adopted in the restated consolidated financial information for like transactions and events in similar circumstances, appropriate adjustments are made to that Company member's financial statements in preparing the restated consolidated financial information to ensure conformity with the Company's accounting policies.



## **India Shelter Finance Corporation Limited**

### **Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

#### **(iv) Principles of consolidation**

The restated consolidated financial information relate to India Shelter Finance Corporation Limited (the Company) and its subsidiary company.

The restated consolidated financial information have been prepared on the following basis:

- The financial statements of all the entities used for the purpose of consolidation are drawn upto the same reporting date as that of the Company i.e., September 30, 2023.
- The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intragroup transactions.
- The restated consolidated financial information have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- India Shelter Capital Finance Limited, a wholly owned subsidiary has been considered in the preparation of the restated consolidated financial information.

## **2. Summary of significant accounting policies**

This restated consolidated financial information have been prepared using the significant accounting policies and measurement bases summarised as below. These policies are applied consistently for all the periods presented in the restated consolidated financial information, except where the Group has applied certain exemptions upon transition.

### **2.1. Revenue recognition**

#### *Interest and processing fee income on loans*

Interest and processing fee income on financial assets is recognised on a time proportion basis considering the amount outstanding and the effective interest rate applicable.

#### **Effective Interest Rate ("EIR")**

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets measured at Fair Value Through Profit and Loss ("FVTPL"), transaction costs are recognised in the statement of profit and loss at initial recognition.

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 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 expected credit losses).

#### *Interest/Dividend income on investment*

Interest income on investments and fixed deposits is recognised on time proportionate basis with reference to EIR method. Dividend income is accounted for when the right to receive it is established.



## **India Shelter Finance Corporation Limited**

### **Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

#### *Income from assignment*

Gains arising out of direct assignment transactions comprise the difference between the interest on the loan portfolio and the applicable rate at which the direct assignment is entered into with the assignee, also known as the right of excess interest spread (EIS). The future EIS basis the scheduled cash flows on execution of the transaction, discounted at the EIR of underlying pool of loans rate entered into with the assignee is recorded upfront in the statement of profit and loss. EIS is evaluated and adjusted for ECL and expected prepayment.

#### *Fee and Commission Income*

Fee and commission income includes fees other than those that are an integral part of EIR method. The Group recognises the fee and commission income at fair value of the consideration received or receivable when the Group satisfies the performance obligation.

#### *Other operating revenue*

Interest on overdue of loans and other ancillary charges are recognised upon realisation. All other income is recognised on an accrual basis upon satisfaction of performance obligation, when there is no uncertainty in the ultimate realisation/collection and income can be measured reliably.

## **2.2. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

## **2.3. Cash flow statement**

Cash flows are reported using indirect method as set out in Ind AS -7 "Statement of Cash Flows", whereby profit/loss before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

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

#### *Recognition and initial measurement*

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

#### *Depreciation methods, estimated useful lives and residual value*

Depreciation on property, plant and equipment is provided on the straight line method over the useful life of the assets as prescribed under Part 'C' of Schedule II of the Companies Act, 2013, or in case of assets where the





## India Shelter Finance Corporation Limited

### Summary of significant accounting policies and other explanatory information on restated consolidated financial information

estimated useful life was determined basis technical evaluation carried out by the Group, over the useful life so determined.

Depreciation on additions to fixed assets is provided for full month in which acquisition of the assets is made. No depreciation is provided for the month of sale/disposal of asset. Leasehold improvements are amortised over a period of lease. Asset costing less than Rs. 10,000 each are fully depreciated in the year of capitalisation.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

Estimated useful lives of the assets are as follows:

Asset category	Estimated useful life (in Years)	Life as per Schedule II
Plant & Equipment- Computer and other related equipment	3 years	3 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Vehicles	8 years	8 years
Handheld communication devices (included in office equipment)	2 years	5 years
Leasehold improvements	Over the period of the lease or the estimated useful life whichever is lesser.	Over the period of the lease or the estimated useful life whichever is lesser.

#### *De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the statement of profit and loss, when the asset is derecognised.

## 2.5. Intangible assets

#### *Recognition and initial measurement*

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

#### *Amortisation method, estimated useful lives and residual value*

Intangible assets are amortised over a period of 4 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

#### *De-recognition of intangible assets*

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





## India Shelter Finance Corporation Limited

### Summary of significant accounting policies and other explanatory information on restated consolidated financial information

#### 2.6. Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date. If there is any indication of impairment based on internal / external factors, an impairment loss is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. For the purpose of assessing impairment, the smallest identifiable group of assets that generate 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.

Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal 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.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

If at the reporting date there is an indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed, and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

#### 2.7. Taxation

Tax expense recognised in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

With effect from 1 April 2019, with introduction of Taxation Laws (Amendment) Ordinance, 2019, where section 115BAA was introduced in the Income-tax Act, 1961 proposing option to compute income tax liability at revised taxation rates. Further, under section 115JB (MAT provisions) a sub-section was introduced stating non-applicability of Minimum Alternative Tax ('MAT') provisions on the companies exercising option to pay income tax under section 115BAA.

MAT policy applicable before 1 April 2019, MAT under the provisions of the Income-tax Act, 1961 was recognised as current tax in the Statement of Profit and Loss. The credit available under the Income-tax Act, 1961 in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow



## **India Shelter Finance Corporation Limited**

### **Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

from the manner in which the Group expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

#### **2.8. Employee benefits**

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

Short-term employee benefits including salaries, short term compensated absences (such as a paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non-monetary benefits for current employees are estimated and measured on an undiscounted basis.

**Post-employment benefit plans are classified into defined benefits plans and defined contribution plans as under:**

##### **Defined contribution plans**

The Group has a defined contribution plans namely provident fund, pension fund and employees state insurance scheme. The contribution made by the Group in respect of these plans are charged to the Statement of Profit and Loss.

##### **Defined benefit plans**

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Where in the employee will receive on retirement is defined by reference to employee's length of service and last drawn salary. Under the defined benefit plans, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Group, even if plan assets for funding the defined benefit plan have been set aside. The liability recognised in the statement of financial position for defined benefit plans is the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

##### **Other long-term employee benefits**

The Group also provides the benefit of compensated absences to its employees which are in the nature of long-term employee benefit plan. Liability in respect of compensated absences becoming due and expected to be availed after one year from the Balance Sheet date is estimated in the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to Statement of Profit and Loss in the year in which such gains or losses are determined.

##### **Share based payment**

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value of the option determined at the grant date of the equity settled share-based payments is expensed on a straight line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.



## India Shelter Finance Corporation Limited

### Summary of significant accounting policies and other explanatory information on restated consolidated financial information

In respect of re-pricing of existing stock option, the incremental fair value of the option on the date of re-pricing is accounted for as employee cost over the remaining vesting period.

#### 2.9. Expected credit losses and write-off of financial assets

##### *Loan assets*

Loans are classified into performing and non-performing assets in terms of policy adopted by the Group, subject to minimum classification and provisioning norms required under 'Housing Finance Company (Reserve Bank) Directions, 2021' issued by RBI from time to time.

All loan exposures to borrowers with instalment structure are stated at disbursed value after netting off:

- i. unearned income
- ii. instalments appropriated up to the year end

Under Ind AS, the Group's assets have been classified as follows based on Exposure at Default:

- Stage 1: Performing Assets
- Stage 2: Under Performing Assets
- Stage 3: Non-Performing Assets

Under Ind AS, asset classification and provisioning moves from the 'rule based', incurred losses model to the Expected Credit Loss (ECL) model of providing for expected future credit losses. Thus, loan loss provisions are made on the basis of the Group's historical loss experience, future expected credit loss and after factoring in various macro-economic parameters

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

**Probability of Default (PD)** - The 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 (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

**Loss Given Default (LGD)** - LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

**Exposure at Default (EAD)** - EAD is based on the amounts the Group expects to be owed at the time of default. For a revolving commitment, the Group includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

##### *Trade receivables*

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of trade receivables.

##### *Other financial assets*

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the



## India Shelter Finance Corporation Limited

### Summary of significant accounting policies and other explanatory information on restated consolidated financial information

Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Group uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Group compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Group assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

#### *Write-offs*

Financial assets are written off either partially or in their entirety to the extent that there is no realistic prospect of recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss.

#### **2.10. Provisions, contingent assets and contingent liabilities**

Provisions are recognised only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

#### **2.11. Leases**

##### **Group as a Lessee:**

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

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the 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 estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.





## **India Shelter Finance Corporation Limited**

### **Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

The lease liability is measured at amortised cost using the effective interest method. It is re measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property and equipment' and lease liabilities in 'borrowings (other than debt securities)' in the balance sheet.

#### **2.12. Financial instruments**

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

##### *Initial recognition and measurement*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through statement of profit and loss are recognised immediately in statement of profit and loss.

##### **Financial assets**

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers

##### **Classification and Subsequent measurement of financial assets**

Financial assets are classified in to three categories for subsequent measurement:

- Financial asset at amortised cost
- Financial asset at fair value through other comprehensive income (FVTOCI)
- Financial asset at fair value through profit and loss(FVTPL)

##### **Financial asset at amortised cost**

Financial instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.





## **India Shelter Finance Corporation Limited**

### **Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

#### **Financial assets (debt instruments) at FVOCI**

Financial asset (debt instruments) is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI. Financial assets included within the above category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

#### **Financial Asset at FVTPL**

Financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL. Financial assets classified under FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

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

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Group's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Group has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

#### **Financial liabilities**

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

#### *Subsequent measurement*

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

#### *De-recognition of financial liabilities*

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When 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 modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.



## **India Shelter Finance Corporation Limited**

### **Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

#### **Derivative Financial Instruments**

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain/loss is recognised in the statement of profit and loss immediately unless the derivative is designated and is 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 hedge relationship.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with its external commercial borrowings arising from changes in exchange rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

#### **Cash flow hedges**

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the other equity under 'effective portion of cash flows hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedge relationships. The change in fair value of the forward element of the forward exchange contracts ('forward points') is separately accounted for as cost of hedging and recognised separately within equity. If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively.

#### **Offsetting of financial instruments**

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

#### **2.13. Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate (Refer Note 41). Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.



## **India Shelter Finance Corporation Limited**

### **Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

#### **2.14. Foreign currency**

##### *Functional and presentation currency*

Items included in the restated consolidated financial information of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The restated consolidated financial information have been prepared and presented in Indian Rupees (INR), which is the Group's functional and presentation currency.

##### *Transactions and balances*

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction.

Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognised in the Statement of Profit and Loss in the year in which they arise.

#### **2.15. Insurance Claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

#### **2.16. Operating Cycle**

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months.

#### **2.17. Share/Securities issue expense**

Share/security issue expenses are adjusted against the Securities Premium Account as permissible under Section 52 of the Companies Act, 2013, to the extent any balance is available for utilisation in the Securities Premium Account. Share/security issue expenses in excess of the balance in the Securities Premium Account are expensed off in the Statement of Profit and Loss.

#### **2.18. Borrowing Costs**

Borrowing costs are interest and other costs incurred in connection with the borrowings of funds. Borrowing costs primarily include interest on amounts borrowed for the revenue operations of the Group. These are expensed to the statement of profit and loss using the EIR. All other Borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

#### **2.19. Assets held for sale**

Assets acquired by the Group under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. In accordance with Ind AS 105, the Group is committed to sell these assets and they are measured at the lower of their carrying amount and the fair value less costs to sell.

#### **2.20. Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). CODM is responsible for allocating the resources, assess the financial performance and position of the Group and make strategic decision.

#### **2.21. Significant management judgement in applying accounting policies and estimation uncertainty**

The preparation of the restated consolidated financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.



**India Shelter Finance Corporation Limited**

**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

**Significant management judgements:**

**Expected credit loss ('ECL')** – The measurement of expected credit loss allowance for financial assets measured at amortised cost requires use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. likelihood of customers defaulting and resulting losses). The Group makes significant judgements with regard to the following while assessing expected credit loss:

- Determining criteria for significant increase in credit risk;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

**Significant estimates:**

**Provision for employee benefits** - Provision for employee benefits, requires that certain assumptions such as expected future salary increases, average life expectancy and discount rates etc. are made in order to determine the amount to be recorded for retirement benefit obligations. Substantial changes in the assumed development of any of these variables may significantly change the Group's retirement benefit obligations.

**Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

**Standard issued but not yet effective**

No new standards as notified by Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules are effective for the current year.



India Shelter Finance Corporation Limited  
 Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
 (All amounts in Rs. millions, unless otherwise stated)

3. Cash and cash equivalents	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
I. Cash on hand	21.71	5.01	17.60	11.73	5.36
II. Balances with banks (of the nature of cash and cash equivalents):					
(a) Balance with banks in current accounts	57.70	75.90	628.14	5.50	405.12
(b) Deposits with original maturity of less than 3 months	-	1,210.00	2,953.70	1,420.69	1,920.46
Sub-total (a and b)	67.70	1,285.90	3,591.84	1,426.29	2,325.58
<b>Total (I and II)</b>	<b>79.41</b>	<b>1,291.91</b>	<b>3,609.44</b>	<b>1,438.02</b>	<b>2,330.94</b>

4. Bank balance other than cash and cash equivalents	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Deposits with original maturity of more than 3 months	1,395.72	751.46	804.80	1,477.95	1,461.25
Deposit held as margin money under securitisation and borrowing agreements*	626.13	530.97	668.54	386.87	344.57
<b>Total</b>	<b>2,021.85</b>	<b>1,282.43</b>	<b>1,473.34</b>	<b>1,864.82</b>	<b>1,805.82</b>

\*Includes Rs. 2.5 million (30 September 2022; Rs. 2.5 million, 31 March 2023; Rs. 2.5 million, 31 March 2022; Rs. 2.5 million & 31 March 2021; Rs. 2.5 million) towards guarantee to a Unique Identification Authority of India (UIDAI)

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5. Derivative Financial Instruments	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Financial Asset					
Cross currency derivatives	-	-	0.58	-	-
Financial Liability					
Cross currency derivatives	30.57	16.02	-	-	-
Total	30.57	16.02	0.58	-	-

(a) Cross Currency Interest Rate Swaps (CCIRS)

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
i) Total notional principal amount of CCIRS agreement undertaken during the period/year*	1,637.00	796.10	796.10	-	-
ii) Total notional principal amount of CCIRS agreement outstanding as on end of the period/year*	2,425.10	796.10	796.10	-	-
iii) Maturity date of CCIRS	15-Jun-27	15-Jun-27	15-Jun-27	-	-
iv) Hedge ratio	1:1	1:1	1:1	-	-
v) Currency pair	USD/INR	USD/INR	USD/INR	-	-

\* Notional amount outstanding is the original amount. Restated amount as at the balance sheet date basic exchange rate is 30 September 2023 INR 2491.74 millions (30 September 2022 INR 8,15.50 millions, 31 March 2023: INR 8,22.20 millions)

(b) Hedged item

As at 30 September 2023

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan		(32.53)	(88.16)

As at 30 September 2022

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan		(17.40)	(33.42)

As at 31 March 2023

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan		(24.11)	(23.52)

As at 31 March 2022

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan		-	-

As at 31 March 2021

Particulars	Change in the value of the hedged item used as the basis for recognising hedge ineffectiveness	Cash flow hedge reserve	Foreign currency monetary items translation reserve
ECB term loan		-	-

(c) The fair value mark to market (MTM) gains or losses in respect of CCS Agreement outstanding as at the Balance Sheet date is stated below:

Hedging Instrument	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Cross currency swaps (CCS)	30.57	(16.02)	0.58	-	-
Total	30.57	(16.02)	0.58	-	-

(d) Movement in Hedge Reserve (excluding deferred tax)

Cash Flow Hedge Reserve Account	As at 30 September 2023		
	Realised	Unrealised	Total
i) Balance at the beginning of the period	-	(23.53)	(23.53)
ii) Add: Changes in the fair value during the Period			
Included in derivative financial instrument	-	(31.15)	(31.15)
Included in ECB term loan	-	(33.48)	(33.48)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the period	-	(88.16)	(88.16)

Cash Flow Hedge Reserve Account	As at 30 September 2022		
	Realised	Unrealised	Total
i) Balance at the beginning of the period	-	-	-
ii) Add: Changes in the fair value during the Period			
Included in derivative financial instrument	-	(16.02)	(16.02)
Included in ECB term loan	-	(17.40)	(17.40)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the period	-	(33.42)	(33.42)

Cash Flow Hedge Reserve Account	As at 31 March 2023		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	-	-
ii) Add: Changes in the fair value during the Year			
Included in derivative financial instrument	-	0.58	0.58
Included in ECB term loan	-	(24.11)	(24.11)
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	(23.53)	(23.53)

Cash Flow Hedge Reserve Account	As at 31 March 2022		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	-	-
ii) Add: Changes in the fair value during the Year			
Included in derivative financial instrument	-	-	-
Included in ECB term loan	-	-	-
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	-	-

Cash Flow Hedge Reserve Account	As at 31 March 2021		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	-	-	-
ii) Add: Changes in the fair value during the Year			
Included in derivative financial instrument	-	-	-
Included in ECB term loan	-	-	-
iii) Less: Amounts reclassified to statement of profit & loss	-	-	-
iv) Balance at the end of the year	-	-	-

All hedges are 100% effective.

Note: ECB carries coupon of 3.6% p.a in USD which has been hedged/swapped via Cross currency swap @ 7.55% p.a in INR

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**India Shelter Finance Corporation Limited**

**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

(All amounts in Rs. millions, unless otherwise stated)

6. Loans	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
<b>At amortised cost</b>					
Term loans	43,013.13	31,068.38	36,424.59	26,550.77	20,108.43
Staff loans	65.03	24.85	21.70	17.96	13.30
<b>Total gross</b>	<b>43,078.16</b>	<b>31,093.23</b>	<b>36,446.29</b>	<b>26,568.73</b>	<b>20,121.73</b>
Less: Impairment loss allowance	417.44	425.65	354.85	343.48	310.03
<b>Total net</b>	<b>42,660.72</b>	<b>30,667.58</b>	<b>36,091.44</b>	<b>26,225.25</b>	<b>19,811.70</b>
Secured by tangible assets	43,078.16	31,093.23	36,446.29	26,568.73	20,121.73
<b>Total</b>	<b>43,078.16</b>	<b>31,093.23</b>	<b>36,446.29</b>	<b>26,568.73</b>	<b>20,121.73</b>
Less: Impairment loss allowance	417.44	425.65	354.85	343.48	310.03
<b>Total net</b>	<b>42,660.72</b>	<b>30,667.58</b>	<b>36,091.44</b>	<b>26,225.25</b>	<b>19,811.70</b>
<b>Loans in India</b>					
Public sectors	-	-	-	-	-
Others (individuals and other corporates)	43,078.16	31,093.23	36,446.29	26,568.73	20,121.73
<b>Total gross</b>	<b>43,078.16</b>	<b>31,093.23</b>	<b>36,446.29</b>	<b>26,568.73</b>	<b>20,121.73</b>
Less: Impairment loss allowance	417.44	425.65	354.85	343.48	310.03
<b>Total net</b>	<b>42,660.72</b>	<b>30,667.58</b>	<b>36,091.44</b>	<b>26,225.25</b>	<b>19,811.70</b>

6.1 Loans granted by the Group are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security by way of equitable mortgage of property.

**6.2 Loan details**

Particulars	Gross carrying amount*	Overcollateral	Effective interest rate adjustment	Total
As at 30 September 2023	43,743.17	-	(685.01)	43,078.16
As at 30 September 2022	31,565.16	-	(471.93)	31,093.23
As at 31 March 2023	37,036.27	-	(589.98)	36,446.29
As at 31 March 2022	26,941.48	21.88	(394.63)	26,568.73
As at 31 March 2021	20,408.57	32.64	(319.48)	20,121.73

\* Loans represents aggregate of loan - principal outstanding, interest overdue and interest accrued but not due from borrowers pertaining to loans held in our books as on the last day of the relevant period.

6.3 There were no loans given against the collateral of gold jewellery and hence the percentage of such loans to the total outstanding asset is Nil (30 September 2022, 31 March 2023, 31 March 2022 & 31 March 2021: Nil).

6.4 Loans sanctioned but undisbursed amount to Rs. 3,243.09 million as on 30 September 2023 (30 September 2022: 2,166.23 million, 31 March 2023: 2,678.94 million, 31 March 2022: 1,934.12 million & 31 March 2021: 1,102.26 million).

6.5 The Group has securitised assets amounting to Rs. 856.21 million (30 September 2022: 1,467.77 million, 31 March 2023: 1065.23 million 31 March 2022: 755.57 million & 31 March 2021: 619.24 million). These loan assets have not been de-recognised from the loan portfolio of the Group as these does not meet the de-recognition criteria. The Group is responsible for collection and servicing of this loan portfolio on behalf of buyers/investors. In terms of the said securitisation agreements, the Group pays to buyer/investor on monthly basis the prorate collection amount as per the respective agreement terms.

6.6 During the period ended 30 September, 2023, the Group has assigned pools of certain loans amounting to Rs. 2408.82 million (30 September 2022: 1,660.56 million, 31 March 2023 4,409.12 million, 31 March 2022: 2,732.68 million & 31 March 2021: 1,694.94 million) by way of a direct assignment transactions. These loans have been de-recognised from the loan portfolio of the Group as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Group continues to act as a servicer to the assignment transaction or behalf of assignee. In terms of the assignment agreements, the Group pays to assignees, on a monthly basis, the pro-rata collection amounts.

6.7 The Group also undertakes lending under co-lending model with Bank, whereby loans are co-originated by both the entities in 20:80 ratio (Group:Bank). As at September 30, 2023 outstanding amount for same is Rs. 298.75 million (30 September 2022: Nil, 31 March 2023: Rs. 5.98 million, 31 March 2022: Rs.Nil & 31 March 2021: Rs.Nil). The said arrangement is carried post disbursement of loans by the Company and the folios under the same are picked by the Bank. These loans have been de-recognised from the loan portfolio of the Group.

**6.8 Expected credit loss**

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

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

**(i) Definition of default**

The Group considers a financial instrument as defaulted and considered it as Stage 3 (credit-impaired) for ECL calculations in all cases, when the borrower becomes more than 90 days past due on its contractual payments or classified as NPA as per RBI directions. The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed year, if the facility has not been previously derecognised and is still in the portfolio.

**ii) Exposure at default**

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.

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**India Shelter Finance Corporation Limited**

**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

(All amounts in Rs. millions, unless otherwise stated)

**iii) Loss given default**

The Group segments its retail lending products into homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The data applied is collected loss data and involves a wider set of transaction characteristics (e.g., product type, wider range of collateral types, loan to value (LTV) ratio, expected realisation rate, etc.) as well as borrower characteristics.

**iv) Significant increase in credit risk**

The Group continuously monitors all assets subject to ECL. In order to determine whether an instrument or a portfolio of instruments is subject to 12 month ECL or lifetime ECL, the Group assesses whether there has been a significant increase in credit risk since initial recognition. The Group considers an exposure to have significantly increased in credit risk when contractual payments are more than 30 days past due.

When estimating ECL on a collective basis for a group of similar assets, the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

**v) Delinquency buckets have been considered as the basis for the staging of all loans with:**

- Stage 3 are those accounts which are classified as NPA
- Stage 2 are those accounts wherein there is significant increase in credit risk
- Stage 1 are those accounts wherein DPD is 0-30 days and not considered in Stage 2 and Stage 3

**vi) Macro economic factors**

Macro-economic variables relevant to the underlying loan portfolio such as Gross Domestic Product, Inflation, Housing Price Index and 10 year bond yield were analysed for their correlation. Based on the analysis of trend, the Company has considered the 10 year bond yield as relevant macro-economic factor as it shows relatively better correlation with the portfolio performance.

**vii) Credit quality of asset**

The Company has classified all individual loans as amortised cost and has assessed it at the collective pool level. The individual loan book has been divided into the housing and non-housing (Loan against property) sub portfolios.

The vintage analysis methodology has been used to create the PD term structure which incorporates both 12 month (Stage 1 Loans) and lifetime PD (Stage 2 Loans). The vintage analysis captures a vintage default experience across a particular portfolio by tracking the yearly slippages from advances originating in a particular year. The vintage slippage experience/default rate is then used to build the PD term structure.

The workout methodology has been used to determine LGD wherein the recoveries of loans defaulted in past are tracked and discounted to the date of default using the effective interest rate. The worked out LGD for loans has been bucketed into various levels of collateral cover. LGD based on collateral cover has been applied to each loan in the portfolio based on specific collateral cover adjusted for the expected fall in valuation. The Company has used the forward looking LGD basis the management expectation on property prices basis the market environment.

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

**Reconciliation of gross carrying amount balance is as follows:**

Particulars	Stage 1	Stage 2	Stage 3	Total
<b>Loans to customers at amortised cost</b>				
Balance as at 01 April 2020	14,720.89	215.00	213.30	15,149.19
Transfer to Stage 1	82.78	(63.63)	(19.15)	-
Transfer to Stage 2	(560.40)	575.81	(15.41)	-
Transfer to Stage 3	(182.05)	(82.33)	264.38	-
New financial assets originated	8,588.12	12.14	6.87	8,607.13
Financial assets that have been de-recognised/repaid	(3,278.31)	(11.12)	(58.32)	(3,347.75)
<b>Balance as at 31 March 2021</b>	<b>18,371.03</b>	<b>646.87</b>	<b>391.67</b>	<b>20,408.57</b>
<b>Loans to customers at amortised cost</b>				
Balance as at 01 April 2021	18,371.03	646.87	391.67	20,408.57
Transfer to Stage 1	232.01	(157.62)	(74.39)	-
Transfer to Stage 2	(542.28)	566.27	(23.99)	-
Transfer to Stage 3	(255.48)	(143.59)	399.07	-
New financial assets originated	12,160.74	14.84	8.24	12,183.82
Financial assets that have been de-recognised/repaid	(5,464.45)	(56.25)	(130.21)	(5,650.91)
<b>Balance as at 31 March 2022</b>	<b>25,501.57</b>	<b>869.52</b>	<b>570.39</b>	<b>26,941.48</b>
<b>Loans to customers at amortised cost</b>				
Balance as at 01 April 2022	25,501.57	869.52	570.39	26,941.48
Transfer to Stage 1	247.83	(141.58)	(106.25)	-
Transfer to Stage 2	(310.18)	325.27	(15.09)	-
Transfer to Stage 3	(171.92)	(315.16)	487.08	-
New financial assets originated	8,038.29	2.74	-	8,041.03
Financial assets that have been de-recognised/repaid	(3,313.68)	(48.50)	(55.17)	(3,417.35)
<b>Balance as at 30 September 2022</b>	<b>29,991.91</b>	<b>692.29</b>	<b>880.96</b>	<b>31,565.16</b>
<b>Loans to customers at amortised cost</b>				
Balance as at 01 October 2022	29,991.91	692.29	880.96	31,565.16
Transfer to Stage 1	555.19	(267.27)	(287.92)	-
Transfer to Stage 2	(384.12)	480.54	(96.42)	-
Transfer to Stage 3	(72.54)	(49.04)	121.58	-
New financial assets originated	10,456.77	3.81	3.66	10,464.24
Financial assets that have been de-recognised/repaid	(4,722.36)	(67.87)	(202.90)	(4,993.13)
<b>Balance as at 31 March 2023</b>	<b>35,824.85</b>	<b>792.46</b>	<b>418.96</b>	<b>37,036.27</b>
<b>Loans to customers at amortised cost</b>				
Balance as at 01 April 2023	35,824.85	792.46	418.96	37,036.27
Transfer to Stage 1	208.11	(149.32)	(58.79)	-
Transfer to Stage 2	(660.60)	690.26	(29.66)	-
Transfer to Stage 3	(149.15)	(92.10)	241.25	-
New financial assets originated	11,564.15	19.66	6.01	11,589.82
Financial assets that have been de-recognised/repaid	(4,639.86)	(104.56)	(138.50)	(4,882.92)
<b>Balance as at 30 September 2023</b>	<b>42,147.50</b>	<b>1,156.40</b>	<b>439.27</b>	<b>43,743.17</b>

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India Shelter Finance Corporation Limited

Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
(All amounts in Rs. millions, unless otherwise stated)

Reconciliation of ECL balance is as follows:

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April 2020	90.61	3.63	67.68	161.92
Transfer to Stage 1	6.51	(1.13)	(5.36)	-
Transfer to Stage 2	(3.52)	8.25	(4.73)	-
Transfer to Stage 3	(1.13)	(1.29)	2.42	-
Impact of change in EAD and stages during the year	17.82	46.50	82.67	146.99
New financial assets originated	36.38	0.76	2.27	39.41
Financial assets that have been de-recognised/repaid	(8.89)	(0.45)	(28.95)	(38.29)
Balance as at 31 March 2021*	137.78	56.27	115.98	310.03

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April 2021	137.78	56.27	115.98	310.03
Transfer to Stage 1	26.65	(4.62)	(22.03)	-
Transfer to Stage 2	(7.35)	14.45	(7.10)	-
Transfer to Stage 3	(2.88)	(15.56)	18.44	-
Impact of change in EAD and stages during the year	(34.58)	(5.10)	77.24	37.56
New financial assets originated	50.91	0.60	2.19	53.70
Financial assets that have been de-recognised/repaid	(16.80)	(1.56)	(39.45)	(57.81)
Balance as at 31 March 2022*	153.73	44.48	145.27	343.48

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April 2022	153.73	44.48	145.27	343.48
Transfer to Stage 1	25.75	(3.98)	(21.77)	-
Transfer to Stage 2	(2.50)	6.38	(3.89)	-
Transfer to Stage 3	(1.31)	(13.50)	14.81	-
Impact of change in EAD and stages during the period	(28.72)	22.58	93.77	87.63
New financial assets originated	28.92	0.11	-	29.03
Financial assets that have been de-recognised/repaid	(11.86)	(2.12)	(20.53)	(34.50)
Balance as at 30 September 2022*	164.03	53.96	207.67	425.65

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 October 2022	164.03	53.96	207.67	425.65
Transfer to Stage 1	62.21	(7.31)	(54.90)	-
Transfer to Stage 2	(2.68)	22.51	(19.83)	-
Transfer to Stage 3	(0.51)	(2.72)	3.22	-
Impact of change in EAD and stages during the period	(59.29)	(3.75)	33.83	(29.20)
New financial assets originated	33.94	0.11	0.94	34.99
Financial assets that have been de-recognised/repaid	(11.65)	(2.89)	(62.05)	(76.59)
Balance as at 31 March 2023*	188.05	59.92	108.88	354.85

Particulars	Stage 1	Stage 2	Stage 3	Total
Balance as at 01 April 2023	188.05	59.92	108.88	354.85
Transfer to Stage 1	15.53	(3.84)	(11.69)	-
Transfer to Stage 2	(4.60)	11.99	(7.39)	-
Transfer to Stage 3	(1.01)	(4.32)	5.33	-
Impact of change in EAD and stages during the period	4.45	7.31	64.02	75.78
New financial assets originated	36.61	1.00	1.80	39.41
Financial assets that have been de-recognised/repaid	(12.78)	(5.12)	(34.70)	(52.60)
Balance as at 30 September 2023*	224.25	66.94	126.26	417.44

\*includes ECL amount of Rs.Nil(30 September 2022: 0.65 million, 31 March 2023: Nil, 31 March 2022: 0.33 million & 31 March 2021: 1.55 million) created on securitised loans derecognised from the books which has been adjusted from EAD as at 30 September 2023.

lx) A comparison between provisions required under Income recognition, asset classification and provision norms (IRACP) and impairment allowances made under IND AS 109  
As at 30 September 2023

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS**	Loss allowance as per Ind AS	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
<b>Performing assets</b>						
Standard assets	Stage 1*	42,147.50	224.24	41,923.26	127.10	97.15
	Stage 2	1,156.40	66.95	1,089.45	25.96	40.99
<b>Sub-total</b>		<b>43,303.90</b>	<b>291.19</b>	<b>43,012.71</b>	<b>153.06</b>	<b>138.14</b>
<b>Non-performing assets (NPA)</b>						
Substandard	Stage 3	287.48	77.74	209.74	45.85	31.89
Doubtful - up to 1 year	Stage 3	112.71	37.52	75.19	29.87	7.65
Doubtful - 1 to 3 years	Stage 3	39.08	10.99	28.09	15.96	(4.98)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
<b>Sub-total for doubtful</b>		<b>161.79</b>	<b>48.51</b>	<b>103.28</b>	<b>46.84</b>	<b>2.67</b>
<b>Loss</b>	Stage 3	-	-	-	-	-
<b>Sub-total for NPA</b>		<b>439.27</b>	<b>126.25</b>	<b>313.02</b>	<b>91.69</b>	<b>34.56</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	3,870.43	16.61	3,853.82	-	16.61
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>3,870.43</b>	<b>16.61</b>	<b>3,853.82</b>	<b>-</b>	<b>16.61</b>
<b>Total</b>	Stage 1	46,017.93	240.85	45,777.08	127.10	113.76
	Stage 2	1,156.40	66.95	1,089.45	25.96	40.99
	Stage 3	439.27	126.25	313.02	91.69	34.56
<b>Total</b>		<b>47,613.60</b>	<b>434.05</b>	<b>47,179.55</b>	<b>244.75</b>	<b>189.30</b>

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India Shelter Finance Corporation Limited

Summary of significant accounting policies and other explanatory information on restated consolidated financial information

(All amounts in Rs. millions, unless otherwise stated)

As at 30 September 2022

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance as per Ind AS*	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
<b>Performing assets</b>						
Standard assets	Stage 1*	29,991.91	164.28	29,827.63	97.93	66.34
	Stage 2	692.29	54.04	638.25	21.63	32.40
<b>Sub-total</b>		<b>30,684.20</b>	<b>218.32</b>	<b>30,465.88</b>	<b>119.56</b>	<b>98.75</b>
<b>Non-performing assets (NPA)</b>						
Substandard	Stage 3	665.62	152.33	513.29	123.21	29.13
Doubtful - up to 1 year	Stage 3	212.29	54.76	157.53	75.42	(20.66)
Doubtful - 1 to 3 years	Stage 3	0.52	0.04	0.48	0.52	(0.48)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
<b>Sub-total for doubtful</b>		<b>212.81</b>	<b>54.80</b>	<b>158.01</b>	<b>75.95</b>	<b>(21.15)</b>
Loss	Stage 3	2.53	0.86	1.67	2.53	(1.67)
<b>Sub-total for NPA</b>		<b>880.96</b>	<b>207.98</b>	<b>672.98</b>	<b>201.69</b>	<b>6.31</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	2,387.61	10.62	2,376.99	-	10.62
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>2,387.61</b>	<b>10.62</b>	<b>2,376.99</b>	<b>-</b>	<b>10.62</b>
	Stage 1	32,379.53	174.90	32,204.63	97.93	76.97
	Stage 2	692.29	54.04	638.25	21.63	32.40
	Stage 3	880.96	207.98	672.98	201.69	6.30
<b>Total</b>	<b>Total</b>	<b>33,952.77</b>	<b>436.92</b>	<b>33,515.86</b>	<b>321.25</b>	<b>115.68</b>

As at 31 March 2023

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance as per Ind AS*	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
<b>Performing assets</b>						
Standard assets	Stage 1*	35,824.85	186.05	35,638.80	114.24	71.79
	Stage 2	792.46	59.92	732.56	24.31	35.61
<b>Sub-total</b>		<b>36,617.31</b>	<b>245.97</b>	<b>36,371.36</b>	<b>138.55</b>	<b>107.40</b>
<b>Non-performing assets (NPA)</b>						
Substandard	Stage 3	270.66	69.81	200.85	52.32	17.50
Doubtful - up to 1 year	Stage 3	148.30	39.07	109.23	47.31	(8.25)
Doubtful - 1 to 3 years	Stage 3	-	-	-	-	-
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
<b>Sub-total for doubtful</b>		<b>148.30</b>	<b>39.07</b>	<b>109.23</b>	<b>47.31</b>	<b>(8.25)</b>
Loss	Stage 3	-	-	-	-	-
<b>Sub-total for NPA</b>		<b>418.96</b>	<b>108.88</b>	<b>310.08</b>	<b>99.63</b>	<b>9.25</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	2,886.17	11.07	2,875.10	-	11.07
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>2,886.17</b>	<b>11.07</b>	<b>2,875.10</b>	<b>-</b>	<b>11.07</b>
	Stage 1	38,711.02	197.12	38,513.90	114.24	82.88
	Stage 2	792.46	59.92	732.54	24.31	35.61
	Stage 3	418.96	108.88	310.08	99.63	9.25
<b>Total</b>	<b>Total</b>	<b>39,922.44</b>	<b>365.92</b>	<b>39,556.52</b>	<b>238.18</b>	<b>127.74</b>

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India Shelter Finance Corporation Limited  
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As at 31 March 2022

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance as per Ind AS*	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
<b>Performing assets</b>						
Standard assets	Stage 1*	25,501.57	153.63	25,347.94	81.60	72.03
	Stage 2	869.52	44.48	825.04	28.57	15.91
<b>Sub-total</b>		<b>26,371.09</b>	<b>198.11</b>	<b>26,172.98</b>	<b>110.17</b>	<b>87.94</b>
<b>Non-performing assets (NPA)</b>						
Substandard	Stage 3	447.59	110.03	337.57	92.03	18.00
Doubtful - up to 1 year	Stage 3	119.51	34.82	84.69	45.13	(10.31)
Doubtful - 1 to 3 years	Stage 3	0.53	0.04	0.49	0.53	(0.49)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
<b>Sub-total for doubtful</b>		<b>120.04</b>	<b>34.86</b>	<b>85.18</b>	<b>45.66</b>	<b>(10.80)</b>
Loss	Stage 3	2.76	0.17	2.59	2.76	(2.59)
<b>Sub-total for NPA</b>		<b>670.39</b>	<b>145.06</b>	<b>425.34</b>	<b>140.45</b>	<b>4.61</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	1,934.12	7.31	1,926.81	-	7.31
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>1,934.12</b>	<b>7.31</b>	<b>1,926.81</b>	<b>-</b>	<b>7.31</b>
	Stage 1	27,435.69	160.94	27,274.75	81.60	79.34
<b>Total</b>	Stage 2	<b>869.52</b>	<b>44.48</b>	<b>825.04</b>	<b>28.57</b>	<b>15.91</b>
	Stage 3	<b>570.39</b>	<b>145.06</b>	<b>425.33</b>	<b>140.45</b>	<b>4.61</b>
	<b>Total</b>	<b>28,876.60</b>	<b>350.48</b>	<b>28,525.12</b>	<b>250.62</b>	<b>99.86</b>

As at 31 March 2021

Asset classification as per RBI Directions	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS*	Loss allowance as per Ind AS*	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
<b>Performing assets</b>						
Standard assets	Stage 1*	19,371.03	137.35	19,233.68	62.61	74.74
	Stage 2	645.87	56.21	589.66	16.83	39.38
<b>Sub-total</b>		<b>20,016.90</b>	<b>193.56</b>	<b>19,823.34</b>	<b>79.44</b>	<b>114.12</b>
<b>Non-performing assets (NPA)</b>						
Substandard	Stage 3	302.56	89.58	212.98	46.25	43.34
Doubtful - up to 1 year	Stage 3	84.24	23.82	60.42	22.16	1.66
Doubtful - 1 to 3 years	Stage 3	2.52	0.64	1.88	1.08	(0.44)
Doubtful - More than 3 years	Stage 3	-	-	-	-	-
<b>Sub-total for doubtful</b>		<b>86.76</b>	<b>24.46</b>	<b>62.30</b>	<b>23.24</b>	<b>1.22</b>
Loss	Stage 3	2.35	0.88	1.46	2.34	(1.46)
<b>Sub-total for NPA</b>		<b>391.67</b>	<b>114.92</b>	<b>276.74</b>	<b>71.83</b>	<b>43.10</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current (IRACP) norms	Stage 1	1,102.26	5.47	1,096.80	-	5.47
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>1,102.26</b>	<b>5.47</b>	<b>1,096.80</b>	<b>-</b>	<b>5.47</b>
	Stage 1	20,473.30	142.82	20,330.48	62.61	80.21
<b>Total</b>	Stage 2	<b>645.87</b>	<b>56.21</b>	<b>589.66</b>	<b>16.83</b>	<b>39.38</b>
	Stage 3	<b>391.67</b>	<b>114.92</b>	<b>276.74</b>	<b>71.83</b>	<b>43.10</b>
	<b>Total</b>	<b>21,510.84</b>	<b>313.95</b>	<b>21,196.88</b>	<b>151.27</b>	<b>162.69</b>

\* Does not includes ECL amount of Rs. Nil (30 September 2022: 0.65 million, 31 March 2023: Nil, 31 March 2022: Rs. 0.33 million & 31 March 2021: Rs. 1.55 million) created on securitised loans derecognised from the books which has been adjusted from EAD.

\*\* Refer note 6.2

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India Shelter Finance Corporation Limited  
 Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
 (All amounts in Rs. millions, unless otherwise stated)

7. Investments	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Investments in India</b>					
<b>At fair value through profit and loss</b>					
Mutual funds	30.03	1,496.48	50.00	1,753.20	-
Commercial papers	-	-	-	-	-
<b>At amortised cost</b>					
- Investment in debt instrument	473.67	632.81	169.53	-	-
- Investment in T-Bill	492.30	249.58	-	-	-
- Investment in CD	-	599.25	249.75	-	-
<b>Total</b>	<b>996.00</b>	<b>2,978.12</b>	<b>469.28</b>	<b>1,753.20</b>	<b>-</b>

8. Other financial assets	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Security deposits	31.33	28.05	25.98	26.42	21.50
Receivables on securitised loans (refer note a)	4.17	8.62	5.34	3.80	2.78
EIS receivable on direct assignment (refer note b)	1,059.50	676.70	811.15	588.46	237.09
Receivables on assignment transactions	37.83	22.22	27.98	1.91	5.50
Other receivables*	171.58	58.52	37.19	3.24	15.72
<b>Total gross</b>	<b>1,304.41</b>	<b>794.11</b>	<b>907.64</b>	<b>623.83</b>	<b>282.59</b>
Less: Impairment loss allowance (on EIS Receivable assets)	(8.43)	(3.68)	(5.51)	(4.08)	(1.67)
<b>Total</b>	<b>1,295.98</b>	<b>790.45</b>	<b>902.13</b>	<b>619.75</b>	<b>280.92</b>

**Note:**

a) Receivables on securitised loans is Group's share of receivable towards collections made and recoverable by the Group as at the end of the year.

b) Under Ind AS, with respect to Assignment deals, Group has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Profit and loss account. The same has been computed by discounting EIS to present value with necessary estimates and assumptions.

\* Other receivables as at 30 September 2023 includes Rs. 112.11 millions (30 September 2022 : Nil, 31 March 2023: Nil, 31 March 2022: Nil, 31 March 2021: Nil) pertaining to expenses incurred towards securities offering, which shall be receivable from the selling shareholders once the project is successfully completed.

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India Shelter Finance Corporation Limited  
 Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
 (All amounts in Rs. millions, unless otherwise stated)

9. Current tax assets/liabilities (net)	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Income tax (liabilities)/advance (net)	(41.31)	66.66	(6.85)	(43.22)	0.35
<b>Total</b>	<b>(41.31)</b>	<b>66.66</b>	<b>(6.85)</b>	<b>(43.22)</b>	<b>0.35</b>

10. Deferred tax assets (net)	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Deferred tax assets</b>					
Provision for employee benefits	15.05	10.65	10.41	11.08	7.68
Difference in written down value as per Companies Act and Income Tax Act	7.58	6.21	6.48	5.74	5.34
Impairment loss allowance on loans	102.10	94.45	92.09	89.31	68.18
Unamortised processing fees	171.12	120.11	150.35	99.96	80.41
Lease liabilities	40.28	39.67	38.86	26.71	26.61
Provision for impairment on assets held for sale	22.19	(3.27)	8.71	1.54	0.90
Cash Flow Hedge Reserve	16.22	7.85	5.92	-	-
Preliminary expenses (Incorporation Charges)	0.21	-	0.21	-	-
Others	-	-	-	-	0.11
<b>Deferred tax liabilities</b>					
Fair valuation of financial instruments through profit and loss	-	-	-	-	-
Unamortised borrowing cost	(43.03)	(38.79)	(42.44)	(33.16)	(12.20)
Right-of-use assets	(36.50)	(36.43)	(35.31)	(23.58)	(23.99)
EIS receivable on direct assignment	(252.47)	(170.31)	(204.92)	(148.10)	(59.67)
<b>Net deferred tax assets</b>	<b>42.75</b>	<b>30.14</b>	<b>30.36</b>	<b>29.50</b>	<b>93.37</b>

**Movement in deferred tax assets (net)**

Particulars	As at 1 April 2023	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 30 September 2023
<b>Deferred tax assets</b>				
Provision for employee benefits	10.41	4.36	0.28	15.05
Difference in written down value as per Companies Act and Income Tax Act	6.48	1.10	-	7.58
Impairment loss allowance on loans	92.09	10.01	-	102.10
Unamortised processing fees	150.35	20.76	-	171.12
Derivative instruments in cash flow hedge reserve	5.92	-	16.27	22.19
Lease liability	38.86	1.42	-	40.28
Provision for impairment on assets held for sale	8.71	7.51	-	16.22
Preliminary expenses (Incorporation Charges)	0.21	-	-	0.21
<b>Deferred tax liabilities</b>				
Unamortised borrowing cost	(42.44)	(0.60)	-	(43.03)
Right-of-use assets	(35.31)	(1.19)	-	(36.50)
EIS receivable on direct assignment	(204.92)	(47.55)	-	(252.47)
<b>Net deferred tax assets</b>	<b>30.36</b>	<b>(4.18)</b>	<b>16.55</b>	<b>42.75</b>

**Movement in deferred tax assets (net)**

Particulars	As at 1 April 2022	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 30 September 2022
<b>Deferred tax assets</b>				
Provision for employee benefits	11.08	3.03	(3.45)	10.65
Difference in written down value as per Companies Act and Income Tax Act	5.74	0.46	-	6.21
Impairment loss allowance on loans	89.31	5.13	-	94.45
Unamortised processing fees	99.96	20.15	-	120.11
Derivative instruments in cash flow hedge reserve	-	-	7.85	7.85
Lease liability	26.71	12.96	-	39.67
Provision for impairment on assets held for sale	1.54	(4.81)	-	(3.27)
Preliminary expenses (Incorporation Charges)	-	-	-	-
<b>Deferred tax liabilities</b>				
Fair valuation of financial instruments through profit and loss	-	-	-	-
Unamortised borrowing cost	(33.16)	(5.63)	-	(38.79)
Right-of-use assets	(23.58)	(12.85)	-	(36.43)
EIS receivable on direct assignment	(148.10)	(22.21)	-	(170.31)
<b>Net deferred tax assets</b>	<b>29.50</b>	<b>(3.76)</b>	<b>4.40</b>	<b>30.14</b>

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**Movement in deferred tax assets (net)**

Particulars	As at 1 April 2022	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March 2023
<b>Deferred tax assets</b>				
Provision for employee benefits	11.08	3.15	(3.83)	10.41
Difference in written down value as per Companies Act and Income Tax Act	5.74	0.74	-	6.48
Impairment loss allowance on loans	89.31	2.78	-	92.09
Unamortised processing fees	99.96	50.38	-	150.35
Derivative instruments in cash flow hedge reserve	-	-	5.92	5.92
Lease liability	26.71	12.15	-	38.86
Provision for impairment on assets held for sale	1.54	7.17	-	8.71
Preliminary expenses (Incorporation Charges)	-	0.21	-	0.21
<b>Deferred tax liabilities</b>				
Fair valuation of financial instruments through profit and loss	-	-	-	-
Unamortised borrowing cost	(33.16)	(9.29)	-	(42.44)
Right-of-use assets	(23.58)	(11.73)	-	(35.31)
EIS receivable on direct assignment	(148.10)	(58.82)	-	(204.92)
<b>Net deferred tax assets</b>	<b>29.50</b>	<b>(1.25)</b>	<b>2.09</b>	<b>30.36</b>

**Movement in deferred tax assets (net)**

Particulars	As at 1 April 2021	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March 2022
<b>Deferred tax assets</b>				
Provision for employee benefits	7.68	1.08	2.32	11.08
Difference in written down value as per Companies Act and Income Tax Act	5.34	0.40	-	5.74
Impairment loss allowance on loans	68.18	21.13	-	89.31
Unamortised processing fees	80.41	19.55	-	99.96
Others	0.11	(0.11)	-	-
Lease liability	26.61	0.11	-	26.71
Provision for impairment on assets held for sale	0.90	0.64	-	1.54
<b>Deferred tax liabilities</b>				
Unamortised borrowing cost	(12.20)	(20.96)	-	(33.16)
Right-of-use assets	(23.99)	0.41	-	(23.58)
EIS receivable on direct assignment	(59.67)	(88.43)	-	(148.10)
<b>Net deferred tax assets</b>	<b>93.37</b>	<b>(66.18)</b>	<b>2.32</b>	<b>29.50</b>

**Movement in deferred tax assets (net)**

Particulars	As at 1 April 2020	(Charged)/ credited to statement of profit and loss	Credited/(charged) to other comprehensive income	As at 31 March 2021
<b>Deferred tax assets</b>				
Provision for employee benefits	9.80	(2.83)	0.71	7.68
Difference in written down value as per Companies Act and Income Tax Act	4.39	0.95	-	5.34
Impairment loss allowance on loans	29.58	38.60	-	68.18
Unamortised processing fees	66.99	13.42	-	80.41
Others	0.11	-	-	0.11
Lease liability	31.86	-5.25	-	26.61
Provision for impairment on assets held for sale	0.79	0.11	-	0.90
<b>Deferred tax liabilities</b>				
Fair valuation of financial instruments through profit and loss	(0.90)	0.90	-	-
Unamortised borrowing cost	(11.95)	(0.25)	-	(12.20)
Right-of-use assets	(29.84)	5.84	-	(23.99)
EIS receivable on direct assignment	-	(59.67)	-	(59.67)
<b>Net deferred tax assets</b>	<b>100.63</b>	<b>(7.88)</b>	<b>0.71</b>	<b>93.37</b>

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**India Shelter Finance Corporation Limited**  
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**(All amounts in Rs. millions, unless otherwise stated)**

11. Property, plant and equipment	Freehold land	Plant and equipment - computer and other related equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvements	Right-of-use assets	Total
<b>Gross block</b>								
Balance as at 01 April 2020	0.92	38.48	15.04	15.49	2.23	36.88	152.52	261.56
Additions during the year	-	9.48	1.71	0.45	5.55	1.20	61.62	80.01
Disposals/adjustments	-	(5.74)	(2.57)	(0.88)	-	(2.07)	(67.69)	(78.95)
Balance as at 31 March 2021	0.92	42.22	14.18	15.06	7.78	36.01	146.45	262.62
Additions during the year	-	22.32	4.88	0.04	21.44	2.10	44.79	95.57
Disposals/adjustments	-	(0.06)	(0.43)	(0.47)	(3.91)	(1.56)	(31.59)	(38.02)
Balance as at 31 March 2022	0.92	64.48	18.63	14.63	25.31	36.55	159.65	320.17
Additions during the period	-	6.01	4.58	0.43	19.08	3.18	81.32	114.59
Disposals/adjustments	-	(0.10)	(0.05)	-	-	(0.26)	(10.83)	(11.25)
Balance as at 30 September 2022	0.92	70.39	23.16	15.06	44.39	39.47	230.14	423.52
Additions during the period	-	9.87	2.69	0.09	13.35	0.57	23.11	49.68
Disposals/adjustments	-	(0.03)	-	-	(5.40)	-	(31.46)	(36.89)
Balance as at 31 March 2023	0.92	80.23	25.85	15.15	52.34	40.04	221.79	436.31
Additions during the period	-	4.38	2.93	0.31	16.93	1.20	33.44	59.20
Disposals/adjustments	-	(6.80)	-	-	(3.69)	(0.23)	(6.02)	(16.74)
Balance as at 30 September 2023	0.92	77.81	28.79	15.46	65.58	41.01	249.21	478.76
<b>Accumulated depreciation</b>								
Balance as at 01 April 2020	-	30.18	8.80	6.73	1.00	18.76	33.98	99.45
Depreciation charge for the year	-	6.05	2.23	1.25	0.42	5.57	28.96	44.48
Disposals/adjustments	-	(5.47)	(2.48)	(0.65)	-	(1.18)	(11.84)	(21.62)
Balance as at 31 March 2021	-	30.76	8.55	7.33	1.42	23.15	51.10	122.31
Depreciation charge for the year	-	8.97	3.03	1.24	2.43	5.57	38.32	59.56
Disposals/adjustments	-	(0.04)	(0.37)	(0.33)	(1.66)	(1.55)	(23.48)	(27.43)
Balance as at 31 March 2022	-	39.69	11.21	8.24	2.19	27.17	65.94	154.44
Depreciation charge for the period	-	6.37	1.69	0.62	2.25	2.68	22.74	36.35
Disposals/adjustments	-	(0.06)	(0.05)	-	-	(0.04)	(3.29)	(3.45)
Balance as at 30 September 2022	-	46.00	12.84	8.86	4.44	29.81	85.39	187.33
Depreciation charge for the period	-	7.44	1.95	0.63	3.00	2.47	26.27	41.75
Disposals/adjustments	-	(0.01)	(0.00)	-	(0.94)	-	(30.17)	(31.13)
Balance as at 31 March 2023	-	53.43	14.78	9.49	6.50	32.28	81.49	197.96
Depreciation charge for the period	-	8.43	2.03	0.64	3.54	1.85	25.69	42.18
Disposals/adjustments	-	(6.78)	-	-	(0.75)	(0.01)	(2.99)	(10.54)
Balance as at 30 September 2023	-	55.08	16.81	10.13	9.29	34.12	104.19	229.61
<b>Net block</b>								
Balance as at 31 March 2021	0.92	11.46	5.63	7.73	6.36	12.86	95.35	140.31
Balance as at 31 March 2022	0.92	24.79	7.42	6.39	23.12	9.38	93.71	165.73
Balance as at 30 September 2022	0.92	24.39	10.33	6.20	39.95	9.66	144.75	236.19
Balance as at 31 March 2023	0.92	26.80	11.07	5.66	45.84	7.76	140.30	238.35
Balance as at 30 September 2023	0.92	22.73	11.97	5.33	56.30	6.89	145.02	249.15



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12. Other intangible assets		
<b>Gross block</b>		<b>Computer software</b>
Balance as at 01 April 2020		29.54
Additions during the year		0.92
Balance as at 31 March 2021		30.46
Disposal during the year		(2.45)
Balance as at 31 March 2022		28.01
Additions during the period		-
Balance as at 30 September 2022		28.01
Additions during the period		4.12
Balance as at 31 March 2023		32.13
Additions during the period		-
Disposal during the period		-
Balance as at 30 September 2023		32.13
<b>Accumulated amortisation</b>		
Balance as at 01 April 2020		13.19
Amortisation charge during the year		6.50
Balance as at 31 March 2021		19.69
Amortisation charge during the year		5.83
Disposal during the year		(2.16)
Balance as at 31 March 2022		23.36
Amortisation charge during the period		2.10
Balance as at 30 September 2022		25.47
Amortisation charge during the period		1.83
Balance as at 31 March 2023		27.29
Amortisation charge during the period		1.19
Balance as at 30 September 2023		28.47
<b>Net block</b>		
Balance as at 31 March 2021		10.77
Balance as at 31 March 2022		4.65
Balance as at 30 September 2022		2.54
Balance as at 31 March 2023		4.84
Balance as at 30 September 2023		3.66

13. Other non-financial assets	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Prepaid expenses	73.91	62.01	51.45	42.79	45.36
Capital advances	0.85	4.04	-	4.04	1.60
Advance to employees	13.71	6.33	8.03	4.70	4.44
Advance to suppliers	18.95	9.01	6.27	11.24	8.81
Balance with government authorities	32.73	18.99	15.89	14.77	57.22
<b>Total</b>	<b>140.16</b>	<b>100.38</b>	<b>81.64</b>	<b>77.54</b>	<b>117.43</b>

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India Shelter Finance Corporation Limited  
 Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
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14. Trade payables	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
(i) total outstanding dues of micro enterprises and small enterprises (refer note 35)	-	-	-	-	1.21
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	86.85	79.10	61.49	45.94	45.06
<b>Total</b>	<b>86.85</b>	<b>79.10</b>	<b>61.49</b>	<b>46.94</b>	<b>46.27</b>

Trade Payables ageing schedule as at 30 September 2023

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others
Less than 1 year	-	86.85	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>86.85</b>	<b>-</b>	<b>-</b>

Trade Payables ageing schedule as at 30 September 2022

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others
Less than 1 year	-	79.10	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>79.10</b>	<b>-</b>	<b>-</b>

Trade Payables ageing schedule as at 31 March 2023

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others
Less than 1 year	-	61.49	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>61.49</b>	<b>-</b>	<b>-</b>

Trade Payables ageing schedule as at 31 March 2022

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others
Less than 1 year	-	45.94	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>-</b>	<b>45.94</b>	<b>-</b>	<b>-</b>

Trade Payables ageing schedule as at 31 March 2021

Particulars	MSME	Others	Disputed dues – MSME	Disputed dues – Others
Less than 1 year	1.21	45.06	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
<b>Total</b>	<b>1.21</b>	<b>45.06</b>	<b>-</b>	<b>-</b>

15. Debt securities (at amortised cost)	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Secured</b>					
Non-convertible debentures (including interest accrued)	1,191.27	1,789.21	1,795.34	1,865.98	822.24
<b>Total</b>	<b>1,191.27</b>	<b>1,789.21</b>	<b>1,795.34</b>	<b>1,865.98</b>	<b>822.24</b>
Debt securities in India	1,191.27	1,789.21	1,795.34	1,865.98	822.24
Debt securities outside India	-	-	-	-	-
<b>Total</b>	<b>1,191.27</b>	<b>1,789.21</b>	<b>1,795.34</b>	<b>1,865.98</b>	<b>822.24</b>

i) Nil (30 September 2022: 150, 31 March 2023: 150, 31 March 2022: 150 & 31 March 2021: 150), @ 10.25% Secured listed non-convertible debentures (NCD) of face value Rs. 10,00,000 each aggregating to Rs. 150 million repayable on 12 June 2023. The date of allotment was 12 June 2020. The amount outstanding as on 30 September 2023 Nil (30 September 2022: 150, 31 March 2023: 150, 31 March 2022: Rs. 150 million & 31 March 2021: Rs. 150 million).  
 (These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.10 times).

ii) 5000 (30 September 2022: 5000, 31 March 2023: 5000, 31 March 2022: 5000 & 31 March 2021: Nil), @ 8.65% Secured listed non-convertible debentures (NCD) of face value Rs.1,00,000 each aggregating to Rs. 500 million repayable on 27 December 2023. The date of allotment is 22 June 2021. The amount outstanding as 30 September 2023 Rs. 500 million (30 September 2022: Rs. 500 million, 31 March 2023: Rs. 500 million, 31 March 2022: Rs. 500 million & 31 March 2021: Nil).  
 (These NCD having exclusive first charge floating via a deed of hypothecation over specific standard asset portfolio of receivables to the extent equal to an amount aggregating to the total outstanding such that the value of security shall be equal of 1.28 times).

iii) 500 (30 September 2022: 500, 31 March 2023: 500, 31 March 2022: 500 & 31 March 2021: Nil), @ 9.29% Secured listed non-convertible debentures of face (NCD) value Rs.10,00,000 each aggregating to Rs. 500 million payable in 7 half yearly installment ending on 21 March 2025. The date of allotment of NCD was 23 November 2021. The amount outstanding as 30 September 2023 Rs. 275 million (30 September 2022: Rs. 425 million, 31 March 2023: Rs. 350 million, 31 March 2022: Rs. 500 million & 31 March 2021: Nil).  
 (These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

iv) 300 (30 September 2022: 300, 31 March 2023: 300, 31 March 2022: 300 & 31 March 2021: Nil), @ 10.15% (31 March 2022: 8.75% & 31 March 2021: Nil) Secured listed non-convertible debentures of face (NCD) value Rs.10,00,000 each aggregating to Rs. 300 million repayable on 31 August 2026. The date of allotment of NCD was 31 August 2021. The amount outstanding as at 30 September 2023 Rs. 300 million (30 September 2022: Rs. 300 million, 31 March 2023: Rs. 300 million, 31 March 2022: Rs. 300 million & 31 March 2021: Nil).  
 (These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.10 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

v) Nil (30 September 2022: 350, 31 March 2023: 350, 31 March 2022: 350 & 31 March 2021: Nil), @ 9.25% Secured listed non-convertible debentures of face (NCD) value Rs.10,00,000 each aggregating to Rs. 350 million repaid on 24 August 2023. The date of allotment of NCD was 15 September 2021. The amount outstanding as 30 September 2023 Nil (30 September 2022: Rs. 350 million, 31 March 2023: Rs. 350 million, 31 March 2022: Rs. 350 million & 31 March 2021: Nil).  
 (These NCD are secured by way of a first ranking exclusive and continuing charge created pursuant to the deed of hypothecation over certain identified receivables of the Issuer. A security cover of 1.28 times of the value of the aggregate principal amount outstanding on the NCD and interest accrued thereon (if any) shall be maintained at all times until the redemption of these NCD).

vi) Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: 500), @ 9.90% Secured listed non-convertible debentures of face (NCD) value Rs.10,00,000 each aggregating to Rs. 500 million repayable on 02 May 2025 (Refer note vii below). The date of allotment of NCD amounting to Rs. 250 million was 04 May 2018 and of NCD amounting to Rs. 750 million was 10 July 2018. The amount outstanding as 30 September 2023: Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 500 million).  
 (These NCD are secured by the first ranking exclusive continuing security by way of a first ranking exclusive charge on the hypothecated receivables in favour of the Debenture Trustee for the benefit of the debenture holders).



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b) As at the date of allotment, the debenture holders of 9.90% NCD's and Group have put and call option as follows

Particulars	Amount of option
At the end of 36 months from the deemed date of allotment	333.40
At the end of 42 months from the deemed date of allotment	333.30
At the end of 48 months from the deemed date of allotment	333.30
At the end of 60 months from the deemed date of allotment	1,000.00

vii) Amounts repayable from the date of balance sheet\*

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
less than 1 year	650.00	300.00	800.00	150.00	-
one to three years	425.00	775.00	200.00	1,000.00	150.00
three to five years	-	650.00	650.00	850.00	500.00
more than five years	-	-	-	-	-

\*All the above mentioned repayments disclosed as per the contractual maturities of principal amount of debt securities.

16. Borrowings (Other than debt securities)	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>At amortised cost</b>					
(a) Term loans - Secured (including interest accrued)					
(i) from banks	19,808.93	14,415.35	17,912.87	12,474.18	7,343.41
(ii) from other parties					
- National housing bank	5,765.53	4,402.53	5,784.38	3,440.49	5,285.45
- Financial institutions	5,183.96	3,580.24	3,393.35	2,395.62	991.90
(b) Lease liabilities	160.04	157.62	154.41	105.14	105.72
(c) Liability against securitised assets (net of over collateralisation amount)	777.08	1,069.63	878.34	417.68	364.19
<b>Total</b>	<b>31,693.54</b>	<b>23,624.77</b>	<b>28,123.35</b>	<b>18,834.11</b>	<b>14,890.67</b>
Borrowings in India	29,210.69	22,813.92	27,305.63	18,834.11	14,090.67
Borrowings outside India	2,482.85	810.85	817.72	-	-
<b>Total</b>	<b>31,693.54</b>	<b>23,624.77</b>	<b>28,123.35</b>	<b>18,834.11</b>	<b>14,890.67</b>

i) Secured term loans from National Housing Bank carry rate of interest in the range of 2.80% to 8.25% p.a (30 September 2022: 2.80% to 7.65%, 31 March 2023: 2.90% to 7.90%, 31 March 2022: 3% to 7.35% & 31 March 2021: 3% to 7.80%). The loans are having tenure of 5 to 15 years (30 September 2022: 5 to 15 years; 31 March 2023: 5 to 15 years; 31 March 2022: 1 to 15 years; 31 March 2021: 1 to 15 years) from the date of disbursement and are repayable in quarterly or yearly instalments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Group.

ii) Secured term loans from banks and financial institutions include loans from various banks and financial institutions and carry rate of interest (including hedge cost in case of external commercial borrowing) in the range of 6.95% to 11.00% p.a (30 September 2022: 7.55% to 12.30%, 31 March 2023: 7.55% to 12.35%, 31 March 2022: 7.5% to 11.20% & 31 March 2021: 7.65% to 11.20%). The loans are having tenure of 48 to 180 months (30 September 2022: 34 to 120 months, 31 March 2023: 34 to 180 months, 31 March 2022: 34 to 120 months; 31 March 2021: 34 to 97 months) from the date of disbursement and are repayable in monthly or quarterly instalments. These loans are secured by hypothecation (exclusive charge) of certain loans given by the Group.

iii) In addition to above, the term loans amounting to Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 430.6 million) from banks and Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 250 million) from National Housing Bank are also personally guaranteed by a director.

iv) During the period ended 30 September, 2023, the Group has borrowed INR 1637.90 million (equivalent to 20 million USD) (31 March 2023: INR 798.10 million (equivalent to 10 million USD)) under the External Commercial Borrowing (ECB). The ECB loan is secured by hypothecation (exclusive charge) of certain loans given by the Group. The same is hedged by derivative instrument through cross currency swaps. The derivative instrument is for hedging the underlying ECB transaction as per applicable RBI guidelines and not for any speculative purpose.

v) The Group is not a declared willful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India, during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

vi) The Group has borrowings from banks and financial institutions on the basis of security of loans and the quarterly details filed by the Group with the banks and financial institutions are in accordance with the books of accounts of the Group for the respective quarters.

vii) The Group has not defaulted in the repayment of debt, borrowings (other than debt securities) and interest thereon for the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

**Terms of principal repayment of borrowings as at 30 September 2023\***

Particulars	Number of	Monthly repayment	Number of	Quarterly
less than one year	836	5,077.40	147	1,755.83
one to three years	1432	8,735.19	305	3,701.19
three to five years	851	5,066.08	280	4,272.07
more than five years	324	1,255.66	206	1,931.69

**Terms of principal repayment of borrowings as at 30 September 2022\***

Particulars	Number of	Monthly repayment	Number of	Quarterly
less than one year	699	3,933.14	139	1,759.74
one to three years	1158	6,400.58	217	2,747.90
three to five years	718	3,722.83	186	2,470.52
more than five years	339	1,514.76	151	1,222.22

**Terms of principal repayment of borrowings as at 31 March 2023\***

Particulars	Number of instalments	Monthly repayment	Number of instalments	Quarterly repayment
less than one year	766	4,302.63	139	1,868.94
one to three years	1310	7,380.66	287	3,649.80
three to five years	809	4,325.23	245	2,858.58
more than five years	351	1,585.12	227	2,234.68

**Terms of principal repayment of borrowings as at 31 March 2022\***

Particulars	Number of instalments	Monthly repayment	Number of instalments	Quarterly repayment
less than one year	533	3,120.12	112	1,844.89
one to three years	891	5,392.89	182	2,500.02
three to five years	494	2,886.83	113	1,263.70
more than five years	175	1,064.99	97	1,045.11

**Terms of principal repayment of borrowings as at 31 March 2021\***

Particulars	Number of instalments	Monthly repayment	Number of instalments	Quarterly repayment
less than one year	372	1,720.92	97	1,772.81
one to three years	677	3,203.21	225	2,580.11
three to five years	315	1,516.58	145	1,952.87
more than five years	105	433.42	131	1,144.16

\*All the above mentioned repayments disclosed as per the contractual maturities of principal amount of borrowings (other than debt securities).



India Shelter Finance Corporation Limited  
 Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
 (All amounts in Rs. millions, unless otherwise stated)  
 Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

Particulars	Debt securities	Borrowings (other than debt securities)	Total
<b>01 April 2020</b>	<b>2,458.82</b>	<b>6,887.22</b>	<b>9,346.04</b>
<b>Cash flows:</b>			
-Repayments	(1,785.72)	(2,518.48)	(4,304.20)
-Proceeds	150.00	9,784.09	9,934.09
-Payment of lease liability	-	(32.17)	(32.17)
<b>Non-cash:</b>			
-Amortisation of upfront fees and others(net)	18.30	(19.26)	(0.96)
-Accrued interest(net)	(19.18)	(22.03)	(41.19)
-Recognition of lease liabilities	-	11.30	11.30
<b>31 March 2021</b>	<b>822.24</b>	<b>14,090.67</b>	<b>14,912.91</b>
<b>Cash flows:</b>			
-Repayments	(500.00)	(6,645.63)	(7,145.63)
-Proceeds	1,850.00	11,406.35	13,256.35
-Payment of lease liability	-	(44.62)	(44.62)
<b>Non-cash:</b>			
-Amortisation of upfront fees and others(net)	(13.80)	(26.14)	(39.94)
-Accrued interest(net)	(92.45)	8.43	(84.02)
-Recognition of lease liabilities	-	45.05	45.05
<b>31 March 2022</b>	<b>1,865.99</b>	<b>18,834.12</b>	<b>20,700.11</b>
<b>Cash flows:</b>			
-Repayments	(75.00)	(3,018.01)	(3,093.01)
-Proceeds	-	7,753.90	7,753.90
-Payment of lease liability	-	(28.78)	(28.78)
<b>Non-cash:</b>			
-Amortisation of upfront fees and others(net)	2.14	(33.29)	(31.14)
-Accrued interest(net)	(3.92)	35.56	32.64
-Recognition of lease liabilities	-	80.26	80.26
<b>30 September 2022</b>	<b>1,789.21</b>	<b>23,624.76</b>	<b>25,413.96</b>
<b>Cash flows:</b>			
-Repayments	(75.00)	(4,104.93)	(4,179.93)
-Proceeds	-	8,632.00	8,632.00
-Payment of lease liability	-	(29.68)	(29.68)
<b>Non-cash:</b>			
-Amortisation of upfront fees and others(net)	5.16	(10.92)	(5.75)
-Accrued interest(net)	45.97	(14.33)	31.63
-Recognition of lease liabilities	-	26.47	26.47
<b>31 March 2023</b>	<b>1,765.35</b>	<b>28,123.36</b>	<b>29,888.71</b>
<b>Cash flows:</b>			
-Repayments	(575.00)	(4,190.63)	(4,765.63)
-Proceeds	-	7,737.00	7,737.00
-Payment of lease liability	-	(30.68)	(30.68)
<b>Non-cash:</b>			
-Amortisation of upfront fees and others(net)	5.92	(8.29)	(2.36)
-Accrued interest(net)	(4.99)	16.48	11.49
-Recognition of lease liabilities	-	36.29	36.29
<b>30 September 2023</b>	<b>1,191.28</b>	<b>31,693.55</b>	<b>32,884.84</b>

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**India Shelter Finance Corporation Limited**  
**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**  
**(All amounts in Rs. millions, unless otherwise stated)**

<b>17. Other financial liabilities</b>	<b>As at 30 September 2023</b>	<b>As at 30 September 2022</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Employee related payable	159.59	120.33	171.68	146.48	85.43
Payable towards securitisation transactions	18.08	43.77	37.41	30.60	22.50
Payable towards assignment transactions	282.39	184.65	231.29	105.57	51.22
Insurance payables	14.85	64.30	22.18	9.98	12.07
Advance received from customers	119.02	88.48	71.79	41.03	37.65
Bank Overdraft	88.04	-	-	261.52	29.71
<b>Total</b>	<b>681.77</b>	<b>501.53</b>	<b>534.35</b>	<b>596.16</b>	<b>236.58</b>
<b>18. Provisions</b>	<b>As at 30 September 2023</b>	<b>As at 30 September 2022</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Provisions for employee benefits					
- Provision for compensated absences	19.45	15.24	8.81	7.52	5.13
- Provision for gratuity (Refer note 36)	49.35	27.11	32.54	38.50	25.37
Impairment loss allowance on Undrawn commitments	8.18	5.41	5.55	7.31	5.47
<b>Total</b>	<b>67.98</b>	<b>47.76</b>	<b>46.90</b>	<b>53.33</b>	<b>35.97</b>
<b>19. Other non-financial liabilities</b>	<b>As at 30 September 2023</b>	<b>As at 30 September 2022</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
Statutory dues payables	43.83	21.45	12.35	15.18	19.98
<b>Total</b>	<b>43.83</b>	<b>21.45</b>	<b>12.35</b>	<b>15.18</b>	<b>19.98</b>

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**India Shelter Finance Corporation Limited**  
**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**  
**(All amounts in Rs. millions, unless otherwise stated)**

	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>20. Equity share capital</b>					
<b>(a) Authorised capital</b>					
162,000,000 equity shares of Rs. 5 each	810.00	810.00	810.00	810.00	810.00
(30 September 2022: 81,000,000; 31 March 2022: 81,000,000; 31 March 2021: 81,000,000) equity shares of Rs. 10 each					
900,65074					
<b>(b) Issued capital and Subscribed</b>					
9,00,45,074 equity shares of Rs. 5 each	450.23	437.32	438.73	437.07	429.78
(30 September 2022: 4,37,31,855; 31 March 2022: 4,38,72,682; 31 March 2021: 42,978,405) equity shares of Rs. 10 each					
<b>(c) Paid up capital</b>					
9,00,45,074 equity shares of Rs. 5 each	450.23	437.32	437.38	437.07	429.78
(30 September 2022: 4,37,31,855; 31 March 2023: 4,37,37,652; 31 March 2022: 4,37,06,655; 31 March 2021: 42,978,405) equity shares of Rs. 10 each fully paid up					
Nil (30 September 2022: Nil; 31 March 2023: 1,95,000; 31 March 2022: Nil; 31 March 2021: Nil) equity shares of Rs. 10 each partly paid up at Rs. 2 each			0.27		
<b>(d) Reconciliation of the number of shares outstanding at the beginning and at the end of the period</b>					
Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Equity shares outstanding at the beginning of the year	43,972,852	43,706,655	43,706,655	42,978,405	42,836,155
Issued during the period/year	418,610	-	-	-	-
Additional shares pursuant to share split issued during the year	80,582,524	-	-	-	-
Issued during the period/year (Refer note (e) & (f) below)	1,462,590,900	25,000,000	1,85,957	728,250	148,250
Equity shares outstanding at the end of the year	90,045,074	43,731,655	43,872,652	43,706,655	42,978,405

The Board of Directors of the Company in its meeting held on 12 July 2023 and shareholders in the Extraordinary General Meeting held on 18 July 2023 approved the sub-division of shares from Rs. 10 per share to Rs. 5 per share (Also refer Note 57(i)).

**(e) Issue of shares**

During the half year ended 30 September 2023, the Company has allotted 3,55,000 equity shares of face value of INR 10/- to Mr. Anil Mehta on account of exercise of Rights to Subscribe at a premium of INR 73.20 per share. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July 2023.

The Board of Directors of the Company in its meeting held on 12 July 2023 has made the first and final call of Rs. 349.80 per share on the 1,35,000 equity shares allotted to Mr. Anil Mehta.

**(f) Issue of shares against exercise of ESOPs**

- During the period ended 30 September 2023, the Board of Directors of the Company have approved allotment of 63,610 equity shares to 6 option holders having face value of INR 10 and 14,62,550 equity shares to 63 option holders, who exercised their options as per the following:
  - 37,500 shares of Rs. 10 each at a premium of Rs. 10.32 each (aggregating to Rs.0.78 million) vide circular dated on 09 May 2023.
  - 23,385 shares of Rs. 10 each at a premium of Rs. 296.59 each (aggregating to Rs.7.24 million) vide circular dated on 09 May 2023.
  - 2,725 shares of Rs. 10 each at a premium of Rs. 289.59 each (aggregating to Rs.7.24 million) vide circular dated on 12 July 2023.
  - 75,000 shares of Rs. 5 each at a premium of Rs. 6.16 each (aggregating to Rs.0.78 million) vide circular dated on 12 July 2023.
  - 1,20,000 shares of Rs. 5 each at a premium of Rs. 74.61 each (aggregating to Rs.9.54 million) vide circular dated on 27 July 2023.
  - 90,000 shares of Rs. 5 each at a premium of Rs. 84.96 each (aggregating to Rs.4.60 million) vide circular dated on 27 July 2023.
  - 1,36,000 shares of Rs. 5 each at a premium of Rs. 87.28 each (aggregating to Rs.12.56 million) vide circular dated on 27 July 2023.
  - 4,50,000 shares of Rs. 5 each at a premium of Rs. 88.78 each (aggregating to Rs.1.14 million) vide circular dated on 27 July 2023.
  - 3,88,750 shares of Rs. 5 each at a premium of Rs. 93.50 each (aggregating to Rs.44.51 million) vide circular dated on 27 July 2023.
  - 62,400 shares of Rs. 5 each at a premium of Rs. 149.80 each (aggregating to Rs.97.00 million) vide circular dated on 27 July 2023.
  - 62,400 shares of Rs. 5 each at a premium of Rs. 162.79 each (aggregating to Rs.9.85 million) vide circular dated on 27 July 2023.
  - 1,88,400 shares of Rs. 5 each at a premium of Rs. 168.36 each (aggregating to Rs.32.09 million) vide circular dated on 27 July 2023.

During the year ended 31 March 2023, the Board of Directors of the Company have approved allotment of 30,997 equity shares to 2 option holders, who exercised their options as per the following:

- 25,000 shares of Rs. 10 each at a premium of Rs. 73.20 each (aggregating to Rs. 2.08 million) vide circular dated on 26 April 2022.
- 5,997 shares of Rs. 10 each at a premium of Rs. 168.52 each (aggregating to Rs. 0.04 million) and 2,997 shares of Rs. 10 each at a premium of Rs. 299.59 each (aggregating to Rs. 0.93 million) vide circular dated on 05 January 2022.

During the year ended 31 March 2022, the Board of Directors of the Company have approved allotment of 728,250 equity shares to 14 option holders, who exercised their options as per the following:

- 92,250 shares of Rs. 10 each at a premium of Rs. 3.27 each (aggregating to Rs. 1.22 million) vide circular dated on 25 July 2021 & 08 January 2022.
- 5,000 shares of Rs. 10 each at a premium of Rs. 4.18 each (aggregating to Rs. 0.07 million) vide circular dated on 06 January 2022.
- 50,000 shares of Rs. 10 each at a premium of Rs. 10.32 each (aggregating to Rs. 5.02 million) vide circular dated on 29 April 2021 & 25 July 2021.
- 5,62,500 shares of Rs. 10 each at a premium of Rs. 73.20 each (aggregating to Rs. 46.8 million) vide circular dated on 25 July 2021 & 23 August 2021.
- 12,000 shares of Rs. 10 each at a premium of Rs. 106.48 each (aggregating to Rs. 1.42 million) vide circular dated on 09 August 2021.
- 6,000 shares of Rs. 10 each at a premium of Rs. 149.01 each (aggregating to Rs. 0.96 million) vide circular dated on 09 August 2021.
- 500 shares of Rs. 10 each at a premium of Rs. 169.92 each (aggregating to Rs. 0.09 million) vide circular dated on 09 August 2021.

During the year ended 31 March 2021, the Board of Directors vide circular resolution dated 10 January 2021 have approved allotment of 148,250 equity shares to 3 option holders, who exercised their options as per the following:

- 138,250 shares of Rs. 10 each at a premium of Rs. 3.27 each (aggregating to Rs. 1.84 million).
- 10,000 shares of Rs. 10 each at a premium of Rs. 4.18 each (aggregating to Rs. 0.14 million).



**India Shelter Finance Corporation Limited**  
**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**  
**(All amounts in Rs. millions, unless otherwise stated)**

(g) Terms and conditions of the main features of each class of shares  
The Company has only one class of equity shares having a face value of Rs. 10 per share. Each shareholder is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors, is subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to shareholding.

(h) Detail of shareholders holding a 5 percent or more

Name of shareholders	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Seaboa Capital India Investments II	19,923,696	#	9,961,798	21.05%	9,961,798	0.00%	9,961,798	22.76%	1,446,776	3.7%
Nexus Ventures III Limited	-	#	-	0.00%	-	0.00%	-	0.00%	9,961,798	23.18%
Seaboa Capital India Investments I	4,436,108	#	1,704,137	3.69%	2,217,554	0.00%	-	0.00%	2,170,580	5.05%
MO Starrock (Formerly known as Starrock)	21,708,302	#	10,854,151	22.96%	10,854,151	24.89%	10,854,151	24.83%	-	0.00%
WestBridge Crossover Fund, LLC	4,759,908	#	2,379,954	5.03%	2,379,954	5.44%	2,379,954	5.45%	2,379,954	5.54%
Catalyst Trusteehip Limited (Eritwala Mission Trusteehip Services Private Limited) acting as trustee for Madison India Opportunities Trust Fund	-	#	-	-	-	-	-	-	-	-
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund, LLC)	28,422,818	#	14,211,409	30.04%	14,211,409	32.47%	14,211,409	32.52%	10,552,073	24.65%
Nexus Opportunity Fund II, LPI	5,820,074	#	2,910,037	6.15%	2,910,037	6.55%	2,910,037	6.65%	2,910,037	6.77%

(i) Shares held by promoter

Name of Promoter	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares	No. of shares	% of total shares
Anil Mehra	1,570,734	1.74%	820,367	1.73%	430,367	0.73%	820,367	1.88%	1,066,387	2.55%
WestBridge Crossover Fund, LLC	21,708,302	24.11%	10,854,151	22.95%	10,854,151	24.86%	10,854,151	24.83%	-	-
Aravali Investment Holdings (Wholly owned subsidiary of Westbridge Crossover Fund, LLC)	28,422,818	31.57%	14,211,409	30.04%	14,211,409	32.47%	14,211,409	32.52%	-	-

(j) Shares reserved for issue under options and contractual commitments for the sale of shares

The Company has reserved 61,68,374 (30 September 2022: 35,79,344; 31 March 2023: 35,67,347; 31 March 2022: 30,18,344 & 31 March 2021: 2,463,484) number of shares for creating a pool of employee stock options/right to subscribe to equity shares representing 6.34% (30 September 2022: 7.55%; 31 March 2023: 7.52%; 31 March 2022: 6.50% & 31 March 2021: 5.42%) of share capital for the benefit of employees on such terms and conditions as determined by the Investors and Board of Directors.

(k) The Company (except disclosed above) has not allotted any shares for consideration other than cash, bonus shares and shares bought back for the five years immediately preceding the reporting date.

(l) The Board of Directors have not proposed any dividend for the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.



India Shelter Finance Corporation Limited  
Summary of significant accounting policies and other explanatory information on restated consolidated financial information

(All amounts in Rs. millions, unless otherwise stated)

21. Other equity	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Securities premium	7,200.31	6,858.04	6,871.31	6,857.78	6,782.46
Statutory reserve	1,009.20	699.25	1,009.20	699.25	442.36
Employee share based payment reserve	137.38	136.79	166.10	63.39	55.01
Re-measurements of defined benefit plans	4.58	4.31	5.41	(5.96)	0.92
Share application money pending allotment	7.18	-	-	-	-
Effective portion of cash flow hedge reserve	(65.97)	(25.57)	(17.60)	-	-
Retained earnings	5,006.75	3,309.95	3,933.21	2,689.74	1,662.16
<b>Total</b>	<b>13,299.43</b>	<b>10,882.76</b>	<b>11,967.63</b>	<b>10,324.20</b>	<b>8,942.91</b>

**Nature and purpose of other reserve**

**Securities premium**

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

**Statutory reserve**

This reserve is created as per the provision of Section 29C of the National Housing Bank Act, 1987 (read with Section 36(1)(vii) of the Income-tax Act, 1961). The Group transfers amount at least 20% of the total comprehensive income after tax to Statutory reserve.

**Employee share based payment reserve**

This reserve is used to recognise the fair value of the options issued to employees of the Group under Group's employee stock option plan.

**Retained earnings**

Retained earnings represents the amount of accumulated earnings of the Group.

**Re-measurements of defined benefit plans**

Represents the cumulative actuarial gains/(losses) arising on defined benefit plans classified under Other Comprehensive income.

**Effective portion of cash flow hedge reserve**

Represents the cumulative gains/(losses) arising on revaluation of the derivative instruments and underlying financial instrument designated as cash flow hedges through OCI.

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India Shelter Finance Corporation Limited  
Summary of significant accounting policies and other explanatory information on restated consolidated financial information

(All amounts in Rs. millions, unless otherwise stated)

22. Interest income (on financial assets measured at amortised cost)	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on loans	2,939.32	2,135.30	4,650.45	3,513.16	2,558.91
Interest on investments	90.68	57.21	140.69	56.62	2.88
Interest on deposits with banks	99.04	58.42	122.16	147.20	165.85
Other interest income	71.02	55.97	116.16	19.18	18.08
Interest income on unwinding of assigned portfolio	-	-	-	-	-
<b>Total</b>	<b>3,200.06</b>	<b>2,306.90</b>	<b>5,029.46</b>	<b>3,736.16</b>	<b>2,746.72</b>

  

23. Fees and commission income	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Fee based income	178.99	160.29	315.84	200.58	99.93
<b>Total</b>	<b>178.99</b>	<b>160.29</b>	<b>315.84</b>	<b>200.58</b>	<b>99.93</b>

  

Revenue from contract with customers	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Particulars</b>					
<b>I. Type of services</b>					
- Fee and commission income (as per note no- 23)	178.99	160.29	315.84	200.58	99.93
- Marketing support income (as per note no- 25)	125.05	81.64	214.30	117.26	58.72
<b>Total</b>	<b>304.04</b>	<b>241.93</b>	<b>530.14</b>	<b>317.84</b>	<b>158.65</b>
<b>ii. Primary Geographical market</b>					
- Outside India	-	-	-	-	-
- India	304.04	241.93	530.14	317.84	158.65
<b>Total</b>	<b>304.04</b>	<b>241.93</b>	<b>530.14</b>	<b>317.84</b>	<b>158.65</b>
<b>iii. Timing of revenue recognition</b>					
- At a point in time upon rendering services	178.99	160.29	315.84	200.58	99.93
- Over period of time upon rendering services	125.05	81.64	214.30	117.26	58.72
<b>Total</b>	<b>304.04</b>	<b>241.93</b>	<b>530.14</b>	<b>317.84</b>	<b>158.65</b>
<b>iv. Receivable towards contract with customers</b>					
- Opening Balance	25.82	-	-	14.60	-
- Closing Balance	41.83	42.82	25.82	-	14.60
<b>v. Impairment on receivable towards contract with customers</b>					
	-	-	-	-	-

  

24. Net gain on fair value changes	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Net gain on financial instruments at fair value through profit or loss</b>					
On trading portfolio					
- Investments	57.81	26.49	60.92	45.89	29.19
<b>Total net gain on fair value changes</b>	<b>57.81</b>	<b>26.49</b>	<b>60.92</b>	<b>45.89</b>	<b>29.19</b>
<b>Fair value changes</b>					
- Realised	57.77	28.09	60.92	42.82	29.19
- Unrealised	0.04	(1.60)	-	3.07	-
<b>Total net gain on fair value changes</b>	<b>57.81</b>	<b>26.49</b>	<b>60.92</b>	<b>45.89</b>	<b>29.19</b>

  

25. Other income	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Marketing support income	125.05	81.64	214.30	117.26	58.72
Gain on termination of leases	0.65	0.71	0.81	0.82	2.20
Liabilities no longer required, written back	0.15	-	1.90	0.20	-
Miscellaneous Income	-	-	0.00	-	-
<b>Total</b>	<b>125.85</b>	<b>82.35</b>	<b>217.01</b>	<b>118.28</b>	<b>60.92</b>

  

26. Finance costs (on financial liabilities measured at amortised cost)	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>(a) Interest expenses on</b>					
- Borrowings	1,278.20	848.17	1,853.18	1,326.42	835.25
- Debt securities	72.01	83.91	169.72	104.39	161.13
- Securitised loans	36.18	20.94	57.91	42.75	48.50
<b>(b) Other borrowing costs</b>					
- Securitisation expense	0.93	1.07	2.51	0.24	0.75
- Interest expense on lease liabilities	6.53	5.92	11.92	9.19	7.73
- Other interest expense	3.63	1.33	3.48	0.40	0.12
<b>Total</b>	<b>1,397.48</b>	<b>961.34</b>	<b>2,098.70</b>	<b>1,483.39</b>	<b>1,053.48</b>

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**India Shelter Finance Corporation Limited**

**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**

(All amounts in Rs. millions, unless otherwise stated)

27. Impairment on financial instruments (measured at amortised cost)	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Impairment loss on loans	63.37	81.70	9.61	35.30	151.60
Net loans written off/(net)*	-3.58	3.16	101.15	81.18	45.21
Impairment loss on EIS receivable on direct assignment	4.77	-1.85	1.43	2.41	1.67
Impairment loss on stock of acquired properties	29.84	6.86	28.49	1.23	0.46
<b>Total</b>	<b>94.10</b>	<b>89.87</b>	<b>140.68</b>	<b>120.12</b>	<b>198.94</b>

\*Net of bad debt recovery of INR 29.80 million(30 September 2022: INR 15.88 million, 31 March 2023: INR 49.40 million, 31 March 2022: INR 12.34 million & 31 March 2021: INR 6.61 million)

28. Employee benefits expenses	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus	735.77	548.82	1,174.71	880.02	563.64
Contribution to provident and other funds	42.51	32.99	69.85	54.09	32.96
Share based payments to employees	55.20	53.30	83.04	59.41	16.12
Staff welfare expenses	10.71	6.08	18.00	19.57	7.02
<b>Total</b>	<b>844.19</b>	<b>641.19</b>	<b>1,345.60</b>	<b>1,013.09</b>	<b>619.64</b>

29. Depreciation and amortisation	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Depreciation of property, plant and equipment (Refer note 11)	42.18	37.62	78.09	59.56	44.48
Amortisation of intangible assets (Refer note 12)	1.19	2.10	3.93	5.83	6.50
<b>Total</b>	<b>43.37</b>	<b>39.72</b>	<b>82.02</b>	<b>65.39</b>	<b>50.98</b>

30. Other expenses	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Legal and professional charges	39.83	26.58	66.14	26.04	22.18
Loan processing charges	14.90	18.47	26.67	28.45	16.13
Advertisement and marketing expenses	11.68	7.84	18.21	13.21	7.79
Rent and hire charges	12.15	6.47	15.30	8.45	6.76
Travelling and conveyance	31.53	36.58	76.37	32.67	16.79
Information technology expense	51.10	38.52	74.20	67.99	48.24
Communication expenses	7.43	5.34	10.13	8.09	6.67
Rates and taxes expenses	0.30	0.10	0.36	0.40	0.29
Repairs and maintenance - others	6.12	6.50	12.93	5.29	6.48
Office expenses	5.34	4.75	9.18	10.62	6.97
Electricity and water expenses	9.26	7.98	13.85	8.90	5.56
Printing, stationery and office supplies	3.16	1.83	3.60	2.44	2.39
Insurance expenses	2.77	3.44	6.25	5.69	6.24
Directors' sitting fees	2.17	1.53	3.21	2.75	3.11
Auditor's remuneration (Refer note 30.1 below)	1.61	1.65	4.60	3.82	3.20
Bank charges	5.50	3.10	7.75	3.49	3.67
Loss on derecognition of property, plant and equipment	0.92	0.21	1.31	0.64	1.47
Corporate social responsibility expenses (Refer note 30.2 below)	16.00	11.50	23.00	14.65	9.00
Preliminary expenses (Incorporation Charges)	-	1.03	1.03	-	-
Miscellaneous expenses	1.48	1.77	1.70	3.47	2.44
<b>Total</b>	<b>223.05</b>	<b>184.99</b>	<b>375.79</b>	<b>247.06</b>	<b>175.38</b>

30.1 Auditor's remuneration	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
a) As auditors					
- Statutory audit including limited review	1.51	1.45	4.04	3.10	2.75
- Certification and other charges	0.10	0.10	0.34	0.62	0.37
b) for re-imbursement of expenses	-	-	0.22	0.10	0.08

**30.2 Expenditure incurred on Corporate Social Responsibility (CSR)**

As per section 135 of the Companies Act, 2013 along with Companies (Corporate Social Responsibility Policy) Rules 2014, the Group is required to spend for CSR activities in accordance with its CSR policy. The details of the CSR expenses for the year are as under:

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
a) Gross amount required to be spent by the Group during the year	16.00	11.50	23.00	14.65	9.00
b) Amount spent during the year on:					
i) Construction/acquisition of any asset	-	-	6.19	3.63	-
ii) On purpose other than (a) above					
Contribution towards Trust/NGOs	6.56	-	16.81	11.02	9.00
c) Amount unspent	9.44	11.50	-	-	-

The nature of CSR activities undertaken by the Company: To improve the lives of the community, especially the socially and economically underprivileged communities, by making a long term, measurable and positive impact through projects in the areas of Education, Health and Skill Development





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**31. Tax expense**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
In respect of the current year	305.89	187.78	464.84	318.36	247.72
	<b>305.89</b>	<b>187.78</b>	<b>464.84</b>	<b>318.36</b>	<b>247.72</b>
Deferred tax charge/(credit)	4.14	3.76	1.28	66.18	7.96
	<b>4.14</b>	<b>3.76</b>	<b>1.28</b>	<b>66.18</b>	<b>7.96</b>
<b>Total income tax expense recognised (excluding tax recognised in other comprehensive income)</b>	<b>310.03</b>	<b>191.54</b>	<b>466.10</b>	<b>384.54</b>	<b>255.68</b>

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate and the reported tax expense in statement of profit and loss, is as follows:

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Profit before tax	1,383.57	811.75	2,019.52	1,669.01	1,129.57
Applicable tax rate	25.17%	25.17%	25.17%	25.17%	25.17%
Expected tax expense [A]	348.22	204.30	508.27	420.06	284.29
Effect of expenses that are not deductible in determining taxable profit	6.39	3.93	26.19	8.03	1.38
Deductions under section 80JAA of the Income-tax Act, 1961	(13.28)	(2.02)	(13.63)	(5.27)	(3.89)
Deductions under Section 36(1)(viii) of the Income-tax Act, 1961	(31.30)	(14.67)	(54.73)	(38.25)	(25.10)
<b>Total</b>	<b>310.03</b>	<b>191.54</b>	<b>466.10</b>	<b>384.54</b>	<b>255.68</b>

**Income tax expense recognised in other comprehensive Income**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Income tax relating to re-measurement loss on defined benefit plans	(0.28)	3.45	3.83	2.32	0.71
Income tax relating to re-measurement gains/ (losses) on hedge instruments	(16.27)	(7.85)	(5.92)	-	-
<b>Total</b>	<b>(16.55)</b>	<b>(4.40)</b>	<b>(2.09)</b>	<b>2.32</b>	<b>0.71</b>

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**India Shelter Finance Corporation Limited**  
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**(All amounts in Rs. millions, unless otherwise stated)**

**32. Expenditure in foreign currency**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Software license expense	-	0.18	0.28	19.77	15.00
Legal and professional expenses	-	0.34	-	-	-
Interest Expense on ECB	36.25	3.26	17.23	-	-
<b>Total</b>	<b>36.25</b>	<b>3.78</b>	<b>17.51</b>	<b>19.77</b>	<b>15.00</b>

The Group's unhedged foreign currency exposure as on 30 September 2023 is Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Nil).

**For the year ended 30 September 2023**

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	<=1 year	> 1 year	Total	<=1 year	> 1 year	Total	<=1 year
Foreign currency (FCY) receivables	-	-	-	-	-	-	-
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables	-	-	-	-	-	-	-
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	2,482.85	2,482.85	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,482.85</b>	<b>2,482.85</b>	<b>-</b>

**For the year ended 30 September 2022**

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	<=1 year	> 1 year	Total	<=1 year	> 1 year	Total	<=1 year
Foreign currency (FCY) receivables	-	-	-	-	-	-	-
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables	-	-	-	-	-	-	-
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	810.85	810.85	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>810.85</b>	<b>810.85</b>	<b>-</b>

**For the year ended 31 March 2023**

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	<=1 year	> 1 year	Total	<=1 year	> 1 year	Total	<=1 year
Foreign currency (FCY) receivables	-	-	-	-	-	-	-
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables	-	-	-	-	-	-	-
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	817.72	817.72	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>817.72</b>	<b>817.72</b>	<b>-</b>

**For the year ended 31 March 2022**

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	<=1 year	> 1 year	Total	<=1 year	> 1 year	Total	<=1 year
Foreign currency (FCY) receivables	-	-	-	-	-	-	-
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables	-	-	-	-	-	-	-
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**For the year ended 31 March 2021**

Particulars	Unhedged			Hedged through forward or derivative			Natural hedge
	<=1 year	> 1 year	Total	<=1 year	> 1 year	Total	<=1 year
Foreign currency (FCY) receivables	-	-	-	-	-	-	-
Exports	-	-	-	-	-	-	-
Loans to Joint Venture/Wholly Owned Subsidiary (JV/WOS)	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY payables	-	-	-	-	-	-	-
Imports	-	-	-	-	-	-	-
Trade credits	-	-	-	-	-	-	-
External Commercial Borrowings (ECBs)	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**33. Segment reporting**

The Group is predominantly engaged in a single business segment i.e. providing housing loans and loan against properties in India only, which has similar nature of products and services, type/class of customers and the nature of the regulatory environment, risks and returns and accordingly there are no separately reportable business or geographical segments as per the Indian Accounting Standard ('Ind AS') 108 on Operating Segments.

**34. Contingent liabilities and commitments**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
a) In respect of following					
- Income tax matters	66.00	66.00	66.00	66.00	44.52
- Goods and Service tax	1.25	-	-	-	-
b) Commitments					
- Loan financing	3,243.09	2,166.23	2,878.84	1,934.12	1,102.28
- Capital commitments	-	-	-	0.90	0.21
c) Bank guarantees	2.50	2.50	2.50	2.50	2.50

**Notes:**  
(i) The Company received income tax notice under section 143(3) of the Income Tax Act, 1961 (the Act) dated 25 December 2019 for tax demand amounting to Rs. 44.52 million on account of unexplained credit under Section 68 of the Act for assessment year 2017-18. In response to such notice, the Group has filed an appeal before Commissioner of Income Tax (Appeals). The Group has deposited Rs. 6.91 million under protest. The legal proceeding when ultimately concluded will not, in the opinion of the management, have a material effect on the financial position of the Group.  
(ii) The Company received an income tax notice under section 143(1)(a) of the Income Tax Act, 1961 on 4 March, 2020, for the assessment year 2019-20, for tax demand of ₹ 21.48 million, on account of disallowance of interest payable on NCD issued to mutual fund under section 48B of the Income Tax Act, 1961. The said amount has been adjusted against the refund due for the assessment year 2018-20. The Company has filed an appeal before the National Tax Appellate Tribunal, New Delhi.  
(iii) The Company has received a demand order of INR 1.25 million for contravention of Section 34(2) of CGST Act 2017 for FY 2018-20 dated 29 September 2023. The Group is in process of filing the appeal with the relevant authorities.  
Above amount does not include the contingencies, the likelihood of which is remote.



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36. Disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
(i) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;					
- Principal due	Nil	Nil	Nil	Nil	1.21
- Interest due	Nil	Nil	Nil	Nil	Nil
(ii) the amount of interest paid by the buyer in terms of section 18 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil	Nil	Nil	Nil
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil	Nil	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil	Nil	Nil	Nil
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil	Nil	Nil	Nil

36. Assets held for sale

The Group has obtained possession of certain properties mortgaged by customers, under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (The SARFAESI Act, 2002), which shall be sold to realise the loan and other amounts receivable by the Group. The Group is in the process of selling these properties and has classified these as assets held for sale.

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Gross Carrying Amount	161.55	66.50	99.12	39.78	39.68
Less - Impairment loss on stock of acquired properties	(64.45)	(12.89)	(34.61)	(6.13)	(4.90)
Net Carrying amount	97.10	53.61	64.51	33.65	34.78

37. Employee benefit plans

A) Defined contribution plans

Provident and other funds

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and other funds which are defined contribution plans. The Group has no obligations other than this to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue.

Particulars	For the period ended	For the period ended	For the year ended	For the year ended	For the year ended
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Employer's contribution to provident and other funds	42.51	32.99	89.85	54.09	32.86
	42.51	32.99	89.85	54.09	32.86

B) Defined benefit plans

Gratuity

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk

The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk

The present value of the defined benefit plan liability is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out by Mr. Ashok Kumar Garg (FIAI M.No. 00057), Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost, were measured using the projected unit credit method.

Principal assumptions	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Discount rate(s)	7.25%	7.25%	7.50%	7.00%	7.00%
Expected rate(s) of salary increase	11.00%	10.00%	11.00%	10.00%	10.00%
Retirement age	58	58	58	58	58
Withdrawal rate	20.00%	20.00%	20.00%	6.00%	8.00%
In service mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)

Amounts recognised in the statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	For the period ended	For the period ended	For the year ended	For the year ended	For the year ended
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Service cost:					
Current service cost	7.09	4.51	11.34	14.89	8.97
Interest cost	1.22	1.28	2.59	1.76	1.13
Components of defined benefit costs recognised in profit or loss	8.31	5.79	13.93	16.65	10.10
Remeasurement on the net defined benefit liability:					
Actuarial (losses/gains) arising from changes in financial assumptions	0.41	(9.54)	(6.23)	-	3.57
Actuarial (losses/gains) arising from experience adjustments	0.71	(4.18)	(8.97)	9.21	(0.73)
Components of defined benefit costs recognised in other comprehensive income	1.12	(13.72)	(15.20)	9.21	2.84

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India Shelter Finance Corporation Limited  
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The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Present value of funded defined benefit obligation	40.35	27.11	32.54	36.50	25.37
Fair value of plan assets	-	-	-	-	-
Net liability arising from defined benefit obligation	40.35	27.11	32.54	36.50	25.37

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

Particulars	Year ended	Year ended	Year ended	Year ended	Year ended
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Opening defined benefit obligation	32.54	36.50	36.50	25.37	16.16
Current service cost	7.09	4.51	11.34	14.89	8.97
Interest cost	1.22	1.28	2.56	1.78	1.13
Remeasurement (gains)/losses:					
Actuarial losses/(gains) arising from changes in financial	0.41	(9.54)	(6.23)	-	3.57
Actuarial (gains)/losses arising from experience	0.71	(4.18)	(8.97)	9.21	(0.73)
Past service cost, including losses/(gains) on curtailments	-	-	-	-	-
Benefits paid	(1.62)	(1.46)	(2.68)	(14.75)	(3.73)
Closing defined benefit obligation	40.35	27.11	32.54	36.50	25.37

**Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase, mortality, etc. The sensitivity analysis below have been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

- If the discount rate is 100 basis points higher (lower), the defined benefit obligation would decrease by Rs. 2.17 million (increase by Rs. 1.68 million) [30 September 2022: 1.27 million (increase by Rs. 1.40 million), 31 March 2023: 1.56 million (increase by Rs. 1.69 million), 31 March 2022: 3.79 million (increase by Rs. 4.44 million) & 31 March 2021: 2.48 million (increase by Rs. 2.98 million)].

- If the expected salary growth increases (decreases) by 100 basis points, the defined benefit obligation would increase by Rs. 2.03 million (decrease by Rs. 1.87 million) [30 September 2022: increase by Rs. 1.32 million (decrease by Rs. 1.22 million), 31 March 2023: increase by Rs. 1.61 million (decrease by Rs. 1.53 million), 31 March 2022: increase by Rs. 4.27 million (decrease by Rs. 3.73 million) & 31 March 2021: increase by Rs. 2.86 million (decrease by Rs. 2.44 million)].

Sensitivities due to change in mortality rate and change in withdrawal rate are not expected to be material and hence impact of such change is not calculated.

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**Other disclosures**

**Maturity profile of defined benefit obligations**

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Average duration of the defined benefit obligation (in years)					
Less than 1 year	2.68	1.93	2.20	0.70	2.43
Between 1-2 years	0.56	0.56	0.48	0.31	0.12
Between 2-5 years	2.17	1.71	1.81	0.98	0.63
Over 5 years	34.94	22.91	28.07	34.51	22.20

-The expected contributions to the plan for the next year is INR 12.24 million.

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38. Monthly analysis of assets and liabilities

Assets	30 September 2023		30 September 2022		31 March 2023		31 March 2022		31 March 2021	
	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months	Within 12 months	After 12 months
<b>Financial assets</b>										
Cash and cash equivalents	78.41	-	1,291.91	115.54	3,699.44	-	1,438.02	-	2,330.94	-
Bank balance other than cash and cash equivalents	1,749.00	272.05	1,163.81	-	1,196.91	276.43	1,483.34	85.96	1,806.29	199.54
Derivative financial instruments	-	-	-	-	0.59	-	1,778.86	-	1,864.92	-
Loans	7,715.16	34,946.56	4,236.91	26,350.67	5,906.04	90,694.90	3,660.27	22,264.98	960.51	18,021.09
Investments	996.00	-	2,975.12	-	468.28	-	1,733.20	-	1,733.20	-
Other financial assets	563.34	710.84	340.87	443.38	790.45	525.71	222.81	398.34	119.34	161.56
Non-financial assets	-	-	-	-	-	-	-	-	-	-
Deferred tax assets (net)	-	-	66.66	-	66.66	-	-	-	-	0.35
Property, plant and equipment	-	42.75	30.14	30.14	30.36	30.36	30.36	28.90	28.90	93.37
Other intangible assets	-	248.15	238.19	238.19	-	238.35	-	165.73	-	140.31
Other non-financial assets	117.84	22.52	3.66	2.54	4.84	4.84	4.84	4.95	-	10.77
Assets held for sale	97.10	-	53.51	-	64.51	-	55.42	22.12	42.65	117.43
<b>Total assets</b>	<b>11,348.46</b>	<b>39,246.93</b>	<b>47,586.78</b>	<b>27,237.59</b>	<b>37,499.63</b>	<b>31,684.46</b>	<b>42,965.87</b>	<b>23,489.68</b>	<b>52,124.21</b>	<b>19,561.79</b>
<b>Liabilities</b>										
<b>Financial liabilities</b>										
Financial financial instruments	36.57	-	16.02	-	16.02	-	-	-	-	-
Trade payables	-	-	-	-	-	-	-	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	88.85	-	76.10	-	61.49	-	45.94	-	40.00	-
Debt securities	766.99	424.26	374.86	1,414.35	1,041.33	724.01	156.58	1,070.40	11.11	811.13
Borrowing (Other than debt securities)	8,879.92	24,813.62	5,809.89	17,627.88	6,220.08	21,897.27	4,767.56	14,665.55	3,470.34	10,620.33
Other financial liabilities	681.77	-	601.59	-	534.35	-	596.18	-	238.53	-
Non-financial liabilities										
Provisions	5.97	62.01	67.98	42.04	47.76	37.64	46.90	42.37	8.49	27.48
Current tax liabilities (net)	41.31	-	21.46	-	6.05	-	43.22	-	4.32	-
Other non-financial liabilities	43.63	-	43.63	-	12.35	-	15.18	-	19.98	-
<b>Total liabilities</b>	<b>6,857.21</b>	<b>26,249.91</b>	<b>6,895.97</b>	<b>19,344.27</b>	<b>7,691.71</b>	<b>22,854.92</b>	<b>9,671.12</b>	<b>15,770.82</b>	<b>3,798.77</b>	<b>11,458.94</b>
<b>Net assets</b>	<b>2,805.24</b>	<b>10,206.92</b>	<b>3,765.99</b>	<b>7,685.92</b>	<b>3,379.74</b>	<b>9,025.54</b>	<b>3,824.47</b>	<b>7,499.26</b>	<b>13,593.84</b>	<b>8,102.85</b>

Classification of assets & liabilities under mobility buckets is based on estimates and assumptions of the group.



### 39. Financial instruments

#### 39.1 Capital management

##### Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the National Housing Bank (NHB) and Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by NHB and RBI.

##### Capital management

The capital management objectives of the Group are:

- to ensure that the Group complies with externally imposed capital requirements, if any and maintains strong credit ratings and healthy capital ratios
- to ensure the ability to continue as a going concern
- to provide an adequate return to shareholders

##### Gearing ratio

The gearing ratio at the end of reporting period was as follows:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>Debt</b>					
Borrowings (other than debt securities)	31,693.54	23,624.77	28,123.35	18,834.11	14,090.67
Debt securities	1,191.27	1,789.21	1,765.34	1,865.98	822.24
Cash and cash equivalents	8.63	(1,291.91)	(3,609.44)	(1,438.02)	(2,330.95)
<b>Net debt</b>	<b>32,893.44</b>	<b>24,122.07</b>	<b>26,279.25</b>	<b>19,262.07</b>	<b>12,681.96</b>
Total equity	13,749.66	11,420.09	12,405.28	10,781.27	9,372.70
<b>Net debt to equity ratio</b>	<b>2.39</b>	<b>2.11</b>	<b>2.12</b>	<b>1.79</b>	<b>1.34</b>

Management assesses the capital requirements of the Group in order to maintain an efficient overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends, return on capital to shareholders, issue new shares, or sell assets to reduce debt.

Below is the Capital Risk Adequacy Ratio maintained and calculated as per NHB/RBI guidelines in the respective year by the Company and as per regulatory return filed with NHB in the respective year.

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Tier I Capital	12,605.68	10,552.40	11,456.84	10,039.22	9,047.12
Tier II Capital	209.57	78.52	161.30	94.83	89.68
<b>Total Capital</b>	<b>12,815.25</b>	<b>10,630.92</b>	<b>11,618.14</b>	<b>10,134.05</b>	<b>9,136.80</b>
<b>Risk Weighted Assets</b>	<b>26,331.93</b>	<b>21,622.14</b>	<b>22,061.28</b>	<b>18,136.31</b>	<b>12,777.00</b>
<b>Capital Adequacy Ratio</b>	<b>48.67%</b>	<b>49.23%</b>	<b>52.86%</b>	<b>55.87%</b>	<b>71.51%</b>
Tier I Capital (%)	47.87%	48.87%	51.93%	55.35%	70.81%
Tier II Capital (%)	0.80%	0.36%	0.73%	0.52%	0.70%

#### 39.2 Categories of financial instruments

The carrying value of financial assets and financial liabilities are as follows:

##### As at 30 September 2023

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial assets</b>				
Cash and cash equivalents	-	-	79.41	79.41
Bank balance other than cash and cash equivalents	-	-	2,021.85	2,021.85
Derivative financial instruments	-	-	-	-
Loans	-	-	42,660.72	42,660.72
Investments	30.03	-	965.99	996.02
Other financial assets	-	-	1,295.98	1,295.98
<b>Total financial assets</b>	<b>30.03</b>	<b>-</b>	<b>47,023.95</b>	<b>47,053.98</b>
<b>Financial liabilities</b>				
Derivative financial instruments	-	30.57	-	30.57
Trade payables	-	-	86.85	86.85
Debt securities	-	-	1,191.27	1,191.27
Borrowings (Other than debt securities)	-	-	31,693.54	31,693.54
Other financial liabilities	-	-	681.77	681.77
<b>Total financial liabilities</b>	<b>-</b>	<b>30.57</b>	<b>33,653.43</b>	<b>33,684.00</b>

##### As at 30 September 2022

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial assets</b>				
Cash and cash equivalents	-	-	1,291.91	1,291.91
Bank balance other than cash and cash equivalents	-	-	1,282.45	1,282.45
Derivative financial instruments	-	-	-	-
Loans	-	-	30,667.58	30,667.58
Investments	1,496.48	-	1,481.84	2,978.12
Other financial assets	-	-	790.45	790.45
<b>Total financial assets</b>	<b>1,496.48</b>	<b>-</b>	<b>35,514.03</b>	<b>37,010.51</b>
<b>Financial liabilities</b>				
Derivative financial instruments	-	16.02	-	16.02
Trade payables	-	-	79.10	79.10
Debt securities	-	-	1,789.21	1,789.21
Borrowings (Other than debt securities)	-	-	23,624.77	23,624.77
Other financial liabilities	-	-	501.53	501.53
<b>Total financial liabilities</b>	<b>-</b>	<b>16.02</b>	<b>25,994.61</b>	<b>26,010.63</b>



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Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial assets</b>				
Cash and cash equivalents	-	-	3,609.44	3,609.44
Bank balance other than cash and cash equivalents	-	-	1,463.34	1,463.34
Derivative financial instruments	-	0.58	-	0.58
Loans	-	-	36,091.44	36,091.44
Investments	50.00	-	419.28	469.28
Other financial assets	-	-	902.13	902.13
<b>Total financial assets</b>	<b>50.00</b>	<b>0.58</b>	<b>42,485.63</b>	<b>42,536.21</b>
<b>Financial liabilities</b>				
Trade payables	-	-	61.49	61.49
Debt securities	-	-	1,765.34	1,765.34
Borrowings (Other than debt securities)	-	-	28,123.35	28,123.35
Other financial liabilities	-	-	534.35	534.35
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>30,484.53</b>	<b>30,484.53</b>

As at 31 March 2022

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial assets</b>				
Cash and cash equivalents	-	-	1,438.02	1,438.02
Bank balance other than cash and cash equivalents	-	-	1,864.92	1,864.82
Loans	-	-	26,225.25	26,225.25
Investments	1,753.20	-	-	1,753.20
Other financial assets	-	-	619.75	619.75
<b>Total financial assets</b>	<b>1,753.20</b>	<b>-</b>	<b>30,147.94</b>	<b>31,901.14</b>
<b>Financial liabilities</b>				
Trade payables	-	-	45.94	45.94
Debt securities	-	-	1,865.98	1,865.98
Borrowings (Other than debt securities)	-	-	18,834.11	18,834.11
Other financial liabilities	-	-	595.18	595.18
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>21,341.21</b>	<b>21,341.21</b>

As at 31 March 2021

Particulars	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
<b>Financial assets</b>				
Cash and cash equivalents	-	-	2,330.94	2,330.94
Bank balance other than cash and cash equivalents	-	-	1,805.83	1,805.83
Loans	-	-	19,811.70	19,811.70
Investments	-	-	-	-
Other financial assets	-	-	280.92	280.92
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>24,229.39</b>	<b>24,229.39</b>
<b>Financial liabilities</b>				
Trade payables	-	-	46.27	46.27
Debt securities	-	-	822.24	822.24
Borrowings (Other than debt securities)	-	-	14,090.67	14,090.67
Other financial liabilities	-	-	238.58	238.58
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>15,197.76</b>	<b>15,197.76</b>

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39.3 Fair value measurement of assets and liabilities

- Fair value hierarchy

Assets and liabilities are measured at fair value in the financial statements and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted prices (unadjusted) for identical instruments in an active markets;
- Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data (unobservable inputs).

The following table shows the levels within the hierarchy of assets measured at fair value on a recurring basis:

As at 30 September 2023

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial Assets carried at fair value through profit and loss	30.03	-	-	30.03
Investments in mutual fund				
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	97.10	-	97.10

As at 30 September 2022

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial Assets carried at fair value through profit and loss	1,496.48	-	-	1,496.48
Investments in mutual fund				
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	53.51	-	53.51

As at 31 March 2023

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial Assets carried at fair value through profit and loss	50.00	-	-	50.00
Investments in mutual fund				
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	64.51	-	64.51

As at 31 March 2022

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Financial assets carried at fair value through profit or loss	1,753.20	-	-	1,753.20
Investments in mutual fund				
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	33.65	-	33.65

As at 31 March 2021

Particulars	Level 1	Level 2	Level 3	Total
Asset measured at fair value on a recurring basis				
Assets measured at fair value on a non recurring basis				
Assets held for sale	-	34.78	-	34.78

Valuation methodologies of financial instruments measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are recorded and measured at fair value in the Group's financial statements:

- Mutual funds - Units held in Mutual funds are valued based on their published Net asset value (NAV) and such instruments are classified under Level 1.
- Asset held for sale - Assets held for sale valuation are basis independent valuations by a specialist in valuing these type of assets. The best estimate of fair value is current prices in an active market for similar assets.

39.4 Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

As at 30 September 2023

Particulars	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Cash and cash equivalents	79.41	-	-	79.41	79.41
Bank balance other than cash and cash equivalents	2,021.85	-	-	2,021.85	2,021.85
Loans	42,660.72	-	-	42,660.72	42,660.72
Other financial assets	1,295.98	-	-	1,295.98	1,295.98
	46,057.96	-	-	46,057.96	46,057.96
Financial liabilities					
Trade payables	86.85	-	-	86.85	86.85
Debt securities	1,191.27	-	-	1,191.27	1,191.27
Borrowings (Other than debt securities)	31,693.54	-	-	31,693.54	31,693.54
Other financial liabilities	681.77	-	-	681.77	681.77
	33,653.43	-	-	33,653.43	33,653.43

As at 30 September 2022

Particulars	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Cash and cash equivalents	1,291.91	-	-	1,291.91	1,291.91
Bank balance other than cash and cash equivalents	1,282.45	-	-	1,282.45	1,282.45
Loans	30,667.58	-	-	30,667.58	30,667.58
Other financial assets	790.45	-	-	790.45	790.45
	34,032.39	-	-	34,032.39	34,032.39
Financial liabilities					
Trade payables	79.10	-	-	79.10	79.10
Debt securities	1,789.21	-	-	1,789.21	1,789.21
Borrowings (Other than debt securities)	23,624.77	-	-	23,624.77	23,624.77
Other financial liabilities	501.53	-	-	501.53	501.53
	25,994.61	-	-	25,994.61	25,994.61





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Particulars	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Cash and cash equivalents	3,609.44	-	-	3,609.44	3,609.44
Bank balance other than cash and cash equivalents	1,463.34	-	-	1,463.34	1,463.34
Loans	36,091.44	-	-	36,091.44	36,091.44
Other financial assets	902.13	-	-	902.13	902.13
	<b>42,066.35</b>	-	-	<b>42,066.35</b>	<b>42,066.35</b>
<b>Financial liabilities</b>					
Trade payables	61.49	-	-	61.49	61.49
Debt securities	1,765.34	-	-	1,765.34	1,765.34
Borrowings (Other than debt securities)	28,123.35	-	-	28,123.35	28,123.35
Other financial liabilities	534.35	-	-	534.35	534.35
	<b>30,484.53</b>	-	-	<b>30,484.53</b>	<b>30,484.53</b>

As at 31 March 2022

Particulars	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Cash and cash equivalents	1,438.02	-	-	1,438.02	1,438.02
Bank balance other than cash and cash equivalents	1,864.92	-	-	1,864.92	1,864.92
Loans	26,225.25	-	-	26,225.25	26,225.25
Other financial assets	619.75	-	-	619.75	619.75
	<b>30,147.94</b>	-	-	<b>30,147.94</b>	<b>30,147.94</b>
<b>Financial liabilities</b>					
Trade payables	45.94	-	-	45.94	45.94
Debt securities	1,865.98	-	-	1,865.98	1,865.98
Borrowings (Other than debt securities)	18,834.11	-	-	18,834.11	18,834.11
Other financial liabilities	595.18	-	-	595.18	595.18
	<b>21,341.21</b>	-	-	<b>21,341.21</b>	<b>21,341.21</b>

As at 31 March 2021

Particulars	Carrying value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
Cash and cash equivalents	2,330.94	-	-	2,330.94	2,330.94
Bank balance other than cash and cash equivalents	1,805.83	-	-	1,805.83	1,805.83
Loans	19,811.70	-	-	19,811.70	19,811.70
Other financial assets	280.92	-	-	280.92	280.92
	<b>24,229.39</b>	-	-	<b>24,229.39</b>	<b>24,229.39</b>
<b>Financial liabilities</b>					
Trade payables	46.28	-	-	46.28	46.28
Debt securities	822.24	-	-	822.24	822.24
Borrowings (Other than debt securities)	14,090.67	-	-	14,090.67	14,090.67
Other financial liabilities	238.58	-	-	238.58	238.58
	<b>15,197.77</b>	-	-	<b>15,197.77</b>	<b>15,197.77</b>

The management is of view that the fair value of bank balances and cash and cash equivalents, other bank balances, loans, other financial assets, trade payables, borrowings including debt securities and other financial liabilities that are being carried at amortised cost, approximates to their respective net carrying value.

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39.6. Financial risk management

**Risk Management**

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Loan receivables, cash and bank balances, investments, financial assets measured at amortised cost	Expected loss analysis	Credit risk analysis, diversification of customers/asset base, high rated bank deposits, credit limits and collateral.
Liquidity risk	Business commitments and other liabilities	Rolling cash flow forecasts	Maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.
Market risk - interest rate	Borrowings at variable rates	Sensitivity analysis	Funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds, and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.
Market risk - currency risk	External Commercial Borrowings	Sensitivity analysis	Hedging strategies to ensure 100 % hedge by way of booking derivatives in the form of forward cover or cross currency swap. Effectiveness of the hedge is reviewed by Risk

The Board has the overall responsibility of risk management - there are two committees of the Board which takes care of managing overall risk in the organisation. In accordance with the RBI and NHB guidelines to enable Housing Finance Companies to adopt best practices and greater transparency in their operations, the Board of Directors of the Company has constituted a Risk Management Committee to review risk management in relation to various risks, namely, market risk, credit risk, and operational risk, and an Asset Liability Management Committee (ALCO).

**a) Credit risk**

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to the Group. In its lending operations, the Group is principally exposed to credit risk.

The credit risk is governed by various product policies. The product policies outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits. The Group measures, monitors and manages credit risk at an individual borrower level. The credit risk for individual borrowers is being managed at portfolio level for both Housing Loans and Non-housing Loans. The Group has a structured and standardised credit approval process, which includes a well-established procedure of comprehensive credit appraisal.

Credit risk arises from loan financing, cash and cash equivalents, investments and deposits with banks and financial institutions, as shown below:

Particulars	As at	As at	As at	As at	As at
	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Loans	42,560.72	30,667.58	36,091.44	26,225.25	19,611.70
Cash and cash equivalents	79.41	1,291.91	3,609.44	1,438.02	2,330.94
Bank balance other than cash and cash equivalents	2,021.85	1,282.45	1,463.34	1,864.92	1,805.83
Investments	996.00	2,978.12	469.28	1,753.20	-
Other financial assets	1,295.98	790.45	902.13	619.75	280.92

**Credit risk management**

The Group assesses and manages credit risk based on internal credit rating system and external ratings.

**Cash and cash equivalents and bank deposits**

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

**Loans**

The customers are primarily low and middle -income, salaried and self-employed individuals. The credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income and obligations, the loan-to-value ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels.

The various process controls such as PAN Number Check, CERSAI database scrubbing, Credit Bureau Report analysis are undertaken prior to approval of a loan. Individual loans are secured by the mortgage of the borrowers property.

**Investments**

Investments are generally made in mutual funds and high rated debt securities. Credit risk related to these investments is managed by monitoring the recoverability of such amounts continuously.

**Other financial assets measured at amortised cost**

Other financial assets measured at amortized cost includes security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

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b) Liquidity risk

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. Management of the Group monitors forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows. The Asset Liability Management Policy aims to align market risk management with overall strategic objectives, articulate current interest rate view and determine pricing, mix and maturity profile of assets and liabilities. The asset liability management policy involves preparation and analysis of liquidity gap reports and ensuring preventive and corrective measures. It also addresses the interest rate risk by providing for duration gap analysis and control by providing limits to the gaps.

The tables below analyse the financial assets and liabilities of the Group into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows except EIS receivables on direct assignment included in other financial assets. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

**Maturities of financial assets**

30 September 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	79.41	-	-	-	79.41
Bank balance other than cash and cash equivalents	1,749.79	259.59	2.50	-	2,021.88
Derivative financial instrument	-	-	-	-	-
Loans	7,910.92	4,864.48	5,886.25	26,111.52	48,773.17
Investments	899.00	-	-	-	899.00
Other financial assets	585.34	470.54	154.29	86.81	1,296.98
<b>Total</b>	<b>11,324.46</b>	<b>6,604.58</b>	<b>6,043.04</b>	<b>26,198.33</b>	<b>48,136.41</b>

30 September 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	1,291.81	-	-	-	1,291.81
Bank balance other than cash and cash equivalents	1,163.91	110.37	8.17	-	1,282.45
Derivative financial instrument	-	-	-	-	-
Loans	4,412.38	8,744.28	6,882.78	11,425.74	31,565.16
Investments	2,978.12	-	-	-	2,978.12
Other financial assets	346.87	322.82	82.34	28.42	700.45
<b>Total</b>	<b>10,193.19</b>	<b>9,177.45</b>	<b>7,083.29</b>	<b>11,454.16</b>	<b>37,908.09</b>

31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	3,699.44	-	-	-	3,699.44
Bank balance other than cash and cash equivalents	1,196.81	273.93	2.50	-	1,472.24
Derivative financial instrument	0.58	-	-	-	0.58
Loans	5,695.54	11,016.49	8,256.43	12,069.81	37,038.27
Investments	469.28	-	-	-	469.28
Other financial assets	376.42	438.99	85.99	2.73	903.13
<b>Total</b>	<b>11,338.17</b>	<b>11,726.41</b>	<b>8,344.92</b>	<b>12,072.54</b>	<b>43,481.04</b>

31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	1,438.02	-	-	-	1,438.02
Bank balance other than cash and cash equivalents	1,778.96	78.42	5.04	2.90	1,864.32
Loans	3,711.48	7,353.60	5,881.14	9,985.26	26,941.46
Investments	1,753.20	-	-	-	1,753.20
Other financial assets	222.81	278.28	112.60	8.06	619.75
<b>Total</b>	<b>8,884.47</b>	<b>7,706.30</b>	<b>5,998.78</b>	<b>10,006.82</b>	<b>32,617.37</b>

31 March 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Cash and cash equivalents	2,330.94	-	-	-	2,330.94
Bank balance other than cash and cash equivalents	1,808.30	185.84	10.16	2.53	1,805.83
Loans	990.61	2,381.21	2,927.85	14,128.90	20,408.57
Investments	-	-	-	-	-
Other financial assets	119.34	112.06	48.52	-	280.92
<b>Total</b>	<b>5,047.19</b>	<b>2,660.11</b>	<b>2,976.53</b>	<b>14,131.43</b>	<b>24,826.26</b>

**Maturities of financial liabilities**

The tables below analyse the financial liabilities of the group into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

30 September 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	8,904.24	12,436.38	9,278.15	3,187.35	31,806.12
Debt securities	768.08	426.00	-	-	1,194.08
Derivative financial instrument	30.57	-	-	-	30.57
Trade payables	86.85	-	-	-	86.85
Other financial liabilities	681.77	-	-	-	681.77
<b>Total</b>	<b>10,471.51</b>	<b>13,862.38</b>	<b>9,278.15</b>	<b>3,187.35</b>	<b>36,800.39</b>

30 September 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	5,786.37	9,222.35	6,239.38	2,749.91	23,997.99
Debt securities	377.10	775.00	650.00	-	1,802.10
Derivative financial instrument	16.02	-	-	-	16.02
Trade payables	79.10	-	-	-	79.10
Other financial liabilities	501.83	-	-	-	501.83
<b>Total</b>	<b>6,760.42</b>	<b>10,022.35</b>	<b>6,889.38</b>	<b>2,749.91</b>	<b>26,422.06</b>

31 March 2023	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	8,226.09	11,030.46	7,183.81	3,819.30	29,260.66
Debt securities	923.07	290.00	650.00	-	1,863.07
Trade payables	61.49	-	-	-	61.49
Other financial liabilities	534.35	-	-	-	534.35
<b>Total</b>	<b>9,745.00</b>	<b>11,320.46</b>	<b>7,833.81</b>	<b>3,819.30</b>	<b>32,722.63</b>

31 March 2022	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	4,797.29	7,882.89	4,159.53	2,110.10	18,950.81
Debt securities	195.39	1,000.00	684.63	-	1,880.02
Trade payables	45.94	-	-	-	45.94
Other financial liabilities	695.18	-	-	-	695.18
<b>Total</b>	<b>5,733.80</b>	<b>8,882.89</b>	<b>4,844.16</b>	<b>2,110.10</b>	<b>21,570.95</b>

31 March 2021	Less than 1 year	1-3 year	3-5 year	More than 5 years	Total
Borrowings (Other than debt securities)	3,517.59	5,873.32	3,169.43	1,577.58	14,137.92
Debt securities	12.94	150.00	661.13	-	824.07
Trade payables	45.38	-	-	-	45.38
Other financial liabilities	239.58	-	-	-	239.58
<b>Total</b>	<b>3,815.49</b>	<b>6,023.32</b>	<b>3,830.56</b>	<b>1,577.58</b>	<b>15,246.93</b>

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**India Shelter Finance Corporation Limited**  
**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**  
 (All amounts in Rs. millions, unless otherwise stated)

c. Public disclosure on Liquidity Risk in accordance with RBI circular No. RB02019-20/88 DOR.NBFC(PD) CC. No.10203.10.01/2019-20 dated 04 November 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies (NBFCs) including Core Investment Companies and RBI circular No. RB02020-21/60 DOR.NBFC(HFC), C.C.No.118/ 03.10.138/2020-21 dated 22 October 2020 for regulatory framework for Housing Finance Companies (HFCs).

**Funding concentration based on significant counterparty/# (borrowings)**

Number of significant counterparties	As at 30 September 2023	
	Amount	% of total liabilities
23	23,795.45	87.79%
Number of significant counterparties	As at 30 September 2022	
	Amount	% of total liabilities
30	23,911.83	91.30%
Number of significant counterparties	As at 31 March 2023	
	Amount	% of total liabilities
28	27,886.17	91.28%
Number of significant counterparties	As at 31 March 2022	
	Amount	% of total liabilities
29	19,771.38	82.17%
Number of significant counterparties	As at 31 March 2021	
	Amount	% of total liabilities
20	14,041.82	92.06%

\*A significant counterparty is a single counterparty that has an amount outstanding for more than 1% of the total liabilities as on the reporting date.

**Funding concentration based on significant instrument/product#**

Name of the instrument	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Amount	% of total liabilities	Amount	% of total liabilities	Amount	% of total liabilities	Amount	% of total liabilities	Amount	% of total liabilities
Term loans from banks and financial institutions	25,026.44	73.96%	18,053.14	89.22%	21,381.75	89.99%	14,949.51	89.68%	8357.48	54.79%
Term loans from National Housing Bank	5,769.58	17.05%	4,646.32	17.82%	5,788.03	18.95%	3,441.56	16.04%	5286.68	34.85%
Non-convertible debentures	1,075.00	3.18%	1,725.00	8.61%	1,650.00	5.40%	1,800.00	8.38%	659.00	4.29%
Securitisation	779.05	2.30%	1,072.03	4.11%	890.55	2.88%	421.32	1.96%	364.19	2.38%
	32,650.07		25,496.49		29,701.23		20,612.39		14,658.33	

\*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 total liabilities.

**Top 10 borrowings#**

Particulars	As at 30 September 2023		As at 30 September 2022		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	Amount	% of total borrowings	Amount	% of total borrowings	Amount	% of total borrowings	Amount	% of total borrowings	Amount	% of total borrowings
Term Loan/NCD/Securitisation	21,977.99	87.31%	14,462.50	56.72%	17,967.00	60.50%	12,082.78	58.47%	11,320.51	77.23%

#All the above mentioned outstanding borrowings are disclosed at gross carrying value.

**Stock Ratios:**

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Commercial papers issued to public funds	Nil	Nil	Nil	Nil	Nil
Commercial papers issued to total liabilities	Nil	Nil	Nil	Nil	Nil
Commercial papers issued to total assets	Nil	Nil	Nil	Nil	Nil
NCD (original maturity < one year) to public funds	Nil	Nil	Nil	Nil	Nil
NCD (original maturity < one year) to total liabilities	Nil	Nil	Nil	Nil	Nil
NCD (original maturity < one year) to total assets	Nil	Nil	Nil	Nil	Nil
Other short-term liabilities to public funds	2.49%	2.38%	2.05%	3.18%	2.08%
Other short-term liabilities to total liabilities	2.49%	2.31%	1.93%	3.05%	2.06%
Other short-term liabilities to total assets	1.71%	1.61%	1.42%	2.04%	1.24%

**c) Market risk**

**Interest rate risk**

**Liabilities**

The policy of the Group is to minimise interest rate cash flow risk exposures on long-term loans and borrowings. As at 31 March 2023, the Group is exposed to changes in market interest rates through loans and bank borrowings at variable interest rates.

**Interest rate risk exposure**

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Variable rate borrowing	24,812.30	20,996.97	23,732.65	17,991.48	10,747.94
Fixed rate borrowing	7,837.77	4,497.52	5,968.58	2,950.91	3,910.38
Total borrowings	32,650.07	25,496.49	29,701.23	20,942.39	14,658.33

**Sensitivity**

Below is the sensitivity of profit or loss and equity changes in interest rates:

Particulars	Impact on profit before tax				
	For the period ended 30 September 2023	For the period ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
Interest rate - Increase by 100 basis points*	120.77	88.51	192.53	136.84	69.73
Interest rate - Decrease by 100 basis points*	(120.77)	(88.51)	(192.53)	(136.84)	(69.73)

\* Holding all other variables constant

**Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to External Commercial Borrowings (ECB).

(i) The Group has hedged its foreign currency exposure through Cross Currency Swaps in such a manner that it has fixed determinate outflows in its functional currency and as such there would be no significant impact of movement in foreign currency rates on the Group's profit before tax (PBT).

**Foreign Currency Exposure**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
External Commercial Borrowing (USD in million)	30.00	10.00	10.00	-	-

**Sensitivity**

Below is the sensitivity of profit or loss and equity changes in currency rates:

Particulars	Impact on profit before tax					Impact on OCI before tax				
	For the period ended 30 September 2023	For the period ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021	For the period ended 30 September 2023	For the period ended 30 September 2022	Year ended 31 March 2023	Year ended 31 March 2022	Year ended 31 March 2021
USD rate - Increase by 5%*	-	-	-	-	-	(124.59)	(49.78)	(41.11)	-	-
USD rate - Decrease by 5%*	-	-	-	-	-	124.59	49.78	41.11	-	-

\* Holding all other variables constant

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**India Shelter Finance Corporation Limited**  
**Summary of significant accounting policies and other explanatory information on restated consolidated financial information**  
**(All amounts in Rs. millions, unless otherwise stated)**

**40. Related party transactions**

**List of related parties:**

- i. Holding Company**  
 WestBridge Crossover Fund, LLC  
 Aravali Investment Holdings (wholly-owned subsidiary of Westbridge Crossover Fund, LLC)  
 (collectively holding more than one-half of the total voting power)
- ii. Key management personnel**  
 a. Anil Mehta - Chairman and Non-Executive Director till 31 July 2023 (Managing Director and Chief Executive Officer till 22 November 2021)  
 b. Sudhin Bhagwandas Choksey- Chairman and Non-executive Director w.e.f 31 July 2023 (Nominee Director (till 30 July 2023))  
 c. Rupinder Singh- Managing Director and Chief Executive Officer w.e.f 23 November 2021  
 d. Ashish Gupta - Chief Financial Officer  
 e. Mukti Chaplot - Company Secretary  
 f. GV Ravishankar - Nominee Director (till 26 October 2021)  
 g. Anup Gupta - Nominee Director  
 h. Sumir Chadda - Nominee Director  
 i. Anisha Motwani - Independent Director ( till 17 February 2021)  
 j. Shailesh J Mehta - Nominee Director (Independent Director till 2 November 2021)  
 k. Rachna Dikshit - Independent Director  
 l. Sunil Bhumalkar- Additional Independent Director (till 30 November, 2022)  
 m. Thomson Kadanof Thomas- Independent Director (w.e.f 02 August 2022)  
 n. Ajay Narayan Jha- Independent Director (w.e.f 12 July 2023)  
 o. Parveen Kumar Gupta- Independent Director (w.e.f 12 June 2023)  
 p. Savita Mahajan- Independent Director (w.e.f 31 July 2023)
- iii. Entities having significance influence**  
 a. WestBridge Crossover Fund, LLC (Holder of Equity Shares)  
 b. Nexus Ventures III Ltd, Mauritius (Holder of Equity Shares)  
 c. Aravali Investment Holdings (Holder of Equity Shares)  
 d. Sequoia Capital India Investments III, Mauritius (Holder of Equity Shares)  
 e. Sequoia Capital India Growth Investment I (Holder of Equity Shares)  
 f. Nexus Opportunity Fund II, Ltd. (Holder of Equity Shares)
- iv. Relative of key management personnel (KMP) - (where there are transactions)**  
 Gaj Singh Mehta - Father of Anil Mehta  
 Ankit Aggarwal - Husband of Mukti Chaplot (w.e.f. 04 February 2020)  
 Aditi Mehta- Son of Anil Mehta

\*Rupinder Singh has been appointed as Executive Director w.e.f 12 May 2021 and re-designated as Managing Director and Chief Executive Officer w.e.f 23 November 2021

**Transactions with related parties**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent paid to relative of KMP	-	0.24	0.27	0.34	0.36

**Transaction with key management personnel**

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Short-term benefits	21.15	16.76	76.33	83.67	55.58
Contribution to pension funds and gratuity payment	1.55	1.81	3.22	17.20	1.53
Fees paid to non-executive director	9.33	4.67	18.57	-	-
Sitting fees paid to independent directors	3.76	1.46	2.95	2.63	2.85
Proceeds from issue of equity shares	7.89	-	0.27	0.80	1.23
Proceeds for security premium	137.75	-	11.53	0.27	0.40
Sale of Assets	-	-	-	0.86	-

**Amount payable to key management personnel**

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Short-term benefits	-	-	41.34	37.96	22.08

**Note 1:** The KMPs are covered under the Group's gratuity policy, compensated absences policy and ESOP scheme along with other eligible employees of the Group. Proportionate amount of gratuity expenses, provision for compensated absences and ESOP expenses are not included in the aforementioned disclosures as it cannot be separately ascertained.

**Note 2:**

During the half year ended 30 September 2023, the Company has allotted 3,55,000 equity shares of face value of INR 10/- to Mr. Anil Mehta on account of exercise of Right to Subscribe at a premium of INR 73.20 per share. The said allotment has been approved by the Board of Directors vide circular resolution dated 20 July 2023.  
 During the half year ended 30 September 2023, the Board of Directors of the Company vide circular resolution dated 27 July 2023 allotted 4,00,000 equity shares to Mr. Rupinder Singh, 1,36,000 equity shares to Mr. Ashish Gupta and 60,000 equity shares to Ms. Mukti Chaplot. The Board of Directors also allotted 17,500 equity shares to Ashish Gupta vide circular resolution dated 9 May 2023.  
 During the year ended 31 March 2022, the Board of Directors of the Company vide circular resolution dated 08 January 2022 allotted 75,000 equity shares (31 March 2021: 1,20,000 equity shares) to Mr. Anil Mehta and 5,000 equity shares (31 March 2021: 2500) to Mrs. Mukti Chaplot pursuant to exercise of Employee Share Option Plan (ESOP) as per the ESOP schemes.

**Note 3:** During the year ended 31 March 2023, the Company has allotted 1,35,000 partly paid-up equity shares of face value of INR 10/- per share at a premium of INR 427 per share on preferential basis to Mr. Anil Mehta (Promotor). Shares are paid-up to the extent of INR 2 towards face value and INR 85.4 towards premium. The said allotment has been approved by the Board of Directors vide circular resolution dated 19 November 2022. Balance amount on partly paid shares were called by the Board on 12th July 2023.

**Note 5:** The term loans amounting to Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 430.60 million) from banks and Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Rs. 250 million) from National Housing Bank are personally guaranteed by Mr. Anil Mehta.

**Note 6:** The Group has incorporated wholly owned subsidiary India Shelter Capital Finance Limited on 24 March 2022 to carry on lending business as Non-Banking Finance Company subject to receipt of regulatory approvals.

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India Shelter Finance Corporation Limited  
 Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
 (All amounts in Rs. millions, unless otherwise stated)

Balances outstanding as at the year end

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Share capital					
WestBridge Crossover Fund, LLC	108.54	108.54	108.54	108.54	108.54
Aravali Investment Holdings	142.11	142.11	142.11	142.11	105.92
Nexus Opportunity Fund II, Ltd.	29.10	29.10	29.10	29.10	29.10
Nexus Ventures III Ltd	99.62	99.62	99.62	99.62	99.62
Sequoia Capital India Investments III	-	-	-	-	14.49
Sequoia Capital India Growth Investments I	-	-	-	-	21.71
Relative of KMP	0.08	0.08	0.08	0.08	0.08
Key Managerial Personnel	3.55	0.24	3.52	8.44	10.98

Disclosure based on the requirements Of Securities And Exchange Board Of India (Issue of Capital And Disclosure Requirements) Regulations, 2018:

Transaction during the period/year	Name of related party	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Rent received from the subsidiary	India Shelter Capital Finance Limited	0.06	0.06	0.12	-	-
Investment during the year	India Shelter Capital Finance Limited	-	120.00	120.00	-	-

  

Balance as at period/year end	Name of related party	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Investment	India Shelter Capital Finance Limited	120.00	120.00	120.00	-	-
Amount receivable on account of Rent	India Shelter Capital Finance Limited	0.01	0.06	0.12	-	-

41. Earnings per share

Particulars	For the period ended 30 September 2023	For the period ended 30 September 2022	For the year ended 31 March 2023	For the year ended 31 March 2022	For the year ended 31 March 2021
Profits for the year	1,073.54	620.21	1,553.42	1,284.47	873.89
Weighted average number of equity shares for calculating basic earnings per share	83,519,599	87,456,442	87,529,304	86,799,480	85,725,475
Effect of potential ordinary shares on Employee Stock Options and right to subscribe outstanding	937,648	915,842	1,411,462	977,842	2,264,784
Total weighted average number of equity shares for calculating diluted earnings per share	89,457,247	88,372,284	88,940,766	87,777,322	87,990,259
Earnings per share on profit for the year (Face value of Rs. 5 per share)					
a) Basic earnings per share (Rs.)	12.13	7.09	17.75	14.80	10.19
b) Diluted earnings per share (Rs.)	12.00	7.02	17.47	14.63	9.93

\* The Board of Directors of the Company in its meeting held on 12 July 2023 and shareholders in the Extraordinary General Meeting held on 18 July 2023 approved the sub-division of shares from Rs. 10 per share to Rs. 5 per share. The number of shares used for the calculation of earnings per share, and the earnings per share, have been adjusted for pursuant to Paragraph 64 of Ind AS 33 - "Earnings Per Share", prescribed under Section 133 of the Companies Act, 2013.

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42. Lease related disclosures

The Group has leases for office building, branches and related facilities and cars. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right-of-use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublease the asset to another party, the right-of-use asset can only be used by the Group. Some leases contain an option to extend the lease for a further term.

A Lease payments not included in measurement of lease liability

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	30 September 2023	30 September 2022	31 March 2023	31 March 2022	31 March 2021
Short-term leases	12.15	6.47	15.30	8.45	6.76
Leases of low value assets	-	-	-	-	-
Variable lease payments	-	-	-	-	-

B Total cash outflow for leases for the year ended 30 September 2023 was Rs. 30.66 million (30 September 2022: 28.76 million, 31 March 2023: 58.46 million 31 March 2022: 44.62 million & 31 March 2021: 32.17 million).

C The Group has total commitment for short-term leases as at 30 September 2023 Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil 31 March 2021: Nil).

D Maturity of lease liabilities

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

30 September 2023	Minimum lease payments due							Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years		
Lease payments	51.83	47.45	37.14	27.58	12.84	14.28	190.91	
Interest expense	11.59	8.11	5.32	3.00	1.46	1.40	30.87	
Net present values	40.24	39.33	31.82	24.58	11.18	12.89	166.04	

30 September 2022	Minimum lease payments due							Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years		
Lease payments	55.85	40.64	35.17	24.26	14.46	20.14	190.53	
Interest expense	11.28	8.07	5.34	3.43	2.00	2.77	32.90	
Net present values	44.57	32.57	29.83	20.84	12.46	17.37	157.63	

31 March 2023	Minimum lease payments due							Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years		
Lease payments	53.02	42.05	36.91	24.07	11.93	17.14	185.12	
Interest expense	11.10	7.76	5.12	3.08	1.63	2.03	30.71	
Net present values	41.92	34.29	31.79	20.99	10.30	15.11	154.41	

31 March 2022	Minimum lease payments due							Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years		
Lease payments	44.53	32.94	19.91	16.90	5.78	3.79	123.85	
Interest expense	7.87	4.93	2.72	1.40	0.58	0.21	17.71	
Net present values	36.66	28.01	17.19	15.50	5.20	3.58	106.14	

31 March 2021	Minimum lease payments due							Total
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years		
Lease payments	38.44	35.57	20.48	11.34	9.38	5.90	121.11	
Interest expense	6.83	3.92	2.23	1.14	0.66	0.60	15.39	
Net present values	31.61	31.65	18.25	10.20	8.72	5.30	105.72	

E There are no variable lease agreements.

F Information about extension and termination options

As at 30 September 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	160	1 to 7 years	2.60 years	160	-	160
Car lease	6	2-5 years	1.5 years	-	6	6

As at 30 September 2022

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	132	1 to 7 years	2.60 years	132	-	132
Car lease	6	2-5 years	1.5 years	-	6	6

As at 31 March 2023

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	145	1 to 7 years	2.60 years	145	-	145
Car lease	6	2-5 years	1.5 years	-	6	6

As at 31 March 2022

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	104	1 to 7 years	2.60 years	104	-	104
Car lease	2	1-2 years	1.5 years	-	2	2

As at 31 March 2021

Right of use assets	Number of leases	Range of remaining term	Average remaining lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
Office premises	122	1 to 8 years	2.60 years	122	-	122
Car lease	5	3-4 years	2.5 years	-	5	5

G The total future cash outflows as at 30 September 2023 for leases that had not yet commenced is of Rs. Nil (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Nil).

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43. Employee Stock Option Scheme

The Group provides Employee Stock option schemes to its employees. For the year ended 31st March 2023 following Employee Stock Option Plans (ESOPs) were in existence. The relevant details of the schemes and the grants are as below

Particulars	ESOP 2012					
	Date of grant	01 October 2012	01 October 2013	15 March 2014	22 January 2015	08 June 2016
Exercise price	Rs. 13.27 per option	Rs. 14.18 per option	Rs. 16.84 per option	Rs. 20.32 per option	Rs. 83.20 per option	
Vesting dates:						
Tranche I*	01 October 2013	01 October 2014	01 October 2014	21 January 2016	09 June 2017	
Tranche II*	01 October 2014	01 October 2015	01 October 2015	21 January 2017	09 June 2018	
Tranche III*	01 October 2015	01 October 2016	01 October 2016	21 January 2018	09 June 2019	
Tranche IV*	01 October 2016	01 October 2017	01 October 2017	21 January 2019	09 June 2020	

\* Grant on 01 October 2012, 01 October 2013, 15 March 2014 and 22 January 2015 to be vested equally in each tranche. However, option granted on 08 June 2016 to be vested in the ratio of (3:5:7)

Particulars	ESOP 2017							
	Date of grant	31 January 2018	15 February 2019	17 May 2019	13 August 2019	04 November 2019	01 July 2020	17 September 2020
Exercise price	Rs. 118.40 per option	Rs. 150.01 per option	Rs. 179.92 per option	Rs. 184.55 per option	Rs. 169.36 per option	Rs. 187.60 per option	Rs. 197.80 per option	
Vesting dates:								
Tranche I (10% of the options granted)	31 January 2019	15 February 2020	17 May 2020	13 August 2020	04 November 2020	01 July 2021	17 September 2021	
Tranche II (20% of the options granted)	31 January 2020	15 February 2021	17 May 2021	13 August 2021	04 November 2021	01 July 2022	17 September 2022	
Tranche III (30% of the options granted)	31 January 2021	15 February 2022	17 May 2022	13 August 2022	04 November 2022	01 July 2023	17 September 2023	
Tranche IV (40% of the options granted)	31 January 2022	15 February 2023	17 May 2023	13 August 2023	04 November 2023	01 July 2024	17 September 2024	

Particulars	ESOP 2021						
	Date of grant	31 August 2021	31 August 2021	01 February 2022	31 March 2022	12 May 2022	31 May 2022
Exercise price	Rs. 309.59 per option	Rs. 315.57 per option	Rs. 315.57 per option	Rs. 340.71 per option	Rs. 340.71 per option	Rs. 340.71 per option	Rs. 340.71 per option
Vesting dates:							
Tranche I (20% of the options granted)		31-Aug-22	2-Nov-22	1-Feb-23	31-Mar-23	12 May 2023	31 May 2023
Tranche II (20% of the options granted)		31-Aug-23	2-Nov-23	1-Feb-24	31-Mar-24	12 May 2024	31 May 2024
Tranche III (20% of the options granted)		30-Aug-24	1-Nov-24	1-Feb-25	31-Mar-25	12 May 2025	31 May 2025
Tranche IV (20% of the options granted)		30-Aug-25	1-Nov-25	1-Feb-26	31-Mar-26	12 May 2026	31 May 2026
Tranche V (20% of the options granted)		30-Aug-26	1-Nov-26	1-Feb-27	31-Mar-27	12 May 2027	31 May 2027

Particulars	ESOP 2021							
	Date of grant	01 July 2022	30 July 2022	01 August 2022	03 November 2022	10 February 2023	09 May 2023	28 September 2023
Exercise price	Rs. 340.71 per option	Rs. 340.71 per option	Rs. 340.71 per option	Rs. 340.00 per option	Rs. 340.00 per option	Rs. 340.00 per option	Rs. 340.00 per option	Rs. 204 per option
Vesting dates:								
Tranche I (20% of the options granted)	01 July 2023	30 July 2023	01 August 2023	03 November 2023	10 February 2023	09 May 2024	29-Sep-24	
Tranche II (20% of the options granted)	01 July 2024	30 July 2024	01 August 2024	03 November 2024	10 February 2024	09 May 2025	29-Sep-25	
Tranche III (20% of the options granted)	01 July 2025	30 July 2025	01 August 2025	03 November 2025	10 February 2026	09 May 2026	29-Sep-26	
Tranche IV (20% of the options granted)	01 July 2026	30 July 2026	01 August 2026	03 November 2026	10 February 2026	09 May 2027	29-Sep-27	
Tranche V (20% of the options granted)	01 July 2027	30 July 2027	01 August 2027	03 November 2027	10 February 2027	09 May 2028	29-Sep-28	

Particulars	ESOP 2023						
	Date of grant						27 July 2023
Exercise price							Rs. 204 per option
Vesting dates:							
Tranche I (20% of the options granted)							27-Jul-24
Tranche II (20% of the options granted)							27-Jul-25
Tranche III (20% of the options granted)							27-Jul-26
Tranche IV (20% of the options granted)							27-Jul-27
Tranche V (20% of the options granted)							27-Jul-28

Reconciliation of options under each plan

Particulars	ESOP 2012		ESOP 2017		ESOP 2021		ESOP 2023	
	Number of options	Amount	Number of options	Amount	Number of options	Amount	Number of options	Amount
Outstanding as at 31 March 2020	92,500	53.19	370,000	60.91	-	-	-	-
Granted during the year	-	-	225,000	44.51	-	-	-	-
Forfeited during the year	4,500	0.08	54,000	8.58	-	-	-	-
Exercised during the year	148,750	1.98	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 31 March 2021	809,750	51.14	541,000	66.83	-	-	-	-
Exercisable at the end of the year	809,750	51.14	81,999	12.28	-	-	-	-
Outstanding as at 31 March 2021	809,750	51.14	541,000.00	66.83	-	-	-	-
Granted during the year	-	-	-	-	1,904,595	597.37	-	-
Forfeited during the year	-	-	-	-	22,500	7.00	-	-
Exercised during the year	709,750	49.11	18,500	2.47	-	-	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 31 March 2022	109,000	2.03	522,500	94.38	1,882,095	590.37	-	-
Exercisable at the end of the year	109,000	-	167,000	27.39	-	-	-	-
Outstanding as at 31 March 2022	109,000.00	2.03	522,500.00	94.36	1,882,098	590.37	-	-
Granted during the period	-	-	-	-	343,998	116.80	-	-
Forfeited during the period	-	-	-	-	-	-	-	-
Exercised during the period	26,000.00	0.51	-	-	-	-	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 30 September 2022	75,000.00	1.52	522,500.00	94.36	2,225,193	590.37	-	-
Exercisable at the end of the period	75,000.00	1.52	522,500.00	94.38	2,225,193	590.37	-	-
Outstanding as at 30 September 2022	75,000.00	1.52	522,500.00	94.36	2,225,193	590.37	-	-
Granted during the year	-	-	-	-	435,900	171.39	-	-
Forfeited during the year	-	-	26,600.00	4.70	289,636	94.98	-	-
Exercised during the year	-	-	3,000.00	0.54	2,987	0.93	-	-
Expired during the year	-	-	-	-	-	-	-	-
Outstanding as at 31 March 2023	75,000.00	1.52	493,500.00	89.65	2,357,560	783.64	-	-
Exercisable at the end of the year	75,000.00	1.52	278,200.00	49.34	337,719	106.04	-	-
Outstanding as at 31 March 2023	75,000.00	1.52	493,500.00	89.65	2,357,560	783.64	-	-
Addition in number of options on account of share split*	-	-	493,500.00	2,357,560.00	-	-	-	-
Granted during the period	-	-	-	-	416,500	83.77	2,581,500.00	626.83
Forfeited during the period	-	-	8,000.00	0.78	262,270	44.84	157,000.00	32.03
Exercised during the period	75,000.00	1.52	773,000.00	72.68	798,288	113.07	-	-
Expired during the period	-	-	-	-	-	-	-	-
Outstanding as at 30 September 2023	-	-	206,000.00	16.21	4,150,962	708.49	2,424,500.00	494.80
Exercisable at the end of the period	-	-	206,000.00	16.21	248,081.00	76.25	-	-

The value of the underlying shares has been determined by an independent valuer. The following assumptions were used for calculation of fair value of grants in accordance with Black Scholes model, for options granted during the financial year:

Particulars	31-Mar-21	31-Mar-22	31-Mar-23	30-Sep-22	30-Sep-23
Risk free interest rate	5.89%	5.19% to 6.38%	7.20% to 7.50%	7.20% to 7.50%	7.12% to 7.21%
Expected life of option	-	3.6 yrs to 5.6 yrs	3.6 yrs to 5.6 yrs	3.6 yrs to 5.6 yrs	3.6 yrs to 5.6 yrs
Expected Volatility	62.82%	24% to 29%	20% to 22%	20% to 22%	12.45% to 13.78%
Dividend yield	0%	0%	0%	0%	0%

The risk free interest rates are determined based on the Government bond yields with maturity equal to the expected term of the option. Volatility calculation is based on historical stock prices of relevant stock prices with standard deviation of daily change in index price. The historical period is taken into account to match the expected life of the option. Dividend yield has been considered taking into account the historical and expected rate of dividend on equity share price as on grant date.

\*The Board of Directors of the Company in its meeting held on 12 July 2023 and shareholders in the Extraordinary General Meeting held on 18 July 2023 approved the sub-division of shares from Rs. 10 per share to Rs. 5 per share.



India Shelter Finance Corporation Limited  
 Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
 (All amounts in Rs. millions, unless otherwise stated)

44. Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended September 30, 2023

Name of the entity in the Group	Net Assets, i.e., total assets		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Parent</b> India Shelter Finance Corporation Limited	99.07%	13,622.41	99.66%	1,069.89	100.00%	(49.22)	99.64%	1,020.67
<b>Subsidiary</b> India Shelter Capital Finance Limited	0.93%	127.25	0.34%	3.66	0.00%	-	0.36%	3.66
Non-controlling Interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>TOTAL</b>	<b>100.00%</b>	<b>13,749.66</b>	<b>100.00%</b>	<b>1,073.55</b>	<b>100.00%</b>	<b>(49.22)</b>	<b>100.00%</b>	<b>1,024.33</b>

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended September 30, 2022

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Parent</b> India Shelter Finance Corporation Limited	98.94%	11,299.36	99.88%	619.48	100.00%	(15.30)	99.88%	604.18
<b>Subsidiary</b> India Shelter Capital Finance Limited	1.06%	120.74	0.12%	0.74	0.00%	-	0.12%	0.74
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>TOTAL</b>	<b>100.00%</b>	<b>11,420.10</b>	<b>100.00%</b>	<b>620.22</b>	<b>100.00%</b>	<b>(15.30)</b>	<b>100.00%</b>	<b>604.92</b>

Additional information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31, 2023

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Parent</b> India Shelter Finance Corporation Limited	99.00%	12,281.48	99.76%	1,549.69	100.00%	(6.23)	99.76%	1,543.46
<b>Subsidiary</b> India Shelter Capital Finance Limited	1.00%	123.79	0.24%	3.73	0.00%	-	0.24%	3.73
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>TOTAL</b>	<b>100.00%</b>	<b>12,405.27</b>	<b>100.00%</b>	<b>1,553.42</b>	<b>100.00%</b>	<b>(6.23)</b>	<b>100.00%</b>	<b>1,547.19</b>

Additional Information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31, 2022

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Parent</b> India Shelter Finance Corporation Limited	100.00%	10,761.27	100.00%	1,284.47	100.00%	(6.89)	100.00%	1,277.58
<b>Subsidiary</b> India Shelter Capital Finance Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>TOTAL</b>	<b>100.00%</b>	<b>10,761.27</b>	<b>100.00%</b>	<b>1,284.47</b>	<b>100.00%</b>	<b>(6.89)</b>	<b>100.00%</b>	<b>1,277.58</b>



Additional information as required by Paragraph 2 of the general instruction of preparation of Consolidated financial statement to Schedule III to the companies Act 2013 for the period ended March 31,2021

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
<b>Parent</b> India Shelter Finance Corporation Limited	100.00%	9,372.69	100.00%	873.89	100.00%	(2.13)	100.00%	871.76
<b>Subsidiary</b> India Shelter Capital Finance Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Non-controlling interests in subsidiary	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>TOTAL</b>	<b>100.00%</b>	<b>9,372.69</b>	<b>100.00%</b>	<b>873.89</b>	<b>100.00%</b>	<b>(2.13)</b>	<b>100.00%</b>	<b>871.76</b>

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India Shelter Finance Corporation Limited  
 Summary of significant accounting policies and other explanatory information on restated consolidated financial information  
 (All amounts in Rs. millions, unless otherwise stated)

45. Disclosure pursuant to the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 ("RBI Securitisation Directions").

A) Disclosure as per the RBI Securitisation Directions for securitisation transactions as an originator:

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
1 No. of special purpose vehicle's (SPV's) sponsored by HFC for securitisation transaction	2	4	3	4	4
2 Total amount of securitised assets as per books of SPV's sponsored by the HFC	779.05	1,072.02	880.55	427.37	390.31
3 Total amount of exposure retained by the HFC to comply with MRR					
i) Off-balance sheet exposures					
a) First loss	-	-	-	-	-
b) Others	-	-	-	-	-
ii) On-balance sheet exposures					
a) First Loss- Cash collateral	65.42	96.81	80.39	60.31	39.20
b) Others- Over collateral	48.86	133.08	94.77	111.88	113.99
4 Amount of exposures to securitisation transactions other than MRR					
i) Off-balance sheet exposures					
a) Exposure to own securitisations					
First loss	-	-	-	-	-
Others	-	-	-	-	-
b) Exposure to third party securitisation					
First loss	-	-	-	-	-
Others	-	-	-	-	-
ii) On-balance sheet exposures towards credit enhancement					
a) Exposure to own securitisations					
First loss	-	8.98	8.98	63.81	63.81
Others	20.61	75.33	20.61	20.52	-
b) Exposure to third party securitisation transaction					
First loss	-	-	-	-	-
Others	-	-	-	-	-
5 Sale consideration received for the securitised assets and gain/loss on sale on account of securitisation	-	790.60	790.60	320.58	-
6 Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.					
7 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.					
Credit Enhancement- Cash collateral					
(a) Amount paid	-	41.70	41.70	23.72	-
(b) Repayment received	-	-	16.42	2.61	-
(c) Outstanding amount	65.42	96.81	80.39	60.31	39.20
8 Average default rate of portfolios observed in the past- Mortgage backed securities	0.35%	1.63%	0.46%	1.85%	2.04%
9 Amount and number of additional/top up loan given on same underlying asset.	-	-	-	-	-
10 Investor complaints					
(a) Directly/Indirectly received and:	-	-	-	-	-
(b) Complaints outstanding	-	-	-	-	-

B) Details of financial assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

During the period, the Group has not sold any financial assets to Securitisation / Reconstruction Company for Asset Reconstruction (30 September 2022: Nil, 31 March 2023: Nil, 31 March 2022: Nil & 31 March 2021: Nil)

46. Disclosure pursuant to the Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 ("RBI TLE Directions").

(a) Details of loans not in default transferred through assignment.

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Entity	Bank/ Financial Institutions	Bank/ Financial Institutions	Bank/ Financial Institutions	Bank/ Financial Institutions	Bank/ Financial Institutions
Count of loan accounts assigned	3165.00	1711.00	4,833	3,714	3,468
Amount of loan account assigned	2408.42 Million	1650.55 Million	4,409.12 Million	2,732.68 Million	1,694.94 Million
Retention of beneficial economic interest (MRR)	10%	10%	10%	10%	10%
Weighted average maturity (Residual Maturity)	9.4 Years	9.41 Years	9.16 Years	8.93 years	9.06 years
Weighted average holding period	1.00 Years	1.04 Years	0.89 Years	1.55 years	2.17 years
Coverage of tangible security coverage (LTV)	40.53%	41.93%	40.63%	40.32%	37.82%
Number of transactions	4	3	7	7	3
Rating wise distribution of rated loans	Unrated	Unrated	Unrated	Unrated	Unrated

(b) Details of loans not in default transferred through Co-Lending

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Entity	Bank	-	Bank	-	-
Count of loan accounts assigned	301	-	7	-	-
Amount of loan account assigned	298.47 Million	-	5.98 Million	-	-
Retention of beneficial economic interest (MRR)	20%	-	20%	-	-
Weighted average Residual Tenure of the loans transferred	10.99 Years	-	10.95 Years	-	-
Weighted average holding period	0.31 Years	-	0.25 Years	-	-
Coverage of tangible security coverage (LTV)	44.39%	-	44%	-	-
Number of transactions	1	-	1	-	-
Rating wise distribution of rated loans	Unrated	-	Unrated	-	-

(c) The Group has not acquired any loan assets during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021 in terms with the RBI TLE Directions.

(d) The Group has not transferred/acquired any stressed loan during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

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**India Shelter Finance Corporation Limited**  
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**(All amounts in Rs. millions, unless otherwise stated)**

**47 COVID impact for year ended 31 March 2022 and 31 March 2021**

The COVID-19 pandemic has adversely impacted the economic activities across the globe and changed the customer behaviour, which may persist. Based on the available information from internal and external sources, the Group has used prudent judgements, estimates and possible forward-looking scenarios to assess the impact of COVID-19 on the provisions in accordance with the expected credit loss (ECL) method on loans and other financial assets. Given the dynamic and evolving nature of the pandemic, these estimates are subject to uncertainties and may be affected by the severity, duration of the pandemic and other variables.

**48 Key Analytical Ratios**

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Debt -Equity Ratio</b>	<b>2.38 times</b>	<b>2.23 times</b>	<b>2.41 times</b>	<b>1.92 times</b>	<b>1.59 times</b>
Total Debts to Total Assets (Gross Debt/Gross Assets) (Gross Debt/Gross Assets) (Year)	0.69	0.58	0.70	0.64	0.61
<b>Net Profit Margin (%)</b> (PAT/Revenue from operation)	<b>27.81%</b>	<b>23.44%</b>	<b>26.58%</b>	<b>28.67%</b>	<b>27.58%</b>
<b>Gross NPA ratio (DPD &gt; 90 days)</b> (Gross DPD 90+ loans/Gross Loan Assets)	<b>0.98%</b>	<b>2.12%</b>	<b>1.06%</b>	<b>1.63%</b>	<b>1.92%</b>
<b>Gross NPA ratio</b> (Gross Stage 3 loans/Gross Loan Assets)	<b>1.00%</b>	<b>2.79%</b>	<b>1.13%</b>	<b>2.12%</b>	<b>1.92%</b>
<b>Net NPA ratio</b> (Net Stage 3 loans/Net Loan Assets)	<b>0.72%</b>	<b>2.16%</b>	<b>0.85%</b>	<b>1.60%</b>	<b>1.37%</b>
<b>Provision Coverage ratio</b> (Stage 3 Provision/Gross Stage 3 loans)	<b>26.74%</b>	<b>23.61%</b>	<b>25.99%</b>	<b>25.47%</b>	<b>29.61%</b>

**49 Disclosure as per RBI notification no.DOR.No.BP.BC/3/21.04.048/2020-21 dated 21.08.2020 on resolution framework for COVID-19- related stress**

**For year ended 30 September 2023**

Type of Borrower	Exposure (\$) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half Year	Exposure (\$) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loan**	209.08	10.89	1.35	21.35	186.29
Corporate Persons* of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>209.08</b>	<b>10.89</b>	<b>1.35</b>	<b>21.35</b>	<b>186.29</b>

**For year ended 30 September 2022**

Type of Borrower	Exposure (\$) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half Year	Exposure (\$) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loan**	254.77	55.31	0.02	15.05	189.38
Corporate Persons* of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>254.77</b>	<b>55.31</b>	<b>0.02</b>	<b>15.05</b>	<b>189.38</b>

**For year ended 31 March 2023**

Type of Borrower	Exposure (\$) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half Year	Exposure (\$) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loan**	189.38	8.07	0.01	10.77	209.08
Corporate Persons* of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>189.38</b>	<b>8.07</b>	<b>0.01</b>	<b>10.77</b>	<b>209.08</b>

**For year ended 31 March 2022**

Type of Borrower	Exposure (\$) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half Year	Exposure (\$) to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loan**	251.29	31.22	0.06	14.83	254.77
Corporate Persons* of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>251.29</b>	<b>31.22</b>	<b>0.06</b>	<b>14.83</b>	<b>254.77</b>

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

(\$) Principal outstanding (including capitalised interest) is for live restructured accounts classified as standard as on September 30, 2022.

(#) Principal outstanding (including capitalised interest) is for live restructured accounts (including sub-standard accounts as on Sep 30, 2022) classified as standard as on March 31, 2023

\*\*Personal loans includes housing loan & non housing loan.

50 The Group does not hold any immovable property other than disclosed in Note 11 as on 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021. All the lease agreements are duly executed in favour of the Group for properties where the Group is the lessee.

51 The Group has taken borrowings from banks and financial institutions and utilised them for the specific purpose for which they were taken as at the Balance sheet date. Unutilised funds as at 30 September 2023 are held by the Group in the form of short term deposits/investments till the time the utilisation is made subsequently.

52 There have been no transactions which have not been recorded in the books of accounts, that have been surrendered or disclosed as income during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021, in the tax assessments under the Income Tax Act, 1961. There have been no previously unrecorded income and related assets which were to be properly recorded in the books of account during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

53 i) The Group has not traded or invested in Crypto currency or Virtual Currency during the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

ii) The Group has not entered into any scheme of arrangement.

iii) The Group has complied with the number of layers prescribed under clause (B7) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017 for the financial period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

iv) No proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder, as at 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

v) The Group 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 period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

54 The Group, as part of its normal business, grants loans and advances, makes investment, provides guarantees to and accept from its customers, other entities and persons. These transactions are part of Group's normal business, which is conducted ensuring adherence to all regulatory requirements.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ('Intermediaries') with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate beneficiaries). The Group has also not received any fund from any parties (Funding party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the funding party ('Ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate beneficiaries



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55 All charges or satisfaction are registered with ROC within the statutory period for the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021. No charges or satisfactions are yet to be registered with ROC beyond the statutory period.

**56 Reconciliation of audited financial statements with restated financial statements:**

**Material Restatement Adjustments**

The accounting policies applied as at and for each of the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021 are consistent with those adopted in the preparation of financial statements for the period ended 30 September 2023.

These Restated Financial Information has been compiled from the Historical audited financial statements and

- (a) there were no changes in accounting policies during the years of these financial statements
- (b) there were no material amounts which have been adjusted for in arriving at profit/loss of the respective years, and
- (c) there were no material adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Financial Statements of the Company and the requirements of the SEBI Regulations.

**Material Regroupings**

Appropriate regroupings have been made in the restated consolidated summary statements of assets and liabilities, profit and loss and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Consolidated Financial Statements of the Group for the year ended 31 March 2023 prepared in accordance with Schedule III of the Act, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the SEBI ICDR regulations, as amended.

**Reconciliation of total equity as per audited financial statements with total equity as per restated financial information:**

Summarised below are the restatement adjustments made to the total equity as per the audited financial statements of the Company for each of the period ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021 and their consequential impact on the equity of the Company.

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Total equity (as per audited financial statements)	13,748.66	11,420.09	12,405.28	10,781.27	9,372.69
Material restatement adjustments:	-	-	-	-	-
<b>Total equity (as per restated financial information)</b>	<b>13,748.66</b>	<b>11,420.09</b>	<b>12,405.28</b>	<b>10,781.27</b>	<b>9,372.69</b>

**Reconciliation of total comprehensive income as per audited financial statements with total comprehensive income as per restated financial information:**

Summarised below are the restatement adjustments made to total comprehensive income as per the audited financial statements of the Company for each of the periods ended 30 September 2023, 30 September 2022, 31 March 2023, 31 March 2022 and 31 March 2021.

Particulars	As at 30 September 2023	As at 30 September 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
<b>A. Total comprehensive income as per audited financial statements</b>	<b>1,024.33</b>	<b>604.91</b>	<b>1,547.19</b>	<b>1,277.58</b>	<b>871.76</b>
<b>B. Adjustments:</b>					
(i) Audit qualifications	-	-	-	-	-
(ii) Adjustments due to prior period items / other adjustments	-	-	-	-	-
<b>Total Adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>C. Total comprehensive income as per Restated Financial Information (A+B)</b>	<b>1,024.33</b>	<b>604.91</b>	<b>1,547.19</b>	<b>1,277.58</b>	<b>871.76</b>

**Other Non-adjusting Items**

a. Audit qualifications for the respective years, which do not require any adjustments in the restated financial Statement are as follows:

There are no audit qualifications in auditor's report for the period ended 30 September 2023, 30 September 2022, March 31, 2023, March 31, 2022 and March 31, 2021.

b. Other Matter not requiring adjustments to the restated financial Statement:

There are no other matters which require any adjustment for the period ended 30 September 2023, 30 September 2022, March 31, 2023, March 31, 2022 and March 31, 2021.

For T R Chadha & Co LLP  
 Chartered Accountants  
 Firm's Registration No.: 006711N/0500028

Aashish Gupta  
 Partner  
 Membership No.: 097343



Place: Gurugram  
 Date: 13 November 2023

For and on behalf of the Board of Directors of  
 India Shelter Finance Corporation Limited

Sudhin Bhagwandas Choksey  
 Chairman and  
 Non-Executive Director  
 DIN: 09036095  
 Place: Ahmedabad  
 Date: 13 November 2023

Aashish Gupta  
 Chief Financial Officer

Place: Gurugram  
 Date: 13 November 2023



*Rupinder Singh*

Rupinder Singh  
 Managing Director and Chief  
 Executive Officer  
 DIN: 03153382  
 Place: Gurugram  
 Date: 13 November 2023

Mukti Choplot  
 Company Secretary  
 Membership No. 36326

Place: Gurugram  
 Date: 13 November 2023