



Nestavia Home Finance Private Limited



First Annual Report – FY 2024-25

Vision statement

“Empowering homeownership dreams with innovative financing, exceptional service, and unwavering integrity.”



Mission statement

“To be the most trusted and innovative home financing partner, making a lasting positive impact on the well-being of all stakeholders.”

Core Values

A new age home finance company with **CRISP framework** as core values for potential homeowners of affordable homes in rural areas in alignment with ESG framework:



Customer-Centricity with Market Insight

We put customers first in terms of financial inclusion, gender empowerment, etc. by combining market expertise with personalized solutions to exceed expectations.



Reliable Risk Management

We build trust through robust risk management, consistent quality through evolved underwriting standards, and transparent communication.



Innovative Excellence with Intelligent Technology

We harness technology and expertise to deliver cutting-edge solutions, optimizing collateral management and driving innovation.



Speed and Supportive Partnerships

We respond swiftly, fostering collaborative relationships with customers, partners, and stakeholders to achieve shared success.



Passionate Performance Culture with Purpose

We drive lasting positive impact, fuelled by a performance-oriented culture that rewards innovation, teamwork, and customer satisfaction, guided by integrity and purpose.

Corporate Information

Board of Directors:

Independent Directors

Dr. Nivedita P Haran
Mr. Venkataraman S

Executive Directors

Mr. Suchindran V G, *MD & CEO*

Statutory Auditors

M/s N C Rajagopal & Co.
Chartered Accountants
22, Krishnaswamy Avenue,
Luz Church Road, Mylapore,
Chennai - 600 004.
Tamil Nadu, India.

Senior Management Team:

President & Chief Business Officer

Mr. Venkatesh K P

SVP & Head – Business Intelligence

Mr. Ramesh N

SVP & National Credit Head

Mr. Sankara Krishnan G V

VP & Head – Finance

Ms. Lakshmi Priya K

Company Secretary & Compliance Officer

Ms. Aruna V

Bankers

State Bank of India, Chennai
ICICI Bank Limited, Chennai
IDFC First Bank Limited, Chennai

Registered Office

Unit 005 - Cowrks, 2nd Floor, 2nd Wing,
Sterling Technopolis, No. 4/293, OMR,
Perungudi, Chennai - 600096.
Tamil Nadu, India.

Key Registrations

CIN: U64920TN2024PTC174499
LEI: 6488706YT60A0P3RIO17
RBI Regn No: DOR-00188

Registrar & Transfer Agent

KFin Technologies Limited
Selenium Tower - B,
Plot No.31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500032.
Telangana, India.

Contact Details

Phone: +91 44 4606 5151
Email: IR@nestaviahomefin.in
Website: <https://www.nestaviahomefin.com>

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Message from the MD and CEO

Dear Shareholders,

Nestavia Home Finance Private Limited (hereinafter referred to as “Nestavia” or “Company”) began its journey with incorporation on 06 November 2024 with a focus on providing the best possible home financing solutions for potential homeowners to experience the joy of home ownership with the primary objective of meeting a social need of encouraging home ownership by providing long-term finance in the semi-urban and rural areas. As a new age Company with CRISP framework as core values in alignment with ESG framework, Nestavia envisions a world where every individual and family have a place to call home.

“Nestavia Home Finance was formed with a focus on providing the best possible home financing solutions for potential homeowners to experience the joy of home ownership with the primary objective of meeting a social need of encouraging home ownership.”

One of the key steps taken even before Incorporation was the focus on establishing a sound corporate governance structure with an eminent board of directors. It started from the very beginning with one of the First Directors being an independent director and the Board has since expanded to two independent directors, each of whom comes with significant experience in their domain.

The next step was to appoint a well-reputed audit firm as the statutory auditors of the Company. Post expansion of the capital base to Rs.30 Crores after infusion of additional equity share capital, the approval for registration was sought from Reserve Bank of India (RBI) as a non-banking finance company – housing finance company (NBFC-HFC) on 07 January

2025. The Certificate of Registration (CoR) dated 07 April 2025 was received from RBI. The business commenced immediately post that on 16 April 2025.

During the period, the key focus was on-boarding of the senior management team. I am personally glad that we were able to have a very strong Founding Team and an amazing senior management team with rich experience in financial services of over 150 years. The senior management team will be responsible for day-to-day operations under the guidance of the Board of Directors.

In parallel, another key focus area was the evaluation of an integrated technology platform which takes care from the stage of lead origination to loan origination and then on to loan management with added support through a dedicated App for customers and another dedicated App for collections.

Since the business of home loans and mortgage loans requires a strong underwriting framework, we focused on developing proprietary credit assessment methodology using the Nestavia Location Potential scorecard (LPS), based on objective parameters. Just like how GPS is useful to navigate the journey, LPS would be used to commence the journey at each branch in a scientific manner. The entire credit process will be automated to ensure seamless integration with the underwriting framework as well as to act as information storage with robust back-up and to ensure availability of audit trail.

The business plan is prepared with a clear vision and strategy to focus on operating efficiency and productivity by leveraging technology and

hands-on training of the processes to be followed for better customer experience guided by the PPT approach of People, Process and Technology. Given the deep understanding of the markets and the customer segments, the primary goal post commencement of business is to achieve break-even in the near term and build a sustainable organization.

At Nestavia, the mission is to optimize the balance among the three key stakeholders, namely customers, employees and investors so that the focus of the well-being of all stakeholders is given paramount importance. We believe success is a journey which comes as a result of hard work, persistence of efforts and dedicated focus. It is our ability to stay committed, make small steps, take consistent efforts, keep learning, evolving and improving based on experiences and to endure that will enable us to emerge as the most trusted and well-respected company in the housing finance industry.

“At Nestavia, we believe success is a journey which comes as a result of hard work, persistence of efforts and dedicated focus. It is our ability to stay committed, make small steps, take consistent efforts, keep learning, evolving and improving based on experiences and to endure that will enable us to emerge as the most trusted and well-respected company in the housing finance industry.”

Directors' Report

Dear Shareholders,

Your Directors' have immense pleasure in presenting the first annual report of Nestavia Home Finance Private Limited (hereinafter "Nestavia" or "Company") together with the audited financial statements for the period from 06 November 2024 to 31 March 2025.

Background:

Nestavia was founded to provide the best possible home financing solutions for potential homeowners to experience the joy of home ownership with the primary objective of meeting a social need of encouraging home ownership in alignment with PMAY 2.0 by providing long-term finance in semi-urban and rural areas. As a new age Company with CRISP framework as core values in alignment with ESG framework, Nestavia envisions a world where every individual and family have a place to call home. Nestavia's mission is to empower people to achieve their dreams of home ownership through innovative financing solutions, exceptional customer experiences, and a commitment to integrity. With every loan, Nestavia is not just financing a home, it is intended to build a foundation for a brighter future.

Nestavia was incorporated on November 06, 2024, and had applied for the Certificate of

Registration as a Non-Banking Finance Company-Housing Finance Company (NBFC-HFC) on 07 January 2025, with the Reserve Bank of India (RBI). Post scrutiny, the RBI granted the Certificate of Registration (CoR) to the Company dated 07 April 2025, to commence its operation as a non-deposit taking NBFC-HFC.

Financial Results:

This summary is from the date of incorporation:

Amount in Rs. Lakhs

Particulars	Period ended 31 March 2025
Gross Income	67.66
Less: Employee cost	45.51
Other Operating Cost	53.70
(Loss)/Profit Before Tax	(31.55)
Less: Tax Expenses	0.00
(Loss)/Profit After Tax	(31.55)
Balance Carried Forward	(31.55)
Earnings per share (basic)	(0.11)
Earnings per share (diluted)	(0.11)

Dividend:

In the absence of profits, your Directors' do not recommend for any dividend for the year under review.

Transfer to Reserves:

In the absence of profits, your Company has not made any transfers to reserves during the period under review.

Deposits:

The Company had applied for and was subsequently registered as NBFC-ND and does not accept any deposits. Hence, no deposit was accepted from the public for the period ended 31 March 2025.

Share Capital:

The Company was incorporated with the Authorized Share Capital of Rs. 15,00,000/- divided into 1,50,000 Equity Shares of face value Rs. 10/- each fully paid-up. During the year, your Company's Authorized Share Capital was increased to Rs. 30,00,00,000/- divided into 3,00,00,000 Equity Shares of face value Rs. 10/- each.

The Company allotted 2,68,65,000 Equity Shares of face value Rs. 10/- each at an issue price of Rs. 10/- per equity share on Rights basis to the existing shareholder of the Company, as authorized by the Board of Directors at their meeting held on November 29, 2024.

As of March 31, 2025, the Authorized Share Capital of the Company is fully issued and paid-up.

Networth:

The Company needs to have a minimum Networth of Rs.20 Crores to seek and hold Certificate of Registration as a non-deposit taking NBFC-HFC and post the infusion of Rs.30 Crores of Equity Share Capital during the financial year, the Networth was at Rs.29.68 Crores as on 31 March 2025.

Operational Highlights:

The Company has not commenced any operations during the period since incorporation till 31 March 2025, as the Certificate of Registration from the RBI as a non-deposit taking NBFC-HFC was issued only on 07 April 2025.

Some of the highlights for the period ended 31 March 2025, are as follows:

- 1) The Company infused a capital of Rs.30 Crores during the period.
- 2) The Company had applied for Certificate of Registration as NBFC-HFC with RBI on 07 January 2025 and replied to the RBI's subsequent queries as well.
- 3) The Company has completed the demat of its equity shares with National Securities Depository Limited (NSDL) as the Depository and Kfin Technologies Limited (Kfintech) as the Registrar & Share Transfer Agent (RTA).

- 4) The Company had obtained the Start-Up India Registration.
- 5) The Company had applied for trademark registration both word mark for name and device mark with logo.

Market Overview:

As per 2011 census, India has ~331 million houses of which only 130 million houses were in good habitable condition. As per the census, out of 331 million houses, 80% houses were used for residence purpose and residence-cum-other use purpose. Further, out of 245 million houses which were occupied, 53% was classified as 'good habitable condition', followed by 41% as 'liveable habitable condition' and remaining 5% as 'dilapidated habitable condition'.

In a country like India, real estate is one of the largest investments for a majority of people in their lifetime and holds significant importance. As per the household finance committee report issued by the RBI in 2017, the average Indian household holds 77% of its total asset in real estate (residential buildings, buildings used for farm and non-farm activities, constructions such as recreational facilities, and rural and urban land,) followed by gold, durable goods, financial assets and retirement accounts.

India has very low penetration in terms of housing finance as compared to its rising peers which shows a high potential for expansion of Indian housing finance companies. The Housing finance market

continues to face supply constraints from Banks and NBFCs, particularly for the lower income. The housing shortage continues where the economically weaker section (EWS) accounts for ~56% of the shortage and lower Income Group (LIG) approximately accounts for ~39% of housing shortage in urban regions. The demand for new houses continues due to the formation of multiple single families out of one large joint family and higher affordability with demand shifting to the younger population.

Future outlook:

Nestavia will commence the business operations as per the regulatory guidelines and in compliance with all the regulatory requirements.

The business plan is prepared with a clear vision and strategy to focus on operating efficiency and productivity by leveraging technology and hands-on training for better customer experience guided by an eminent Board consisting of independent directors with extensive experience and the senior management team with a deep understanding of the markets and the customer segments to achieve break-even in the near term and build a sustainable organization.

During the first year of operations, Nestavia will focus on these key elements to give a strong foundation in terms of implementing the technology, training the team and building robust processes and systems

backed by Board approved policies in line with regulations as envisaged by RBI and NHB.

In the coming years, Nestavia's comprehensive focus and attention towards the initiatives in terms of innovative approach through customer friendly practices by leveraging the technology and a motivated team backed by extensive training with strong emphasis on good governance will be differentiating Nestavia Home Finance as a new age housing finance company.

Capital Infusion & Change in Ownership Structure:

The Company was capitalized with Rs. 15 Lakhs at the time of incorporation and through a rights issue to the existing shareholders, the capital was increased to Rs. 30 Crores in November 2024. Since the issue was made to existing shareholders who are under the Promoter category, there is no change in the Ownership Structure of the Company. The Networth was Rs.29.68 Crores at the time of making the application to RBI for Certificate of Registration.

Bank Borrowings:

During the year, the Company had not availed loans from any banks or financial institutions.

RBI Guidelines:

The Company has complied with all applicable regulations of the Reserve bank of India.

Compliance:

The Company has complied with all the mandatory regulatory compliances as required under the Companies Act, 2013 and the rules made thereunder, various tax statutes and other regulatory bodies.

Board of Directors:

During the year period 31 March 2025, the following changes took place in the constitution of the Board.

Mr. Suchindran VG, who was the First Director of the Company was appointed as the Managing Director & CEO with effect from 15 November 2024, for the period of five years by the Board.

Mr. Venkataraman S, Independent and Non-Executive Director, who was also the First Director of the Company was appointed as an Independent Director for a period of five years with effect from 06 November 2024, by a resolution passed by the Board on 19 November 2024.

Both the appointment of Mr. Suchindran VG, as Managing Director & CEO and Mr. Venkataraman S, as an Independent Director, were regularized at the Extra-ordinary

general Meeting (EGM) of the Company held on 20 November 2024. In addition, at the EGM, Ms. Nivedita P Haran was appointed as an Independent and Non-Executive Director, to hold office for a period of five years with effect from 20 November 2024.

Key Management Personnel:

At the first Board Meeting held on 15 November 2024, Mr. Suchindran V G, who was the First Director of the Company, was appointed as Managing Director and Chief Executive Officer for a period of five years.

Ms. Aruna V was appointed as Company Secretary and Compliance Officer in the third Board meeting held on 20 January 2025.

Statutory Auditors:

M/s. N. C. Rajagopal & Co., Chartered Accountants, Statutory Auditors of the Company retire at the ensuing Annual General Meeting and have expressed their willingness to be appointed as Statutory Auditors, and the Board hereby recommends their appointment to the Shareholders for a term of two years.

Subsidiary / Joint Ventures / Associate Companies:

As on 31 March 2025, the Company does not have any subsidiaries, joint ventures or associate companies.

Material changes and commitments:

There are no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Corporate Governance Report:

A report on Corporate Governance is attached and forms part of the Directors' Report.

Committees:

Details on composition of various Committees of the Board and number of Meetings of Board & Committees are given in the Corporate Governance Report.

Internal Financial control:

The Company's resources are directed and monitored in a properly controlled manner. Procedures are set so as to detect and prevent frauds and to protect the Company's resources. The financial statements are prepared in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India [ICAI].

Risk Management:

The Company has formed a robust risk management committee to monitor the

internal and external risks which might arise out of macro-economic factors, regulatory changes and geo-political scenario. The committee will ensure to develop effective risk governance and risk management framework to identify, measure and mitigate risks in the coming years.

Extract of the Annual Return:

In terms of provisions of Section 92 and Section 134(3)(a) of the Act the copy of Annual Return of the Company in form MGT-7 shall be available on the website of the Company at

<https://www.nestaviahomefin.com>.

Statement of Declaration from Independent Directors:

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold the highest standards of integrity. In terms of Section 150 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors of the Company have registered themselves with the data bank of Independent Directors created and maintained by the Indian Institute of Corporate Affairs, Manesar.

The Company has received necessary declaration from the Independent Directors under Section 149(7) of the Companies Act, 2013 that he / she meets the criteria of

independence laid down in Section 149(6) of the Companies Act, 2013.

Auditors' Report:

The Auditors did not make any qualification, reservation or adverse remark or disclaimer on the financial statements prepared as per Section 133 of Companies Act, 2013, and notes on Accounts annexed thereto.

Particulars of Loans, Guarantees or Investments under Section 186 of Companies Act, 2013:

The Company being applied for and subsequently registered as a Non-Banking Financial Company, provisions of Section 186 of the Companies Act, 2013, is not applicable. However, during the period ended 31 March 2025, there were no loans or guarantees given or taken and no investments were made.

Particulars of Contracts or Arrangements with Related Parties under Section 188(1) of Companies Act, 2013:

The Company has not entered into any transaction with the related parties in terms of Section 188 of the Companies Act, 2013, during the period under review.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The Company has no activity relating to conservation of energy and technology absorption and the requirement of disclosure of particulars relating to conservation of energy and technology absorption in terms of Rule 8 of the Companies (Accounts) Rules, 2014 does not arise. There were no foreign exchange earnings or outflow during the period.

Particulars of Employees:

In accordance with the provisions of Rules 5(2) and 5(3), of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the name and other particulars of employees are set out in the annexure forming part of the Annual Report. However, the copy of Annual Report to be sent to the members of the Company, as per provisions of Section 136 (1) of the Companies Act, 2013, read with relevant proviso to that section, is being sent excluding the aforesaid information. The said information is available for inspection at the Registered Office of the Company. Any member interested in obtaining such particulars may write to the Company and the same will be furnished without any fee and free of cost.

Dematerialization of Shares:

The equity shares of the Company have been admitted for dematerialization by National Securities Depository Limited (NSDL) through Kfin Technologies Limited (Kfintech) as the RTA with ISIN No. INE1K0601016.

Board Meetings held during the period:

During the period, three meetings of the Board of Directors were held on 15 November 2024, 24 November 2024, and 20 January 2025, and the gap between two meetings were not more than 120 days.

Directors Responsibility Statement:

To the best of their knowledge and belief, and according to the information and explanations obtained by them, your Directors confirm the following in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in preparation of the financial statements for the period ended 31 March 2025, the generally accepted accounting principles (GAAP) of India and applicable accounting standards issued by Institute of Chartered Accountants of India have been followed.
- b. that appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a

true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for period ended 31 March 2025.

- c. that the Company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. that the Company has established internal control systems, consistent with its size and nature of operations and were followed by the Company. These systems are reviewed and updated on an on-going basis.
- e. that the Company has prepared the annual accounts on a going concern basis.
- f. that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively.

Disclosure of Orders passed by Regulators or Courts or Tribunal:

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

Disclosure as per the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the POSH Act"):

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. A 'Prevention of Sexual Harassment' Policy (POSH Policy), which is in line with the statutory requirements, along with a structured reporting and redressal mechanism, including the constitution of Internal Complaints Committee (ICC) in accordance with the provisions of the POSH act is in place.

During the year, no complaints were received and resolved under the provisions of the POSH Act.

Vigil Mechanism:

The Company has established a Vigil Mechanism for its Directors and employees to report their genuine concerns about unethical or illegal practices without fear of retaliation. The Whistle-Blower policy encompassing the Vigil Mechanism is displayed on the website of the Company along with the POSH policy which addresses the grievances of employees as required under the POSH Act.

The grievances of various other stakeholders of the Company will be promptly addressed by the Grievance Redressal Officer of the

Company, the contact details of whom is displayed on the website.

Employees Relationship:

The employees at all ranks of the Company have extended their whole-hearted cooperation to the Company for the smooth conduct of the affairs of the Company and the employee relations of the Company have been cordial. Your Directors wish to place on record their appreciation to all the employees for their contribution to the performance of the Company.

Acknowledgement:

Your Directors' take this opportunity to thank you the shareholders, employees, bankers' auditors, Reserve Bank of India, other Regulatory authorities for their co-operation and continued support to the Company. We look forward to their continued patronage and encouragement in all our future endeavours.

**On behalf of the Board of Directors,
For Nestavia Home Finance Private Limited,**

Sd/-

Sd/-

Date: 23 April 2025
Place: Chennai

Nivedita P Haran
Independent Director
DIN: 06441500

Suchindran V G
Managing Director & CEO
DIN: 10828949

Report on Corporate Governance

Corporate Governance is the commitment of an organization to follow ethics, fair practices and transparency in all its dealings with its various stakeholders such as Customers, Employees, Lenders, Investors, Government and the Community at large. Sound corporate governance is the result of external marketplace commitment and legislation plus a healthy board culture which directs the policies and philosophy of the organization. Your Company is committed to good Corporate Governance in all its activities and investment advisory processes.

Corporate Governance Philosophy

Nestavia Home Finance Private Limited's philosophy on corporate governance envisages adherence to the highest levels of accountability, transparency and fairness, in all areas of its operations and in all interactions with its stakeholders. The Board shall work to ensure the success and continuity of the Company's business through the appointment of qualified management and through on-going

monitoring to assure the Company's activities are conducted in a responsible, ethical and transparent manner.

Board of Directors

In terms of the Corporate Governance philosophy all statutory and other significant material information is placed before the Board of Directors to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the Shareholders. The Board currently consists of three Directors. There are two Independent Directors apart from the Managing Director and CEO. The Company is in the process of inducting one more independent director.

During the period ended 31 March 2025, three (3) Board Meetings were held with a gap of not more than four months between any two meetings. Particulars of the Directors' attendance to the Board Meeting and particulars of their other company directorships and committee memberships are given below:

Name / Date of Appointment	Nature of Directorship	No. of directorships excluding the Company	Board Meetings attended (Meetings held after the appointment as Director till Resignation, wherever applicable)
Mr. Suchindran V G (06 November 2024)	Managing Director & CEO (First Director)	Nil	3(3)
Mr. Venkataraman S (06 November 2024)	Independent and Non- Executive Director (First Director)	3	3 (3)
Ms. Nivedita P Haran (20 November 2024)	Independent and Non- Executive Director	1	2 (2)

Changes in Board Constitution

During the year ended 31 March 2025, the following changes took place in the constitution of the Board.

At the first Board Meeting held on 15 November 2024, Mr. Suchindran V G, who was the First Director of the Company, was appointed as Managing Director and Chief Executive Officer for a period of five years.

Mr. Venkataraman S, Independent and Non-Executive Director, who was the First Director of the Company was appointed as an Independent Director for a period of five years with effect from 19 November 2024.

In addition, at the Extra-ordinary general Meeting of the Company held on 20

November 2024, Ms. Nivedita Haran was appointed Independent and Non-Executive Director, to hold office for a period of five years.

Committees of the Board

During the year, the Audit Committee, Risk Management Committee and Nomination & Remuneration Committees of the Board were constituted on 24 November 2024. The Board fixes the terms of reference of committees and the delegated powers from time to time. The minutes of the meetings of the committees will be circulated to the Board for its information and confirmation.

Audit Committee:

The Audit Committee was duly constituted, on 24 November 2024, as required under the Companies Act, 2013 and RBI Master Directions, as amended from time to time. No meetings were held during the year.

The Audit Committee shall provide advice and overall guidance to the Company's Board of Directors regarding the audit, accounting policies, and internal control practices of the Company.

Terms of reference**Constitution:**

The Audit Committee of Directors shall comprise of three or more directors, out of which not less than 2/3rd shall be independent directors.

All members of the Audit Committee including the Chairperson shall have the ability to read and understand financial statements.

Chairperson:

(i) The Chairperson of Audit Committee shall be an independent director.

(ii) The Chairperson shall be appointed by the Board. In case the Chairperson is not present at any Audit Committee meeting, the members present at the meeting shall, amongst themselves, elect a Chairperson for that particular meeting.

(iii) The Chairperson of the Audit Committee shall be present at the Annual General Meeting (AGM) to answer shareholders queries.

Meetings:

(i) The Audit Committee shall meet at least 4 times in a year and gap between 2 meetings shall not exceed 120 days. The Audit Committee shall also meet at such times as the Chairperson or any Member of the Audit Committee may deem appropriate.

(ii) The quorum for meetings of Audit Committee shall be at-least two members or 1/3rd of the members, whichever is greater, including at-least two independent directors in attendance.

(iii) The Audit Committee shall meet in person, except in extraneous circumstances when it may meet through video conferencing or other audio-visual means, in accordance with the procedure prescribed in the Companies (Meetings of Board and its powers) Rules, 2014, as amended and Secretarial Standard on Meetings of the Board of Directors.

(iv) The Members of the Audit Committee shall be entitled to sitting fees for attending meetings of the Committee, as may be fixed by the Board, from time to time.

(v) The minutes of the meetings of the Audit Committee shall be recorded and maintained in accordance with the relevant provisions of

the Companies Act, 2013, or any enactment or amendment or modification thereto and applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Invitees:

(i) The Audit Committee may invite such of the whole-time directors, representatives of statutory and internal auditors and such other executives of the Company, as it may deem appropriate to be present at its meetings.

(ii) The statutory auditor and the internal auditors shall have the right to be heard at the meetings of the Audit Committee when it considers their report but shall not have right to vote.

(iii) The Company Secretary of the Company shall act as the Secretary to Audit Committee and shall attend meetings thereof.

Role:

The Audit Committee shall consider and review the following matters and perform such other duties that may be assigned to it by the Board, from time to time, including but not limited to:

▪ **Auditors:**

a) Recommend to the Board the appointment, re-appointment, if required removal / replacement of statutory and internal auditor, remuneration and terms

of appointment of statutory and internal auditor of the Company.

- b) Discuss with statutory auditors before the audit commencement, about the nature and scope of audit and post audit discussions to ascertain any area of concern.
- c) Approve payments to be made in respect of any other services rendered by statutory auditors.
- d) Review and monitor the statutory auditor independence and performance and effectiveness of the audit process.
- e) Review with management, performance of statutory and internal auditors and adequacy of internal control systems.
- f) Review the adequacy of the internal audit function, including structure of policy implementation and process monitoring, staffing, reporting structure and frequency of audit.
- g) Review internal audit reports relating to internal control weaknesses and discuss with internal auditors, if deemed necessary, of any significant findings and follow up thereon.
- h) Review findings of internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board.
- i) Review management letters / letters of internal control weaknesses issued by the statutory auditors, if any.
- j) Review information system audit report and discuss any significant findings, if

deemed necessary, with information system auditors.

▪ **Financial Statements and report thereon:**

- a) Oversight of financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Review with management, the quarterly financial statements (including statement of cash flows for the period) before submission to the Board for its approval.
- c) Review with the management, the annual financial statements and auditor's report, before submission to the Board for its approval, with particular reference to;
- d) Matters to be included in directors' responsibility statement under Sec. 134 of the Companies Act, 2013:
 - Changes if any, in accounting policies and practices.
 - Major accounting entries involving estimates based on exercise of judgment management.
 - Significant adjustment made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements as applicable.
 - Disclosure of related party transactions; and
 - Modified opinion(s) in draft audit report.

- e) Review of Management Discussion and Analysis of the financial conditions and results of operations.

▪ **Related Party Transactions:**

- a) Approval or any subsequent modification of transactions of the Company with related parties and grant of omnibus approval for related party transactions proposed to be entered by the Company.
- b) Review statement of related party transactions including details of related party transactions entered pursuant to grant of omnibus approval on a quarterly basis.

▪ **Fraud Monitoring:**

- a) Review compliance with the guidelines on Reporting and Monitoring of Frauds issued from time to time by RBI, NHB or any other regulator and
- b) The Fraud Risk Management Policy of the Company as far as it relates to this Committee.

▪ **Governance:**

- a) Oversee the vigil / whistle blower mechanism and review the safeguards in place against victimization of employees and directors who avail of such mechanism and ensure adequate provision is there to provide direct access to the Chairperson of the Audit Committee, in appropriate or exceptional cases.

b) Review compliance with the provisions of regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 on a periodic basis, as applicable and verify that the systems for internal control are adequate and operating effectively.

▪ **Miscellaneous:**

- a) Evaluation of the internal financial controls and risk management systems.
- b) Reviewing and monitoring the end use of funds raised through an issue of securities.
- c) Review of adherence to compliance with the KYC & AML Policy of the Company, assess the efficacy of the measures taken by the Company to prevent instances of material non-adherence.
- d) Scrutiny of inter-corporate loans and investments.
- e) Valuation of undertakings or assets of the Company, wherever it is necessary.
- f) Look into reasons for substantial defaults in the payment to debenture holders, shareholders [in case of non-payment of declared dividends] and creditors.
- g) Approve the appointment of the Chief Financial Officer (CFO) (whole-time finance director or any other person heading the finance function or discharging that function), after assessing the qualification, experience and background etc. of the candidate.
- h) Review statements of deviation in relation to utilisation of proceeds of rights

issue, preferential issue etc., from the objects stated in offer document, as applicable:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

- i) The management of the Company shall provide necessary support and information through presentations, notes, documents / papers, reports, etc. to the Audit Committee in order to appropriately carry out the functions mentioned above.
- j) The Audit Committee shall perform such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made thereunder or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable laws, as amended from time to time or as may be assigned by Board from time to time.

Powers:

The Audit Committee be and is hereby vested with the power to investigate any activity within the terms of reference, seek information from any employee, obtain outside legal counsel or other professional

advice and secure their attendance if necessary.

Report:

The Chairperson of the Audit Committee shall apprise the Board on the recommendations made by it on any matter under these terms of reference. The minutes of the meeting of the Committee duly approved, shall be tabled at the meeting of the Board of Directors of the Company for its noting.

The role and responsibilities of the Committee shall include, but not be restricted to:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor and the audit fees for the same
3. Reviewing, with the management, the quarterly and annual Financial Statements before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section 5 of section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the Financial Statements arising out of audit findings
 - e. Compliance with accounting and other legal requirements relating to Financial Statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft Audit Report.
4. Reviewing, with the management, performance of Statutory and Internal Auditors, adequacy of the internal control systems.
5. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
6. Discussion with Internal Auditors any significant findings and follow up there on.
7. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
8. Discussion with Statutory Auditors before the audit commences, about the nature

and scope of audit as well as post-audit discussion to ascertain any area of concern.

9. Laying down and review of procedures relating to risk assessment & risk minimization to ensure that executive management controls risk through means of a properly defined framework.
10. Credit and Portfolio Risk Management.
11. Operational and Process Risk Management.
12. Laying down guidelines on KYC norms
13. Review on quarterly basis the securitization/bilateral assignment transactions and investment activities of the Company.
14. Annual review of the Company's Policies framed pursuant to RBI Guidelines and suggests changes, if any required, to the Board for adoption.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses.

Composition

The Committee currently has three members who have extensive experience across banking, government regulations and policies, and financial services:

1. Mr. Venkataraman S, Chairperson
2. Ms. Nivedita P Haran
3. Mr. Suchindran V G

Nomination and Remuneration Committee:

The Nomination and Remuneration committee was duly constituted, on 24 November 2024, as required under the Companies Act, 2013 and RBI Master Directions, as amended from time to time. No meetings were held during the year.

The Nomination & Remuneration Committee shall provide advice and overall guidance to the Company regarding the nomination of Directors, implementation and monitoring of ESOP Schemes and remuneration practices of the Company.

Terms of reference

Constitution:

- (i) The Nomination and Remuneration Committee (NRC) shall comprise of 2 or more non-executive directors, out of which not less than one half shall be independent directors.

Chairperson:

- (i) The Chairperson of NRC shall be an independent director.

(ii) The Chairperson shall be appointed by the Board. In case the Chairperson is not present at any NRC meeting, the members present at the meeting shall, amongst themselves, elect a Chairperson for that particular meeting.

The Chairperson of the NRC or, in her absence, any other member of NRC authorised by her in this behalf shall attend the general meetings to answer shareholders' queries; however, it shall be upon the Chairperson of the general meeting to decide who shall answer the queries at such meetings.

Meetings:

(i) The NRC shall meet at-least once in a year and also at such times as the Chairperson or any Member of the NRC may deem appropriate.

(ii) The quorum for meetings of the NRC shall be at-least two Members or one third of the Members, whichever is greater, including at-least one Independent Director in attendance.

(iii) The NRC shall meet in person, except in extraneous circumstances when it may meet through video conferencing or other audio-visual means, in accordance with the procedure prescribed in the Companies (Meetings of Board and its Powers) Rules, 2014, as amended.

(iv) The Members of the NRC shall be entitled to sitting fees for attending meetings of the Committee, as may be fixed by the Board, from time to time.

(v) The minutes of the meetings of the NRC shall be recorded and maintained in accordance with the relevant provisions of the Companies Act, 2013, or any enactment or amendment or modification thereto and the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Invitees:

(i) The NRC may invite such of the whole-time directors and/ or other executives of the Company as it may deem appropriate to be present at its meetings.

(ii) The Company Secretary of the Company shall act as the Secretary to NRC and shall attend meetings thereof, except in case of interested / sensitive matters.

Role:

The NRC shall consider and review the following matters and perform such other duties that may be assigned to it by the Board, from time to time, including but not limited to:

▪ **Nomination:**

(i) The NRC shall identify persons who are qualified to become Directors of the Company and who may be appointed in senior management in accordance with the fit and proper criteria laid down and recommend to the Board their appointment and removal.

(ii) The NRC shall formulate and recommend to the Board the criteria for determining qualifications, positive attributes and independence of a director and for evaluating their performance as well as a policy on Board Diversity.

(iv) For every appointment of an independent director, the NRC shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

(v) The NRC shall review and ensure that the persons who are proposed to be appointed/ re-appointed as the whole-time directors of the Company meet the conditions as set out in Part I of Schedule V to the Companies Act, 2013 or any re-enactment or amendment or modification thereto.

(vi) The NRC shall review the declarations and undertakings received from the directors confirming that they continue to meet the Fit and Proper criteria for Directors, as required

guidelines issued from time to time by RBI, NHB or any other regulator.

(vii) The NRC shall review the agreement(s) and/or deed(s) to be executed with any director to be appointed/re-appointed, including but not limited to the Deed of Covenant as required under the guidelines issued from time to time by RBI, NHB or any other regulator.

▪ **Evaluation:**

(i) The NRC shall specify the criteria/ manner for effective evaluation of performance of Board, its Committees and individual Directors of the Company to be carried out either by the Board, by itself or by an independent external agency and review its implementation and compliance.

(ii) The NRC shall determine whether to extend or continue the term of appointment of directors on the basis of the report of performance evaluation of the concerned director(s).

▪ **Compensation:**

(i) The NRC shall formulate and recommend to the Board a Remuneration Policy for all Directors, Key Managerial Personnel, Senior Management and other employees of the Company. While formulating the policy, to ensure that –

- a. the level and composition of remuneration is reasonable and sufficient to attract, retain and

motivate directors of the quality required to run the company successfully;

b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

(ii) The NRC shall recommend to the Board, all remuneration payable to the senior management as defined in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in whatever form. [‘Senior Management’ shall have the same meaning as defined under Regulation 16(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time]

(iii) NRC shall review and approve the payment of remuneration and change in remuneration payable to managing director(s) and other whole-time directors and ensure that such remuneration is within the overall limits as set out in Section 197, read with Schedule V and other applicable provisions of the Companies Act, 2013 or any re-enactment or amendment or modification thereto and subject to such limits, terms and

conditions, as may be approved by the Members of the Company, from time to time.

(iv) To act as the Compensation Committee in terms of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(v) The NRC shall review and recommend to the Board the payment of profit related commission to the Chairperson of the Company within the overall limits as may be approved by the shareholders of the Company, in terms of Section 197 of the Companies Act, 2013.

(vi) The NRC shall have the authority to formulate, adopt, administer, enforce and modify the employee stock option schemes of the Company, including grant of options to eligible employees under the employee stock option schemes of the Company, in accordance with the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 and other applicable laws.

▪ **Miscellaneous:**

The NRC shall perform such other functions as may be required under the relevant provisions of the Companies Act, 2013, the Rules made thereunder or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable laws, as amended from time to time.

Powers:

The NRC shall be vested with the following powers:-

- (i) To obtain advice from auditors or lawyers or experts as it may deem appropriate and to secure their attendance.
- (ii) To call for records, documents or seek explanations from Officer(s) of the Company or auditors or lawyers or experts as it may deem appropriate, whether or not as part of any investigation into violation of the policies of the Company.

Report:

The Chairperson of the NRC shall apprise the Board on the recommendations made by it on any matter under these terms of reference. The minutes of the meeting of the Committee duly approved, shall be tabled at the meeting of the Board of Directors of the Company for its noting.

Composition

The Committee currently has two independent members as members who have extensive experience across banking, government regulations and policies and financial services:

1. Ms. Nivedita P Haran, Chairperson
2. Mr. Venkataraman S

Risk Management Committee:

The Risk Management committee was duly constituted, on 24 November 2024, as required under the Companies Act, 2013 and RBI Master Directions, as amended from time to time. No meetings were held during the year.

The Risk Management Committee shall review, monitor and oversee the implementation of the risk management policies and provide advice and overall guidance to the Company regarding the risk management practices and systems including the strengthening of credit standards.

Terms of reference**Constitution:**

- (i) The Risk Management Committee (RMC) shall comprise of two independent directors (one of whom shall also act as the Chairperson of the Committee) and Managing Director & Chief Executive Officer and such other members as the Board of Directors may decide from time to time. The Committee shall comprise minimum of three members with majority being the Independent Directors.
- (ii) The Company Secretary of the Company shall act as the Secretary to the Committee.

Chairperson:

- (i) The Chairperson shall be an Independent Director.
- (ii) The Chairperson shall be appointed by the Board. In case the Chairperson is not present

at RMC meeting, the members present at the meeting shall, amongst themselves, select a Chairperson for that particular meeting.

Meetings:

(i) The RMC shall meet at least once in every financial year and also at such times as the Chairperson or any Member of the RMC may deem appropriate.

(ii) The quorum for the meetings of the RMC shall be at least two members or one third of the members, whichever is higher and should have at least one Independent Director in attendance

(iii) The RMC may meet in person, or through video conferencing or other audio-visual means.

(iv) The Members of the Committee, who are non-executive, shall be entitled to sitting fees for attending meetings of the Committee, as may be fixed by the Board, from time to time.

(v) The minutes of the meetings of the Committee shall be recorded and maintained.

Invitees:

In addition to the Company Secretary, the Committee may invite such officers of the Company to participate in the meeting, but such meetings may also be held without their presence.

Role:

(i) Formulate a detailed Risk Management Policy which *inter alia* shall include a framework for identification of internal and

external risks specifically faced by the Company including financial, operational, sectoral, sustainability (particularly Environmental, Social and Governance related risks), information, cyber security risks or any other risks as may be determined by the Committee, risk mitigation measures, and business continuity plan and recommend the said Policy and any amendments thereto to the Board for its approval;

(ii) Monitor and oversee the implementation of the risk management policy, including evaluating the adequacy of the risk management systems.

(iii) Review the Risk Management Policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.

(iv) Ensure that appropriate methodology, processes and systems are in place to monitor, evaluate and report risks associated with the business of the Company;

(v) Review the adequacy of the existing measures to mitigate risks covering various functions of the Company;

(vi) Recommend to the Board the appointment, removal and terms of remuneration of the Chief Risk Officer in conformity with the applicable regulations.

(vii) The Committee shall perform such other functions as may be required under the relevant provisions of the Securities and Exchange Board of India (Listing Regulations and Disclosure Requirements) Regulations, 2015, any other applicable laws and various

circulars issued by the regulatory authorities thereof, as amended from time to time.

Powers:

The Committee shall be vested with the following powers:-

- (i) To investigate any activity within the terms of reference.
- (ii) To obtain advice from auditors or lawyers or experts, retain services of external consultants for redressing issues relating to and arising from risk management framework as it may deem appropriate and to secure their attendance.
- (iii) To call for any information, documents, records from any officers of the Company for ascertaining the adherence to the policies, procedures and standards laid for monitoring evaluating and reporting of risks.

Report:

- (i) The Committee shall apprise the Audit Committee and the Board on the risk profile of the Company atleast once in every financial year. Further, the minutes of the meeting of the Committee duly approved, shall be tabled at the subsequent meeting of the Board of Directors of the Company for its noting.
- (ii) The Committee shall coordinate with such other committees of the Company as deemed relevant and as required from time to time with relation to any activity within the terms of reference.

Composition

The Committee currently has three members with two independent members as members who have extensive experience across banking, government regulations and policies and financial services:

- 1. Mr. Venkataraman S, Chairperson
- 2. Ms. Nivedita P Haran
- 3. Mr. Suchindran V G

Remuneration of Non-Executive Directors

As a policy, the Company pays the sitting fees of Rs.20,000/- for every Board meeting to Independent Directors and Rs. Rs.15,000/- for attending Audit or NRC Committees constituted of the Board and Rs. Rs.10,000/- for all other Committee meetings, with effect from 15 November 2024.

General Body Meetings

During the period from 06 November 2024 to 31 March 2025, one Extraordinary General Meetings were held as per details given below:

Date	Type of meeting	Time	Venue
20 November 2024	EGM	10.00 am	Registered office of the Company

All the proposed resolutions were passed by the shareholders as set out in their respective Notices.

Corporate Governance Policy

In accordance with the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the Company has framed its Internal Guidelines on Corporate Governance guidelines, in order to enable adoption of best practices and great transparency in the business operations.

Compliance Report

The board reviews the compliance of all applicable laws every quarter and gives appropriate directions, wherever necessary.

Code of Conduct

The Company has a duly approved Code of Conduct policy for the Employees, Senior Management and the Directors of the Company in place. The Code identifies and lists out various elements of commitment, duties and responsibilities that serves as a basis for taking ethical decision-making in the conduct of day-to-day professional work.

Risk Management

The Company keeps the Board informed periodically of the significant risks associated with the business of the company and the various risk identification and mitigation processes put in place by the management.

Disclosures

The particulars of transactions between the Company and its related parties, as defined in Accounting Standard 18, are set out in the financial statements. There were no material transactions with related parties i.e., transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large.

General Shareholder Information

Financial year: April 1 to March 31

Shareholding pattern as on 31 March 2025

Equity Share Capital:

Category	Number of Shares	% of total
Founders & their Relatives	3,00,00,000	100.00%
Total	3,00,00,000	100.00%

Address for Correspondence

Nestavia Home Finance Private Limited

Unit 005 - Cowrks, 2nd Floor, 2nd Wing,
Sterling Technopolis, No. 4/293, OMR,
Perungudi, Chennai - 600096.
Tamil Nadu, India.

Telephone: +91 44 4606 5151

E-mail: IR@nestaviashomefin.com

Website: <https://www.nestaviashomefin.com>

**On behalf of the Board of Directors,
For Nestavia Home Finance Private Limited,**

Sd/-

Sd/-

Nivedita P Haran
Independent Director

Suchindran V G
Managing Director & CEO

Date: 23 April 2025

Place: Chennai

Independent Auditors' Report

TO THE MEMBERS OF **NESTAVIA HOME FINANCE PRIVATE LIMITED**

Report on Financial Statements

1. Opinion

We have audited the financial statements of **NESTAVIA HOME FINANCE PRIVATE LIMITED** (“the company”), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, the cash flow statement for the period then ended, notes to financial statements for the period then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and **Loss** and the Cash Flows for the period ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Emphasis Of Matter

We draw attention to Note No. 1 of the Financial Statements, which refers to the grant of Certificate of Registration by the Reserve Bank of India to conduct the business of a Non-Banking Financial Company - Housing Finance Company, without accepting public deposits, dated 07 April 2025 under Section 29A of the National Housing Bank Act, 1987.

Our Opinion is not modified regarding this matter.

4. Information Other than Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report, including Annexure to Board's Report, but doesn't include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. In this regard, as there is no misstatement based on our examination of the books, we have nothing to report in this regard.

5. Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

6. Auditor's Responsibility for the Audit of the Financial Statements

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

the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

7. Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow statement dealt with by this Report are in agreement with the books of accounts.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) This report does not include report with respect to adequacy of internal financial control over the financial reporting of the company and operative effectiveness of such controls since the turnover of the company does not exceed Rs.50 crores and the borrowings from banks, financial institutions and any other body corporate at any point during the Financial year does not exceed Rs.25 Crores.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 25 to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind

of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, as on the date of this Audit Report, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 25 to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on the audit procedure performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014 contain any material misstatement.

- v. The Company has not declared dividend during the year.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and has been preserved by the company as per the statutory requirements for record retention.

For N.C. Rajagopal & Co.

Chartered Accountants

Firm Reg No: 003398S

Sd/-

Arjun S

(Partner)

Place: Chennai

Membership No. 230448

Date: 23 April 2025

UDIN: 25230448BMIMXV6115

ANNEXURE – A TO THE AUDITOR’S REPORT
[Referred to in Para 7 (I) of our report of even date]

i)

(a)

A. The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

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

(b) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable property and hence, reporting under this clause of the Companies (Auditor’s Report) Order, 2020 does not arise.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.

(e) Based on the information and explanations given to us, there have been no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii)

(a) Based on the books and records verified by us, the Company does not hold any inventory. Hence, reporting under Clause (ii) (a) of the Companies (Auditor’s Report) Order, 2020 does not arise.

(b) The Company has not been sanctioned working capital limits at any point of time of the year. Hence, reporting under Clause (ii) (b) of the Companies (Auditor’s Report) Order, 2020 does not arise.

iii) Based on the examination of records of the Company and information and explanation given to us, during the year the Company has not made investments in, or provided any guarantee or security or loans, to companies, firms, Limited Liability Partnerships or any other parties. Hence, para 3(a) to 3 (f) is not applicable to the company.

iv) In our opinion and according to the information and explanations given to us, the Company has not provided any loans, investments, guarantees or security as envisaged under Section 185 and Section 186 of the Companies Act 2013.

v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under or under the directives of the Reserve Bank of India. Hence, reporting under clause (v) of the Companies (Auditor's Report) Order, 2020 does not arise.

vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost record under Section 148(1) of the Companies Act, 2013 in respect of the company.

vii)

a) According to the information and explanations given to us and as per our verification of the records of the Company, in our opinion, the company is regular in depositing undisputed statutory dues including Income Tax, Goods and Services Tax, Employees Provident Fund, Employees State Insurance, Customs Duty, Excise Duty and other statutory dues applicable to it and there are no statutory dues outstanding for a period of more than six months from the date they become payable as on the last day of the financial year.

b) According to the information and explanations given to us and as per our verification of the records of the Company, there are no statutory dues required to be deposited on account of any dispute. Hence, reporting under this clause does not arise.

viii) According to the information and explanations given to us and as per the records of the Company, there have been no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year.

ix) According to the information and explanations given to us and as per the records of the Company, there have been no loans availed during the period. Hence clauses (a), (c), (d) and (f) are not applicable to the company.

c) The Company has not been declared as a willful defaulter by any bank or financial institution or other lender.

e) The company does not have any subsidiaries, associates or joint ventures. Hence, reporting under this clause does not arise.

x)

- a) Based on the information and explanations given to us, the Company has not raised moneys by way of a Further Public Offer or Initial Public Offer (including debt instruments) during the year.
- b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Hence, reporting under clause (x) (b) of the Companies (Auditor's Report) Order, 2020 does not arise.

xi)

- a) According to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.
- b) No report under section 143 (12) of the Companies Act, 2013 has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanation given to us, there have been no whistle blower complaints received by the Company during the year. Hence, reporting under clause (xi) (c) of the Companies (Auditor's Report) Order, 2020 does not arise.

xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Hence, reporting under clauses (xii) (a) to (c) of the Companies (Auditor's Report) Order, 2020 does not arise.

xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements etc., as required by the applicable accounting standards.

xiv)

- a) Based on the information and explanations given to us and in our opinion, the Company has an internal audit system commensurate with the size and nature of its business
- b) Based on the information and explanations given to us, appointment of Internal Auditor is not applicable to the Company as per the provisions of the Company Act, 2013 and the rules made thereunder. Accordingly, appointment of Internal Auditor and reporting under Clause (xiv) (b) of the Companies (Auditor's Report) Order, 2020 does not arise.

xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with them. Hence, reporting under Clause (xv) of the Companies (Auditor's Report) Order, 2020 does not arise.

xvi)

a) According to the information and explanations given to us, the company is a housing finance company and has been granted registration under section 29A of the National Housing Bank Act, 1987 post the balance sheet date, on 07 April 2025.

b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c) In our opinion, the Company is not a Core Investment Company (CIC) and hence, reporting under Clause (xvi) (c) of the Companies (Auditor's Report) Order, 2020 does not arise.

d) According to the information and explanations given to us, the Group does not have more than one CIC as part of the Group.

xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has incurred cash losses during the current financial year amounting to Rs. 31.55 lakhs. Since the company was formed during the current financial year, reporting as per the immediately preceding financial year does not arise.

xviii) Based on the information and explanations given to us, there has been no resignation of the Statutory Auditors during the year. Hence, reporting under clause (xviii) of the companies (Auditor's Report) order, 2020 does not arise.

xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, in our opinion, no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing on the balance sheet date as and when they fall due within a period of one year from the balance sheet date.

xx) According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of section 135 (5) of the Companies Act, 2013 are not applicable to the Company. Hence, reporting under Clause (xx) of the Companies (Auditor's Report) Order, 2020 does not arise.

xxi) In our opinion, the company does not have to prepare consolidated financial statements. Hence, reporting under Clause (xxi) of the Companies (Auditor's Report) Order, 2020 does not arise.

For **N.C. Rajagopal & Co.,**
Chartered Accountants
Firm Reg No: 003398S

Sd/-

Arjun S
(Partner)

Place: Chennai

Date: 23 April 2025

Membership No. 230448

UDIN: 25230448BMIMXV6115

Balance Sheet

Particulars	Note No.	31 March 2025
		(Amount in Rs. Lakhs)
A. Equity and Liabilities		
(1) Shareholders' funds		
(a) Share Capital	3	3,000.00
(b) Reserves and Surplus	4	(31.55)
		2,968.45
(2) Non-Current Liabilities		
Deferred Tax Liabilities	5	0.00
(3) Current Liabilities		
(a) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	6	-
- Total outstanding dues of creditors other than micro enterprises and small		1.86
(b) Other current liabilities	7	3.18
		5.04
Total		2,973.48
B. Assets		
(1) Non-Current Assets		
Fixed Assets	8	
- Tangible Fixed Assets	8.1	0.20
- Intangible Fixed Assets	8.2	0.20
Other Non-Current Assets	9	13.85
		14.26
(2) Current Assets		
(a) Cash and Bank Balances	10	2,948.54
(b) Other Current Assets	11	10.68
		2,959.22
Total		2,973.48

Summary of significant accounting policies

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **N C Rajagopal & Co**
Chartered Accountants
Firm's Registration Number - 003398S

Sd/-
Arjun S
Partner
Membership No: 230448

Place: Chennai
Date: April 23, 2025

for and on behalf of the Board of Directors of
Nestavia Home Finance Private Limited

Sd/- **Sd/-**
Nivedita P Haran **Suchindran V G**
Independent Director MD and CEO
DIN: 06441500 DIN: 10828949

Sd/-
V. Aruna
Company Secretary and Compliance Officer
Membership No.: 30387

Statement of Profit and Loss

Particulars	Note No.	Period from 06 November 2024 to 31 March 2025
		(Amount in Rs. lakhs)
Revenue		
Other Income	12	67.66
Total Revenue (I)		67.66
Expenses		
Employee Benefits Expense	13	44.51
Depreciation and Amortisation Expense	14	0.09
Other Expenses	15	53.61
Total Expenses (II)		99.21
Profit/(Loss) Before Tax (I-II)		(31.55)
Tax Expenses		
a) Tax Expenses for the Current Period		-
b) Deferred Tax		0.00
		0.00
Profit/(Loss) for the Period		(31.55)
Earnings per share (of Rs.10 each)		
Basic		(0.11)
Diluted		(0.11)

Summary of significant accounting policies

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **N C Rajagopal & Co**
Chartered Accountants
Firm's Registration Number - 003398S

for and on behalf of the Board of Directors of
Nestavia Home Finance Private Limited

Sd/-

Arjun S
Partner
Membership No: 230448

Sd/-

Nivedita P Haran
Independent Director
DIN: 06441500

Sd/-

Suchindran V G
MD and CEO
DIN: 10828949

Sd/-

Place: Chennai
Date: 23 April 2025

V. Aruna
Company Secretary and Compliance Officer
Membership No.: 30387

Cash Flow Statement

Particulars	Period from 06 November 2024 to 31 March 2025
	(Amount in Rs. lakhs)
Cash Flow from Operating Activities:	
Profit / (Loss) before Tax	(31.55)
<u>Adjustments for:</u>	
Depreciation and Amortisation Expense	0.09
Operating Loss before Working Capital Changes	(31.46)
<u>Changes in working capital:</u>	
Adjustments for (increase)/decrease in Operating Assets:	
Increase in Other Assets	(10.68)
Increase in Other Non-Current Assets	(13.85)
Adjustments for increase/(decrease) in Operating Liabilities:	
Increase in Trade Payables	1.86
Increase in Other Current Liabilities	3.18
Cash used in operations	(50.96)
Net income taxes Paid/(Refunded) – Net	0.00
Net Cash used in Operations Activities (A)	(50.96)
Cash Flow from Investing Activities:	
Capital Expenditure on fixed assets (including capital advances)	(0.50)
Increase in Bank Balances	(2512.39)
Net Cash used in Investing Activities (B)	(2512.89)
Cash Flow from Financing Activities:	
Proceeds from Issue of Share Capital	3,000.00
Net cash generated from Financing Activities (C)	3,000.00
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	436.15
Cash and Cash Equivalents at the beginning of the period	-
Cash and Cash Equivalents at the end of the period	436.15
Cash and cash equivalents at the end of the period comprises of:	
Cash on Hand	-
Balances in Banks	
- Current accounts	9.91
- Deposit accounts with original maturity of 3 months or less	426.24
Cash and Cash Equivalents at the end of the period	436.15

Cash Flow Statement

Summary of significant accounting policies

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

For **N C Rajagopal & Co**
Chartered Accountants
Firm's Registration Number - 003398S

for and on behalf of the Board of Directors of
Nestavia Home Finance Private Limited

Sd/-

Arjun S
Partner
Membership No: 230448

Sd/-

Nivedita P Haran
Independent Director
DIN: 06441500

Sd/-

Suchindran V G
MD and CEO
DIN: 10828949

Place: Chennai
Date: 23 April 2025

Sd/-

V. Aruna
Company Secretary and Compliance Officer
Membership No.: 30387

Notes Forming Part of Financial Statements

Note 1 - Corporate Information

Nestavia Home Finance India Private Limited (hereinafter 'the Company') was incorporated on 06 November 2024. Hence, the financial statements are prepared for the period from 06 November 2024 (Date of Incorporation) to 31 March 2025.

The Company had applied for registration with Reserve Bank of India as a NBFC-HFC on 07 January 2025 and had received the Certificate of Registration dated 07 April 2025 from the Reserve Bank of India vide powers conferred under Section 29A of the National Housing bank Act, 1987 to carry on the business of Housing Finance Institution without accepting public deposits (NBFC-ND-HFC).

The Company have since commenced operations on 16 April 2025 for extending affordable home loans to economically active persons, who are otherwise unable to access finance from the mainstream banking channels in semi urban and rural areas.

Note 2 - Significant Accounting Policies

1. Basis of accounting and preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India (RBI) for Non-Banking Finance Companies – Housing Finance Companies (NBFC-HFC).

2. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period like provision for employee benefits, provisioning for receivables, useful lives of fixed assets, provisioning for taxation etc. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

3. Cash Flow Statement

Cash flows are reported using the indirect method, 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 Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

4. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- i. Interest income on deposits with banks is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- ii. Profit / loss on sale of assets is recognised at the time of sale or scrap.
- iii. All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realisation / collection.

5. Fixed Assets, Depreciation and Impairment

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost includes taxes, duties, freight and incidental expenses directly related to the acquisition and installation of the asset. Subsequent expenditure on fixed assets after their purchase / completion is capitalized, only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance. Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately.

Depreciation on tangible fixed assets is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain categories of assets as provided below, in whose case the life of the assets has been assessed as under taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset and past history of replacements:

Useful life of assets as per Schedule II

Fixed Asset Description	Estimated Useful Life
Buildings	60 Years
Plant and Machinery – Computer Equipment	3 Years
Office Equipment	5 Years
Furniture and Fixtures*	5 Years
Plant and Machinery - Others*	5 Years

* Estimated useful life of these assets are based on usage and replacement policy of such assets.

Improvements to leasehold premises are depreciated over the primary lease period or 5 years, whichever is lower.

Fixed assets costing Rs. 5,000/- or less are fully depreciated in the year / period of purchase.

Intangible assets are amortized over their estimated useful life on straight line method as follows:

Fixed Asset Description	Estimated Useful Life
Intangible Assets – Computer Software	License period or 3 years, whichever is lower

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

The carrying amount of assets is reviewed at each Balance Sheet date to ascertain impairment based on internal or external factors. Impairment is recognised, if the carrying value exceeds the higher of net selling price of the assets and its value in use.

Impairment

The carrying amounts of fixed assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

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

6. Retirement and Other Employee Benefits

i) Defined Contribution Plan

Provident Fund: Contributions to the Employees Provident Fund Scheme maintained by the Central Government are accounted for on an accrual basis.

ii) Defined Benefit Plan

Gratuity: As per the Payment of Gratuity Act, 1972, Section 1, Clause (c) when the establishment has less than 10 employees employed then the provisions for payment of gratuity are not applicable.

The Company, once it reaches 10 employees, will estimate its liability towards employees' gratuity based on actuarial valuation on the projected unit credit method done at the end of each accounting period.

iii) Compensated Absences

As per the policy, the employee will be eligible for PL upon completion of 12 months of service. Hence, provisions for the actuarial valuation for compensated balances are not applicable.

7. Income Taxes

Current tax is the amount of tax payable on the taxable income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Other deferred tax assets are recognized if there is reasonable certainty that there will be sufficient future taxable income available to realize such assets.

8. Goods and Services Tax Input Credit

Goods and Services Tax Input Credit is accounted for in the books in the period when the underlying service received is accounted and when there is no uncertainty in availing / utilising the same.

9. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized 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.

Contingent liability is disclosed for

(i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

(ii) 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 not recognized in the financial statements since this may result in the recognition of income that may never be realized.

10. Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

11. Segment Reporting

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure.

The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by executive Management in deciding how to allocate resources and in assessing performance.

12. Earnings per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) 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 (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares 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. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). 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.

13. Preliminary Expenses

Preliminary expenses are written off fully in the year of commencement of commercial operations.

14. Operating Cycle

Assets and Liabilities are classified as Current and Non-Current based on the Operating Cycle which has been estimated to be 12 months. All assets and liabilities which are expected to be realised and settled, within a period of 12 months from the date of Balance Sheet have been classified as Current and other assets and liabilities are classified as Non-current. All non-performing assets are classified as Non-Current.

Note 3 - Share Capital

	Particulars	As at 31 March 2025	
		No. of Shares	Amount in Rs. Lakhs
3	Share Capital		
(a)	Authorized		
	Equity shares of Rs. 10 each	3,00,00,000	3,000.00
	Total		3,000.00
(b)	Issued, Subscribed and Fully Paid-up		
	Equity shares of Rs. 10 each	3,00,00,000	3,000.00
	Total		3,000.00

3.1 Reconciliation of Shares Outstanding at the beginning and at the end of the Year

Particulars	As at 31 March 2025	
	No. of Shares	Amount in Rs. Lakhs
Equity Shares		
At the Beginning of the Year	-	-
Issued during the Year (Refer Notes below)	3,00,00,000	3,000.00
Outstanding at the End of the Year	3,00,00,000	3,000.00

Notes:

- (1) Initial Capital of Rs.15 Lakhs was brought in at the time of incorporation of the Company.
- (2) Based on Rights issue, the Company allotted 2,98,50,000 Equity Shares of Rs.10 each fully paid-up at a price of Rs.10 per share on 29 November 2024.

Terms/rights attached to Equity Shares

The Company has only one class of equity shares having PAR value of Rs. 10 per share each. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be proportional to the number of equity shares held by the shareholders.

3.3 Details of Shareholders holding more than 5% Shares in the Company

Particulars	As at 31 March 2025	
	No. of Shares	% Holding
Equity Shares of Rs. 10 each		
V.G. Suchindran	2,99,85,000	99.95%

Note 4: Reserves and Surplus

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Reserves and Surplus	(31.55)

Note 5: Deferred Tax Liability/(Asset)

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Balance at the Beginning of the Year	
Deferred Tax Liabilities	
- on Account of Depreciation	0.00
(A)	0.00
Deferred Tax Assets	
- on Account of Gratuity	-
- on Account of other temporary disallowances	-
- on Account of unabsorbed Depreciation and carry forward losses	-
(B)	-
Net Deferred Tax Liability / (Asset)	-
Expense to be recognized / (to be reversed)	-

Note 6: Trade Payables

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Trade Payables	
(a) Total outstanding dues of micro enterprises and small enterprises	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1.86
Total	1.86

Note 7: Other Current Liabilities

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Employee related payables	-
Statutory due payables	3.18
Total	3.18

Note 8: Fixed Assets

	Particulars	Gross Block			Accumulated Depreciation and Impairment				Net Block		
		Balance as at			Balance as at	Balance as at	For the year		Balance as at	Balance as at	Balance as at
		06 November 2024	Additions	Deletions	31 March 2025	06 November 2024	Additions	Deletions	31 March 2025	06 November 2024	31 March 2025
		Amount in Rs. Lakhs									
8.1	Tangible Assets - Owned										
	Computer Equipment	-	0.27	-	0.27	-	0.06	-	0.06	-	0.21
	Sub-Total	-	0.27	-	0.27	-	0.06	-	0.06	-	0.21
8.2	Intangible Assets - Acquired										
	Computer Software		0.23	-	0.23	-	0.03	-	0.03	-	0.20
	Sub-Total	-	0.23	-	0.23	-	0.03	-	0.03	-	0.20
	Grand Total	-	0.50	-	0.50	-	0.09	-	0.09	-	0.41

Note 9: Other Non-Current Assets

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Other non-current assets	
- Security Deposits	13.85

Note 10: Cash and Bank Balances

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Cash and Cash Equivalents	
Cash on Hand	-
Balances with Banks	
- In Current Accounts	9.91
- In Deposits Accounts free of lien (Original maturity of less than 3 months)	426.24
Sub-total	436.15
Bank Balances other than cash and cash equivalents	
- In Deposits Accounts free of lien (Original maturity of more than 3 months)	2,512.39
Sub-total	2,512.39
Cash and Bank Balances Total	2,948.54
Note:	
Of the above, cash and cash equivalent as per AS-3 Cash Flow Statement is	436.15

Note 11: Short Term Loans and Advances

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Prepaid Expenses - Unsecured, Considered Good	1.22
Balances with Government Authorities	
- Service Tax Input Credit - Unsecured, Considered Good	2.29
Advances to Suppliers - - Unsecured, Considered Good	0.43
Advance Tax and TDS (net of Provisions for Tax)	6.74
Total	10.68

Note 12: Revenue

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Other Income	
- Interest Income on Fixed Deposits with Banks	67.66

Note 13: Employee Benefits Expense

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Salaries and Wages	44.23
Contribution to Provident and other Funds	0.57
Staff Welfare Expenses	0.71
Total	45.51

Note 14: Depreciation and Amortization

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Amortization of Intangible Assets	0.03
Depreciation of property, plant and equipment	0.06
Total	0.09

Note 15: Other Expenses

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Rent	10.81
Rates and Taxes	25.85
Information Technology Expenses	0.50
Independent Directors Sitting Fees	1.00
Legal and Professional Charges	11.51

Particulars	As at 31 March 2025
	Amount in Rs. Lakhs
Travelling and Conveyance	0.80
Insurance	0.04
Repairs and Maintenance	0.02
Communication Expenses	0.15
Printing and Stationery	0.45
Bank Charges	0.00
Auditors' Remuneration	
- Statutory Audit	1.31
- Other Services (Certification Fees)	1.18
Others	0.00
	53.61

Note 16: Employee Benefits

16.1 Defined Contribution Plan

The Company makes Provident Fund contributions to EPFO for qualifying employees. The Company is required to contribute at specified rates of the payroll costs to the Fund. The Company recognized Rs. 52,200/- towards Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to the fund by the Company are at rates specified in the rules of the scheme.

16.2 Defined Benefit Plans

During the period from 06 November 2024 to 31 March 2025, the Company has no obligation to fund its gratuity scheme for its employees.

As per the Payment of Gratuity Act 1972, Sec 1, clause (c) when the establishment has less than 10 employees employed then the provisions for payment of Gratuity are not applicable.

16.3 Compensated Absences

Since none of the employees have completed one year in service, the liability towards compensated absences is Nil.

Note 17: Segment Information

The Company has applied for registration with Reserve Bank of India as a NBFC-HFC on 07 January 2025. As the Company received Certificate of Registration from RBI only on 07 April 2025, the Company did not commence

operations in FY 2024-25. During the FY 2025-26, as the Company commenced business on 16 April 2025 for extending affordable home loans to economically active persons who are otherwise unable to access finance from the mainstream banking channels in semi urban and rural locations.

As such there are no separate reportable segments as per AS-17 “Segmental Reporting” issued by the Institute of Chartered Accountants of India.

Note 18: Related Party Disclosures

18.1 Name of Related Parties and Nature of Relationship (with respect to parties with whom the Company had transactions during the period)

Nature of Relationship	Name of the Party
Key Management Personnel	1. Mr. Suchindran V G Managing Director and Chief Executive Officer 2. Ms. Aruna V Company Secretary & Compliance Officer 3. Mr. Venkataraman S Independent Director 4. Ms. Nivedita P Haran Independent Director

Note:

Related Party relationships are as identified by the Management and relied upon by the Auditors.

18.2 Transactions with Related Parties

Transaction	Related Party	For the Period from 06 November 2024 to 31 March 2025
		Amount in Rs.
Income	Nil	
Expenses		
Remuneration	Founder and Other Key Managerial Personnel	10,47,513.00
Issuance of Shares		
Equity Shares issued	Founder	1,35,000 shares
Founder Rights for Purchase of Shares	Founder	2,98,50,000 shares

Managerial Remuneration

i. Managing Director and Chief Executive Officer

Particulars	For the Period from 06 November 2024 to 31 March 2025 (From Date of Joining)
Remuneration	Amount in Rs.
Salaries and Allowances	Rs. 8,59,467.00
Employer Contribution to Provident Fund	Rs. 7,200.00
Total	Rs. 8,66,667.00

ii. **Company Secretary & Compliance Officer**

Particulars	For the Period from 06 November 2024 to 31 March 2025 (From Date of Joining)
Remuneration	Amount in Rs.
Salaries and Allowances	Rs. 1,75,446.00
Employer Contribution to Provident Fund	Rs. 5,400.00
Total	Rs. 1,80,846.00

iii. **Independent and Non-Whole time Directors**

Particulars	For the Period from 06 November 2024 to 31 March 2025 (From Date of Appointment)
Independent Directors' Sitting Fees	Amount in Rs.
Mr. Venkataraman S	Rs. 60,000.00
Ms. Nivedita P Haran	Rs. 40,000.00

18 Operating Lease

The Company has an operating lease agreement primarily for office premises in Chennai and for laptops. The lease term is for 3 years for the premises and 1 year for the laptop. The amount of Rs. 10,13,707/- was paid towards lease rentals for premises and Rs. 66,919/- was paid towards lease rentals for laptops for the year ended 31 March 2025.

The future minimum lease payments for the office premises under operating leases till now contracted are as follows:

Particulars	Expected Minimum Lease Commitment as at 31 March 2025
	Amount in Rs.
Less than One year	53,12,674

Particulars	Expected Minimum Lease Commitment as at 31 March 2025
	Amount in Rs.
Two Years to Five Years	88,91,572
Later than Five Years	-

19 Earnings per Share

Particulars	For the period from 06 November 2024 to 31 March 2025
	Amount in Rs.
Loss after Tax (Rs.)	(31,55,399.82)
Weighted Average Number of Shares used in computing Earnings per Share	3,00,00,000
Earnings per Share	
- Basic / Diluted (Rs.)	(0.11)
Face Value of Shares (Rs.)	10.00

20 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act 2006

The Company has received intimation from “Suppliers” regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 and hence, disclosures, if any, relating to amounts unpaid as at 31 March 2025 together with interest paid / payable as required under the said Act are disclosed accordingly.

Particulars	For the period from 06 November 2024 to 31 March 2025
	Amount in Rs. Lakhs
The amounts remaining unpaid to micro and small suppliers as at end of the year	-
- Principal	
- Interest	

Particulars	For the period from 06 November 2024 to 31 March 2025
	Amount in Rs. Lakhs
The amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)	-
The amount of payments made to the micro and small suppliers beyond the appointed day during each accounting year	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified based on the information collected by the Management. This has been relied upon by the auditors.

21 Commitments and Contingencies

- (I) Estimated amount of contracts, net of advances, remaining to be executed on capital account and not provided for as at 31 March 2025 – Rs. Nil.
- (II) Contingent liabilities not provided for as at 31 March 2025 – Rs. Nil.

22 Expenditure in Foreign Currency – Nil

Particulars	For the Period from 06 November 2024 to 31 March 2025
	Amount in Rs. Lakhs
NA	Nil

23 Deferred Tax

The Company has a deferred tax liability of Rs. 97.54 arising on the timing difference of book and tax depreciation. The Company also has a deferred tax asset on account of losses and unabsorbed tax depreciation which has been restricted to the amount of deferred tax liability on grounds of prudence.

24 Additional disclosures under Schedule III

- (i) Title deeds of Immovable Property not held in the name of the Company - Nil.
- (ii) During the year no revaluation was made for fixed assets.
- (iii) The Company had not granted any loans or advances to promoters, Directors, KMP's and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.
- (iv) Capital-Work-in Progress (CWIP) – Nil.
- (v) Intangible assets under development – Nil.
- (vi) Details of Benami Property held: No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- (vii) Willful Defaulter - The Company is not declared as a willful defaulter by any bank or financial institution or other lender.
- (viii) Relationship with Struck off Companies – Nil.
- (ix) Registration of charges or satisfaction with Registrar of Companies beyond the statutory period – Nil.
- (x) Compliance with number of layers of companies - Not Applicable.

(xi) Ratios:

S. No.	Name of the Ratio	FY 2024-25
1	Current ratio	587.72
2	Debt Equity ratio ¹	Not Applicable
3	Debt Service Coverage ratio ¹	Not Applicable
4	Return on Equity ratio ²	(1.06) %
5	Inventory turnover ratio ³	Not Applicable
6	Trade Receivables turnover ratio ³	Not Applicable
7	Trade Payables turnover ratio ³	Not Applicable
8	Net capital turnover ratio ³	Not Applicable
9	Net profit ratio ⁴	(46.62) %
10	Return on capital employed ⁵	(1.06) %
11	Return on investment ⁶	Not Applicable

Notes:

1. No borrowings made during the period, hence debt equity ratio and debt service coverage ratio are not applicable.

2. ROE = Net profit / (loss) after tax / Net worth
 3. The Company was proposed to be registered as a Non-Banking Financial Company as on 31 March 2025 and subsequently, it received its registration from Reserve Bank of India on 07 April 2025. Being a financial services Company, these ratios on turnover are generally not applicable.
 4. Net profit / (loss) margin = Net profit / (loss) after tax / Total Income.
 5. Return on capital employed = EBIT / Capital Employed (Capital Employed = Total Assets - Current Liabilities)
 6. No investments were made during the period; hence Return on investment ratio is not applicable.
- (xii) Compliance with approved Scheme(s) of Arrangements - Not Applicable.
- (xiii) Utilization of Borrowed funds and share premium - No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee security or the like on behalf of the Ultimate Beneficiaries.
- (xiv) Details of any transaction not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 - Nil
- (xv) Corporate Social Responsibility (CSR): The Provisions of section 135 of the Companies Act are not Applicable to the company for the FY 24-25.
- (xvi) Details of Crypto Currency or Virtual Currency – Nil.

25 Previous Year Figures

This being the first-year post incorporation, there are no previous year's figures.

for and on behalf of the Board of Directors of
Nestavia Home Finance Private Limited

Sd/-

Sd/-

Sd/-

Arjun S

Nivedita P Haran

Suchindran V G

Partner

Independent Director

MD and CEO

Membership No: 230448

DIN: 06441500

DIN: 10828949

Sd/-

Place: Chennai

V. Aruna

Date: April 23, 2025

Company Secretary and Compliance Officer

Membership No.: 30387



Nestavia Home Finance Private Limited

CORPORATE AND REGISTERED OFFICE

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