




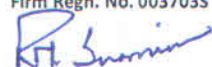

Navarathna Housing Finance Limited

First Floor 2/102, Third Street, Karpagam Avenue,
R.A. Puram, Chennai, Tamil Nadu - 600 028

Financial Report for the period ended 31-03-2024






**Financial Year
2023-2024**

**Navarathna Housing Finance
Limited**


Navarathna Housing Finance Limited (CIN: U65922TN2015PLC100156)			
Balance Sheet as at 31st March 2024			
Particulars	Note No.	Rs. in lakhs	
		As at 31st March 2024	As at 31st March 2023
I. EQUITY AND LIABILITIES			
1. Shareholders funds			
(a) Share capital	4	2,321.31	2,321.31
(b) Reserves and surplus	5	1,250.78	985.29
		3,572.09	3,306.60
2. Non Current Liabilities			
(a) Long-Term Borrowings	6	564.36	348.08
(b) Long-Term Provisions	7	8.28	-
(c) Deferred Tax Liability	8	63.07	36.66
		635.71	384.74
3. Current Liabilities			
(a) Short-Term Borrowings	9	552.46	348.01
(b) Trade Payables	10	1.85	9.05
(c) Short-Term Provisions	11	94.82	90.25
(d) Other Current Liabilities	12	17.06	21.48
		666.19	468.79
Total		4,873.99	4,160.13
II. ASSETS			
1. Non - Current Assets			
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment	13(a)	5.14	8.14
(ii) Intangible Assets	13(b)	0.23	0.29
(b) Long-Term Loans and Advances	14	3,173.32	2,511.37
(c) Other Non-Current Assets	15	14.87	14.54
		3,193.56	2,534.34
2. Current Assets			
(a) Current Investments	16	-	294.24
(b) Cash and Cash Equivalents	17	169.68	88.10
(c) Short-Term Loans and Advances	18	1,359.21	1,147.45
(d) Other Current Assets	19	151.54	96.00
		1,680.43	1,625.79
Total		4,873.99	4,160.13
Notes forming part of the Financial Statements		1-66	
 Managing Director Chokkalingam Palaniappan (DIN 00884596)		 Director Manonmani Ramanathan (DIN 03361666)	
 Chief Financial Officer R. Ganesan		As per our report of even date attached M/s T. Selvaraj & Co Chartered Accountants Firm Regn. No. 0037035  RM Swaminathan Partner Membership No.: 203520	
Place: Chennai			
Date:			



**Navarathna Housing Finance
Limited**

Navarathna Housing Finance Limited (CIN: U65922TN2015PLC100156)			
Statement of Profit and Loss for the year ended 31st March 2024			
Particulars	Note No.	Rs.in lakhs	
		2023-24	2022-23
INCOME			
(a) Revenue from Operations	20	841.09	723.82
(b) Other Income	21	15.08	27.62
TOTAL INCOME		856.17	751.44
EXPENSES			
(a) Employee Benefit Expenses	22	168.38	142.55
(b) Finance Costs	23	113.44	64.76
(c) Depreciation and Amortization Expenses	13	3.12	2.68
(d) Other Expenses	24	82.31	86.51
(e) Provisions and Contingencies	25	41.97	18.61
TOTAL EXPENSES		409.22	315.11
Profit before tax		446.95	436.33
Tax expense			
(a) Current Tax Expense		100.87	95.11
(b) Deferred Tax Expense		26.41	16.03
(c) Tax relating to earlier years		(6.61)	0.65
		120.67	111.79
Net Profit / (loss) for the year after tax		326.28	324.54
Earnings Per equity share:			
(1) Basic (in Rs.)		1.41	1.40
(2) Diluted (in Rs.)		1.41	1.40
Notes forming part of the Financial Statements		1-66	
 Managing Director Chokkalingam Palaniappan (DIN 00884596)		 Director Manonmani Ramanathan (DIN 03361666)	
 Chief Financial Officer R. Ganesan		As per our report of even date attached M/s T. Selvaraj & Co Chartered Accountants Firm Regn. No. 0037035  RM Swaminathan Partner Membership No.: 203520	
Place: Chennai Date:			



Cash Flow Statement for the year ended 31st March 2024		
Particulars	31 st March 2024	31 st March 2023
	(Rs. in Lakhs)	(Rs. in Lakhs)
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before extraordinary items and tax	446.95	436.33
Adjustments for:		
Depreciation and amortisation	3.12	2.68
Loss on Assets Discarded	0.64	-
Profit from Sale of Investments	(9.43)	(14.04)
Finance costs	113.44	64.76
Interest Income	(1.57)	(2.11)
Provisions for standard assets	15.23	(10.82)
Operating Cash Flow Before Working Capital Changes	568.38	476.80
Working Capital Changes :		
(Increase) / decrease in long-term loans and advances	(661.95)	(444.11)
(Increase) / decrease in other non-current assets	(0.33)	(0.50)
(Increase) / decrease in short-term loans and advances	(211.76)	(114.59)
(Increase) / decrease in other current assets	(55.54)	29.71
Increase / (decrease) in trade payable	(7.20)	0.82
Increase / (decrease) in short-term provisions	(12.42)	(4.14)
Increase / (decrease) in long-term provisions	8.28	-
Increase / (decrease) in other current liabilities	(4.42)	(8.97)
Cash generated from / (used in) Operations	(376.96)	(64.98)
Net income tax (paid) / refunds	(92.50)	(77.46)
Net Cash generated from / (used in) Operating Activities during the year - A	(469.46)	(142.44)
B. Cash Flow from Investing Activities		
Expenditure on Fixed Assets	(0.58)	(1.04)
Expenditure on Intangible Assets	(0.12)	-
Investment in Mutual Funds(Net)	303.67	(92.47)
Redemption of Mutual Funds	-	-
Non-operating loan Received back	-	-
Interest Income	1.57	2.11
Net Cash generated from / (used in) Investing Activities during the year - B	304.54	(91.40)
C. Cash Flow from Financing Activities		
Proceeds from issue of share capital	-	138.14
Proceeds from issue of Share Premium	-	57.47
Long-term borrowings taken/(repaid) - Net	216.28	55.02
Short-term borrowings taken/(repaid) - Net	204.45	84.94
Repayment of loans	-	-
Finance cost	(113.44)	(64.76)
Dividend paid	(60.79)	(55.26)
Net Cash generated from / (used in) Financing Activities during the year - C	246.50	215.55
Net Increase/(decrease) in cash and cash equivalents during the year (A+B+C)	81.58	(18.29)
Cash and Cash Equivalent as at the beginning of the year	88.10	106.39
Cash and Cash Equivalent as at the end of the year (Refer Note 1)	169.68	88.10
Notes forming part of the Financial Statements 1-66		
<p>Managing Director Chokkalingam Palaniappan (DIN 00884596)</p> <p>Director Manonmani Ramanathan (DIN 03361666)</p> <p>Chief Financial Officer R. Ganesan</p>		<p>As per our report of even date attached M/s T. Selvaraj & Co Chartered Accountants Firm Regn. No. 0037035</p> <p>RM Swaminathan Partner Membership No.: 203520</p> 
Place: Chennai Date:		



**Navarathna Housing Finance
Limited**

Note 4: Share Capital

Particulars	As at 31st March 2024		As at 31st March 2023	
	Number of Shares	Rs in lakhs	Number of Shares	Rs in lakhs
(a) Authorised 3,05,00,000 equity shares of ₹ 10 each (March 2023 - 2,50,00,000 before merger)	30,500,000	3,050.00	30,500,000	3,050.00
(b) Issued, Subscribed and fully paid up 2,32,13,057 equity shares of ₹ 10 each fully paid-up (previous year also the same figure. However March 2023 - 1,51,95,728 shares of Rs. 10/-each before merger)	23,213,057	2,321.31	23,213,057	2,321.31
Total	23,213,057	2,321.31	23,213,057	2,321.31

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting Year:

Particulars	Opening Balance	Fresh issue	Closing Balance
Year ended 31st March, 2024			
- Number of shares	23,213,057	-	23,213,057
- Amount (Rs. in lakhs)	2,321.31	-	2,321.31
Year ended 31st March, 2023			
- Number of shares	23,213,057	-	23,213,057
- Amount (Rs.)	2,321.31	-	2,321.31

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March 2024		As at 31st March 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
K Venkatkumar	4,895,522	21.09%	4,895,522	21.09%
V Devikala	2,994,970	12.90%	2,994,970	12.90%
Kuvera Real Assets and Consulting Private Limited	1,287,001	5.54%	1,287,001	5.54%



**Navarathna Housing Finance
Limited**

(iii) Shares held by promoters at the end of the year:						
Promoter Name	As at 31st March 2024			As at 31st March 2023		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Equity shares with voting rights:						
K Venkatkumar	4,895,522	21.09%	-	4,895,522	21.09%	-
T R Ramanathan	720,929	3.11%	-	720,929	3.11%	2.78%
Meenakshi Chokkalingam	449,541	1.94%	-	449,541	1.94%	0.04%
Muthuraman AR	61,261	0.26%	-	61,261	0.26%	-
Devikaia V	2,994,970	12.90%	-	2,994,970	12.90%	8.07%
Chokkalingam Palaniappan	344,138	1.48%	-	344,138	1.48%	0.02%
TR R Manomani	44,429	0.19%	-	44,429	0.19%	0.11%

(iv) Other details

(a) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

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 in proportion to the number of equity shares held by the shareholders.

(b) The Company has not reserved any shares for issue under options and contracts/commitments for the sale.

(c) The Company has not allotted any shares pursuant to contracts without payment being received in cash or as bonus shares, nor it has bought back any shares during the preceding five financial years.

(d) The Company has not issued any securities convertible into equity/preference shares, issued any shares where calls are unpaid or forfeited any shares.

Note 5: Reserves and Surplus

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
(a) Reserve Fund u/s 29C of NHB Act				
Opening balance	353.84	257.40	35,384,082	25,740,037
Add: Amount transferred during the year	65.26	96.44	6,525,601	9,644,045
Closing Balance (A)	419.10	353.84	41,909,683	35,384,082
(b) Securities Premium				
Opening balance	131.26	73.79	13,125,611	7,378,895
Additions / (Utilisation) during the year	-	57.47	-	5,746,716
Closing Balance (B)	131.26	131.26	13,125,611	13,125,611
(c) Surplus / (Deficit) in Statement of Profit and Loss				
Opening balance	500.19	327.36	50,019,357	32,735,954
Add: Net Profit / (Loss) for the year after tax	326.28	324.53	32,628,005	32,453,173
Less: Dividend paid	(60.79)	(55.26)	(6,078,292)	(5,525,725)
Less: Transfer to statutory reserve				
- Under Section 36(1)(viii) of Income Tax Act	(45.51)	(96.44)	(4,550,935)	(9,644,045)
- Under Section 29C of NHB Act / Section 45-IC of RBI Act	(19.75)	-	(1,974,666)	-
Closing Balance (C)	700.42	500.19	70,043,469	50,019,357
Total (A + B + C)	1,250.78	985.29	125,078,763	98,529,050



**Navarathna Housing Finance
Limited**

Note 6: Long-term borrowings

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Term loans				
From Banks* (Secured)	564.36	348.08	56,435,669	34,808,045
Total	564.36	348.08	56,435,669	34,808,045

Note 6.1 Details of security and terms of repayment of loans

*During the previous year, Term Loan is availed from M/s State Bank of India (SBI) for a sum of Rs. 5,00,00,000/- which is repayable in 60 equal monthly installments of Rs. 8.33 lakhs each in addition to two term loans of Rs. 3,00,00,000/- each availed from SBI in earlier years which is repayable in 20 quarterly instalments of Rs. 15,00,000/- each. The present rate of interest applicable to these term loans is in the range of 10.85% to 11.05%. These loan were secured against specific book debts created out of SBI Bank's fund and guarantees of director Mr. Chokkalingam Palaniappan and Smt. TR.R.Manonmani.

Note 7: Long-Term Provisions

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Provision for Standard Assets			-	-
Provision For Gratuity	8.28	-	827,638	-
Total	8.28	-	827,638	-

Note 8: Deferred Tax Liability (net)

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Deferred tax liability				
Special Reserve under Income Tax Act, 1961	67.49	44.69	6,750,012	4,469,274
Deferred tax asset				
Fixed assets	(1.81)	(1.41)	(181,056)	(141,271)
Provision for Standard Assets	-	(2.92)	-	(291,625)
Provision for NPA	-	(0.03)	-	(3,093)
Provision For Gratuity	(2.61)	(2.13)	(261,296)	(212,587)
Disallowed expenses under Income Tax Act, 1961	-	(1.54)	-	(153,993)
Total	63.07	36.66	6,307,660	3,666,705

Note 9: Short-Term Borrowings

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
ICDs Received*				
From Related Parties (Unsecured)	100.00	50.00	10,000,000	5,000,000
From Non-Related Parties (Unsecured)	96.65	10.00	9,665,276	1,000,000
Loans from related parties** (Unsecured)	135.73	168.01	13,572,516	16,801,203
Current maturities of long-term debt (Secured)	220.08	120.00	22,008,000	12,000,000
Total	552.46	348.01	55,245,792	34,801,203

*ICD have taken at the interest rate of 12% p.a repayable along with interest on demand

**Loans from related parties are taken at an interest rate of 12% p.a and are repayable on demand.



**Navarathna Housing Finance
Limited**

Note 10: Trade Payables

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
- Total outstanding dues of micro and small enterprises (Refer note below)	-	-	-	-
Dues to creditors other than micro and small enterprises *	1.85	9.05	184,750	904,524
Total	1.85	9.05	184,750	904,524

(a) Micro, Small and Medium Enterprises Development Act, 2006

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amount payable to such enterprises as at March 31, 2022 has been made in the financial statements based on information received and available with the Company, to the extent identified by the management and relied upon by the auditors. The details of overdue amount and interest payable but not provided for in the books are set out below:

Particulars	2023-24	2022-23
a) Principal amount due to the suppliers registered under MSMED Act and remaining unpaid as at year end.	-	-
b) Interest due to suppliers registered under MSMED Act and remaining unpaid as at year end.	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
d) 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 the Micro, Small and	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006 Further due and remaining for the earlier years.	-	-

(b) Trade payables due for payment

Trade payables ageing schedule - As at March 31, 2024

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	1.85	-	-	-	1.85
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Unbilled dues	-	-	-	-	-



**Navarathna Housing Finance
Limited**

Trade payables ageing schedule - As at March 31, 2023

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	9.05	-	-	-	9.05
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Unbilled dues	-	-	-	-	-

Note 11: Short-Term Provisions

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Provision for Standard Assets	16.81	27.29	1,681,205	2,729,411
Provision for NPA	61.88	31.60	6,187,892	3,160,227
Provision For Gratuity	0.79	13.22	79,771	1,321,530
Provision for Taxation (Net of Taxes paid and TDS)	15.34	13.58	1,533,546	1,357,449
Provision for bad debts	-	4.56	-	456,279
Total	94.82	90.25	9,482,414	9,024,896

Note 12: Other current liabilities

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Statutory Liabilities Payable	6.03	5.48	603,092	548,318
Outstanding Liabilities	-	3.51	-	350,804
Interest Accrued but not due	-	7.02	-	702,000
Others	11.03	5.47	1,102,845	546,689
Total	17.06	21.48	1,705,937	2,147,811

Note 14: Long-Term Loans & Advances

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Secured, considered good:				
Loans against other securities	-	1.82	-	182,171
Housing Loans	2,362.32	1,857.26	236,232,187	185,726,275
Loan Against Property (Including Business Loan)	802.51	642.73	80,250,395	64,272,410
	3,164.83	2,501.81	316,482,582	250,180,856
Unsecured, considered good:				
Unsecured loans	8.49	9.56	849,282	956,281
Other Loans	-	-	-	-
Advance Tax & TDS (net of provisions)	-	-	-	-
	8.49	9.56	849,282	956,281
Total	3,173.32	2,511.37	317,331,864	251,137,137

Note 15: Other Non-Current Assets

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2024	As at 31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Rental Deposits	13.17	14.54	1,317,396	1,454,303
Other Deposits	1.70	-	169,669	-
- ₹. 94,54,147/- [March 2021]	-	-	-	-
Total	14.87	14.54	1,487,065	1,454,303



**Navarathna Housing Finance
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Note 16: Current Investments

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Unquoted Investment in Mutual Fund	-	294.24	-	29,424,383
Total	-	294.24	-	29,424,383

Note 17: Cash and Cash Equivalents

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Cash In Hand	14.32	18.28	1,432,282	1,827,888
Balance with Banks	-	-	-	-
-in current accounts	115.47	69.82	11,547,454	6,981,827
-in deposit accounts	39.89	-	3,988,690	-
Total	169.68	88.10	16,968,426	8,809,715

Note 18: Short-Term Loans and Advances

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Secured, considered good:				
Loans against security of jewellery	1,357.48	1,129.42	135,747,551	112,941,575
Loans against other securities	0.76	4.96	76,368	496,316
Unsecured Loans Considered good	0.97	13.07	97,380	1,307,320
Total	1,359.21	1,147.45	135,921,299	114,745,211

Note 19: Other Current Assets

Particulars	As at	As at	As at	As at
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)	(In Rs.)	(In Rs.)
Unsecured considered good:				
Interest Accrued On Other Loans	0.29	0.95	28,812	95,013
Interest Accrued On Jewel Loans	89.45	51.82	8,944,876	5,182,138
Interest Accrued On HL and ML	53.12	35.88	5,312,401	3,587,572
Prepaid expenses	2.45	0.29	244,753	28,862
Other Current Assets	-	0.12	-	12,426
Advances recoverable in cash or in kind or for value to be received	0.45	0.84	45,153	84,363
GST Input Credit	5.78	6.10	578,075	609,737
Total	151.54	96.00	15,154,070	9,600,111



(In Lakhs)

Note 13(a):
(i) Property, Plant and Equipment

Type	Gross Block			Depreciation			Net Block		
	As at 01.04.2023	Additions	Deletion/ Adjustment	As at 31.03.2024	As at 01.04.2023	Additions	Deletion/ Adjustment	As at 31.03.2024	As at 01.04.2023
Furniture & Fittings	15.66	0.09	5.00	10.75	9.90	1.41	4.44	6.87	5.77
Electrical Fittings	0.41	-	0.38	0.03	0.33	0.04	0.36	0.01	0.08
Office equipment	4.89	-	3.01	1.88	4.25	0.39	2.97	1.67	0.64
Computers	14.18	0.49	5.26	9.41	12.54	1.10	5.26	8.38	1.65
Leasehold Improvements	3.68	-	-	3.68	3.68	-	-	3.68	-
Total	38.82	0.58	13.65	25.75	30.70	2.94	13.03	20.61	8.14

Note 13(b):

(ii) Intangible Assets

Type	Gross Block			Depreciation			Net Block		
	As at 01.04.2023	Additions	Deletion/ Adjustment	As at 31.03.2024	As at 01.04.2023	Additions	Deletion/ Adjustment	As at 31.03.2024	As at 01.04.2023
Software	0.43	0.12	-	0.54	0.13	0.18	-	0.31	0.29
Total	0.43	0.12	-	0.54	0.13	0.18	-	0.31	0.29



**Navarathna Housing Finance
Limited**

Navarathna Housing Finance Limited (CIN: U65922TN2015PLC100156)
Notes on Financial Statements for the year ended 31st March 2024

Note 20: Revenue from Operations

Particulars	2023-24	2022-23
	(Rs in lakhs)	(Rs in lakhs)
(a) Interest Income from Financing Operations	756.63	594.07
(b) Other Financial Services		
- Other Incidental Income from Financing Operations	26.21	21.92
- Recovery of Bad debts	58.25	107.83
Total	841.09	723.82

Note 21: Other Income

Particulars	2023-24	2022-23
	(Rs in lakhs)	(Rs in lakhs)
(a) Dividend Received	4.00	4.00
(b) Profit on Redemption of Mutual Funds	9.43	14.04
(c) Other non-operating income		
- Provision for doubtful debts no longer required	-	3.99
- Miscellaneous Income	0.08	3.29
- Other Interest	1.57	2.11
- Profit on Sale of Asset	-	0.19
Total	15.08	27.62

Note 22: Employee Benefits

Particulars	2023-24	2022-23
	(Rs in lakhs)	(Rs in lakhs)
Salaries and Wages	164.70	146.73
Contribution to Provident and other funds	4.06	4.08
Gratuity Expenses	(3.58)	(10.45)
Staff Welfare Expenses	3.20	2.19
Total	168.38	142.55

Note 23: Finance Costs

Particulars	2023-24	2022-23
	(Rs in lakhs)	(Rs in lakhs)
Interest paid on Term Loans from Banks	70.60	30.56
Interest paid on Loan from Directors & their Relatives	16.40	4.46
Interest paid on working capital borrowings	-	18.40
Interest paid on ICD	18.08	8.25
Other borrowing costs	8.36	3.09
Total	113.44	64.76



**Navarathna Housing Finance
Limited**

Navarathna Housing Finance Limited (CIN: U65922TN2015PLC100156)
Notes on Financial Statements for the year ended 31st March 2024

Note 24: Other Expenses

Particulars	2023-24	2022-23
	(Rs in lakhs)	(Rs in lakhs)
Administrative expenses	4.69	2.87
Advertisement Expenses	0.95	1.01
Business Promotion Expenses	0.23	1.19
Power and Fuel	1.90	1.65
Professional and Consultancy Charges	32.52	31.40
Rent	16.35	15.92
Audit Fees		
- For Audit	4.52	5.30
- For Taxation matters	0.86	-
- For Other services	0.08	-
Communication Expenses	3.03	2.84
Insurance Expenses	0.39	2.44
Fees paid to Credit Information Companies	0.38	-
Travelling Expenses	6.77	6.92
Printing & Stationery	1.91	0.89
Repairs and maintenance - Computers	0.72	0.42
Repairs and maintenance - Building	1.02	1.04
Repairs and maintenance - Others	0.42	1.40
Loss on Assets Discarded	0.64	-
Rates & Taxes	0.65	9.09
Software Maintenance Charges	2.99	0.03
Miscellaneous Expenses	1.29	2.10
Total	82.31	86.51

Note 25: Provision and Contingencies

Particulars	As at	As at
	31st March 2024	31st March 2023
	(Rs in lakhs)	(Rs in lakhs)
Bad Debts written off	26.74	25.44
Provision for Non Performing Assets	25.71	(7.54)
Provision for Standard Assets	(10.48)	0.71
Total	41.97	18.61



Navarathna Housing Finance Limited (CIN: U65922TN2015PLC100156)

Notes forming part of the Financial Statements

(All amounts are in ₹ lakhs unless otherwise stated)

Note 1: Corporate information:

Navarathna Housing Finance Limited ('the Company') is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 2013 for the object of providing housing finance services. The Company is a non-deposit taking Housing Finance Company ('HFC-ND') registered with the National Housing Bank ('NHB') on April 10, 2017 and is governed by the provisions of the Master Direction - Non-Banking Financial Company - Housing Finance Companies (Reserve Bank) Directions, 2021 issued by the Reserve Bank of India ('RBI') ('Master direction'). The Company is engaged in providing loans for the purpose of acquiring, constructing, erecting, improving, developing any house, flats or buildings or any form of real estate or any part or portion thereof. The Company also provides loans for specified purposes against the security of immovable property/jewellery.

Note 2: Basis of preparation

2.1 Statement of compliance

The financial statements are prepared in accordance with Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant amendment rules issued thereafter and guidance given by RBI through its Master direction; on historical cost basis and accrual method of accounting. The financial statements have been prepared on a going concern basis.

2.2 Functional and presentation currency

The financial statements are presented in Indian Rupees (₹), which is the functional and the presentation currency of the Company. Except as otherwise indicated, financial information presented in Indian Rupees has been rounded to the nearest lakhs.

2.3 Presentation and disclosure of financial statements

The Company prepares its financial statements in the format prescribed in the Division I of Schedule III of the Act applicable for preparation and presentation of the financial statements and disclosures required as per Annexure III and IV of the Master direction issued by RBI. Additional disclosures as required by the RBI are effective from March 31, 2021. Schedule to the Balance Sheet of the Housing Finance Company as required under Annexure III of the Master direction issued by RBI is appended as Annexure - 1. The Statement of Cash Flows has been prepared and presented as per the requirements of AS-3 'Cash Flow Statements'.

Note 3: Significant Accounting Policies followed in preparing the Financial Statements

3.1 Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the year reported.

Example of such estimates include provision for doubtful loans and advances, employee benefits, provision for income taxes, the useful life of depreciable fixed assets and provision for impairment. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. However, future results may vary from these estimates.

3.2 Revenue recognition

Revenue is recognized only when it can be reliably measured, and it is reasonable to expect ultimate collection.

Repayment of Housing Loans is by way of Equated Monthly Installments (EMI) comprising of principal and interest. Interest income on EMI/Pre-EMI cases on housing loan/mortgage loan, interest on jewel loan and other loans are accounted for on accrual basis. Loan origination income i.e. processing fees and other charges collected upfront, are recognized on origination of loan. Interest on non-performing assets are accounted for on receipt basis as per the guidelines issued by the NHB and charges for delayed payments and additional interest income on delayed EMI/Pre-EMI and cheque bouncing, if any, are accounted on receipt basis.

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.



3.10 Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

3.11 Impairment of Assets:

The Company determines the impairment of assets based on cash generating units. The carrying amount of the assets is reviewed at each Balance Sheet date for any indication of impairment based on internal/external factors. The impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Since the "recoverable amount" of the assets of the cash generating units is higher than carrying amount of the assets of the cash generating units, there is no impairment loss under AS-28.

3.12 Provisions, Contingent liabilities and Contingent assets:

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are not recognized but disclosed if the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

3.13 Taxes on Income:

Current tax expenses are measured at the amount of income tax expected to be paid to the taxation authorities, calculated by applying the applicable tax rates on the taxable income calculated in accordance with the provisions of Income-tax Act, 1961. Taxable income is calculated after taking credit for tax allowances and exemptions.

3.14 Deferred Tax:

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

3.15 Cash and Cash Equivalents:

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

3.16 Cash Flow Statement:

Cash flow statements are reported using the indirect method, whereby profit / (loss) before extra-ordinary items / exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipt or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on available information including taxes paid relating to these activities.

3.17 GST Input Credits:

GST input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

3.18 Segment Reporting:

The Company is into single line of operation. Further the company does not have any separate geographic segments other than India. As such there are no separate reportable segments as per AS - 17 "Segment Reporting".

3.19 Operating Cycle:

Based on the nature of products/activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



Note 26: Amalgamation of Navarathna Financial Services Limited with Navarathna Housing Finance Limited

Navarathna Financial Services Limited (NFSL), a RBI registered HFC engaged in the business of banking and financial services was merged with Navarathna Housing Finance Limited (NHFL), registered housing finance company engaged in the business of providing housing loans and other loans. During the year, vide NCLT order dated 10th July 2023, NFSL was merged with NHFL. Consequently 175 shares of NHFL of Rs.10/- each fully paid up were issued to NFSL shareholders for every 100 equity shares of Rs.10/- each fully paid up held in NFSL.

Accordingly, total shares issued to the shareholders of the Transferor Company ('NFSL') is 90,17,329 (While calculating eligible shares as per ratio, the resultant figures is rounded off to the nearest integer). Since, Transferor Company is already holding 10,00,000 Equity Shares of Transferee Company, the net issue of shares to the shareholders of Transferor Company is 80,17,329 Equity Shares.

Disclosures required under Annexure - IV of the Master directions**Note 27: Capital**

Particulars	2023-24	2022-23
(i) CRAR (%)	114.94%	115.97%
(ii) CRAR - Tier-I Capital (%)	113.69%	114.72%
(iii) CRAR - Tier-II Capital (%)	1.25%	1.25%
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

Company is having Board approved Policy on **Internal Capital Adequacy Assessment Process (ICAAP)** and is being reviewed on regular basis

Note 28: Principal Business Criteria

Particulars	Rs. In lakhs	
	2023-24	2022-23
(i) Total Assets (Netted of Intangible Assets)	4,873.76	4,159.84
(ii) Housing Loan Outstanding	2,362.32	1,857.26
(iii) Of which Housing Loan to Individual	2,362.32	1,857.26
(iv) Total Housing Loan to Total Tangible Assets	48.47%	44.65%
(iv) Total Individual Housing Loan to Total Tangible Assets	48.47%	44.65%

Note 29: Reserve Fund u/s 29C of NHB Act, 1987 & Section 36(viii) of Income Tax Act, 1961

The Company has created a reserve fund as required by section 29C of National Housing Bank Act, 1987, wherein a sum not less than twenty percent of its net profit every year, as disclosed in the statement of profit and loss, before any dividend is declared, is transferred.

For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered an eligible transfer. Statutory Reserve can be utilised only for the purposes as may be specified by the NHB from time to time and every such utilisation is required to be reported to the NHB within twenty-one days from the date of such utilisation.

Particulars	Rs. In lakhs	
	2023-24	2022-23
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	131.15	131.15
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	222.69	126.25
c) Total	353.84	257.40
Addition/ Appropriation/ Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	19.75	-
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	45.51	96.44
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	150.90	131.15
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	268.20	222.69
c) Total	419.10	353.84



Note 30: Investment

Particulars	Rs. In lakhs	
	2023-24	2022-23
30.1 Value of investments		
(i) Gross value of investments	-	294.24
(a) In India	-	294.24
(b) Outside India	-	-
(ii) Provisions for Depreciation	-	-
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments	-	294.24
(a) In India	-	294.24
(b) Outside India	-	-
30.2 Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off / Written-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

Note 31: Derivatives

31.1 Forward Rate Agreement(FRA) / Interest Rate Swaps: Nil

31.2 Exchange Traded Interest Rate (IR) Derivative: Nil

31.3 Disclosures on Risk Exposure in derivatives: NA

Note 32: Securitisation

The Company has not sold any financial assets to securitisation/reconstruction company.

Note 33: Assets Liability Management (Maturity pattern of certain assets and liabilities)

Particulars	Liabilities				Assets		
	Deposits	Borrowings from banks	Market borrowings	Foreign currency liabilities	Advances	Investments	Foreign currency assets
1-7 days	-	-	-	-	125.34	-	-
8-14 days	-	-	-	-	26.99	-	-
15-30/31 days	-	8.34	-	-	61.17	-	-
1-2 months	-	8.34	-	-	93.96	-	-
2-3 months	-	38.34	-	-	127.94	-	-
3-6 months	-	55.02	-	-	292.75	-	-
6-12 months	-	110.04	-	-	662.62	-	-
1-3 years	-	395.32	-	-	316.58	-	-
3-5 years	-	169.04	-	-	1,080.31	-	-
Over 5 years	-	-	-	-	1,744.88	-	-
Total	-	784.44	-	-	4,532.54	-	-

Note 34: Exposures

34.1 Exposure to real estate sector

Category		Rs. In lakhs	
		2023-24	2022-23
a)	Direct exposure		
	(i) Residential mortgages -		
	(i) Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	3,164.83	2,499.99
	(ii) Commercial real estate -		
	(ii) Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and	-	-
	(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
	a. Residential	-	-
	b. Commercial real estate	-	-
b)	Indirect exposure		
	Fund based and non-fund based exposure on NHB and HFCs	-	-
Total exposure to real estate sector		3,164.83	2,499.99

* Exposure values considered are outstanding values of the loans secured against real estate sector assets.



34.2 Exposure to capital market

Category		2023-24	2022-23
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
Category		2023-24	2022-23
(vii)	Bridge loans to companies against expected equity flows / issues	-	-
(viii)	All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered)	-	-
Total exposure to capital market		-	-

34.3 Sectoral Exposure - Refer Separate Sheet attached 34.3

34.4 Financing of parent company products.

The Company does not have a parent company. Hence, this disclosure is not applicable.

34.5 Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the Company

The Company has not exceeded the prudential exposure limits (Single Borrower Limit and/or Group Borrower Limit) as defined in the Master Directions issued by RBI for HFCs.

34.6 Unsecured Advances

Category		Rs. In lakhs	
		2023-24	2022-23
(i)	Total Assets	4,873.99	4,160.13
(ii)	Intangible Assets	0.23	0.29
(iii)	Unsecured Loans outstanding	9.46	22.63
(iv)	Unsecured Loans outstanding to Total Assets	0.19%	0.54%
(iii)	Unsecured Loans outstanding to Total Tangible Assets	0.19%	0.54%

The Company has not made advances to any of the borrowers against intangible collaterals such as rights, licenses, authorisations etc. at March 31, 2024 (March 31, 2023: Nil).

34.7 Exposure to group companies engaged in real estate business/ Intra-group exposures

The Company is a stand-alone entity and does not have any holding, subsidiary, associate or joint venture entities. Hence, this disclosure is not applicable.

34.8 Unhedged foreign currency exposure - Nil as at 31st March, 2024 (31st March, 2023 - Nil)



Note 35: Registration obtained from other financial sector regulators

The Company has not registered with any other financials sector regulator other than National Housing Bank.

Note 36: Penalties imposed by NHB/ RBI and other regulators

There were no penalties imposed by NHB/RBI and any other regulators during current and previous financial years.

Note 37: Related Party Transactions and Disclosures:**a) List of Related Parties:****1. Individuals who exercise significant influence:**

a. K. Venkatkumar

2. Key Management Personnel:

a. Mr. Chokkalingam Palaniappan, Managing Director
b. Mr. R. Ganesan, Chief Financial Officer

3. Enterprises with common directors and Enterprises over which Key Management Personnel or Individual who exercise significant influence in the company can exercise significant influence:

a. Prakala Wealth Management Private Limited
b. Chokkalingam Palaniappan – HUF
c. Kuvera Real Assets and Consulting Private Limited
d. Sreevari Nidhi Limited

4. Directors and Relatives of Key Management Personnel:

a. Mr. T. R. Ramanathan, Relative of a director
b. Mr. A. R. Muthuraman, Director
c. Mrs. Meenakshi Panayappan, Relative of a director
d. Mrs. Ramayee, Relative of a director
e. Ms. Manimegalai Palaniappan, Relative of a director
f. Mr. AL Palaniappan, Director
g. Mr. Vallinayagam Chokkalingam, Relative of a director
h. Mr. Venkatkumar, Relative of a director
i. Mr. Balamurugan Neelamegam, Director
j. Mrs. Devikala Venkatkumar, Director
k. Mrs. Manonmani Ramanathan, Director
l. Meenakshisundaram Ramanathan, Director
m. T.Sokkalingam, Director

b) Details of Transactions:

Nature of Transaction	Name of Related Party	Rs. in lakhs	
		2023-24	2022-23
Remuneration	Mr. Chokkalingam Palaniappan	15.00	15.00
Sitting Fees	Mr. Chokkalingam Palaniappan	0.38	-
Remuneration	Mr. R Ganesan	11.70	11.67
Remuneration	Ramayee	1.47	-
Remuneration	Mr. T. R. Ramanathan	8.40	-
Professional charges	K Venkatkumar	3.60	3.60
Professional charges	T Sokkalingam	3.60	3.60
Loan Received	Meenakshi Panayappan	3.66	3.00
Loan Received	Kuvera Real Assets & Consulting Pvt Ltd	50.00	-
Interest paid on loan	Manimegalai Palaniappan	0.34	0.30
Loan Repaid	AL Palaniappan	2.47	-
Interest paid on loan	AL Palaniappan	0.12	0.30
Interest paid on loan	Vallinayagam Chokkalingam	2.99	-
Interest paid on loan	A R Muthuraman	0.36	0.36
Loan Repaid	Meenakshi Panayappan	-	2.00
Interest paid on loan	Meenakshi Panayappan	3.30	3.26
Interest paid on loan	Ramayee	0.60	0.24
Interest paid on loan	Kuvera Real Assets & Consulting Pvt Ltd	10.51	6.00
Interest paid on loan	Vasantha T	1.59	-
Interest paid on loan	Vallikannu S	3.41	-
Interest paid on loan	RMPL Meenakshi	0.32	-
Interest paid on loan	TR R Manonmani	0.48	-
Interest paid on loan	TR Ramanathan	1.44	-
Loan Received	Prakala Wealth Management Private Limited	3.20	-
Loan Received	Prakala Wealth Management Private Limited	121.00	-
Loan Repaid	Prakala Wealth Management Private Limited	121.00	-



c) Outstanding Balances to Related Parties:

Name of Related Party	Nature	Rs. In lakhs	
		2023-24	2022-23
Manimegalai Palaniappan	Payable	3.15	2.51
AL Palaniappan	Payable	-	2.47
A R Muthuraman	Payable	3.00	3.00
Meenakshi Panayappan	Payable	33.82	24.59
Ramayee	Payable	5.00	2.00
Kuvera Real Assets & Consulting Pvt Ltd	Payable	100.00	50.00
RMPL Meenakshi	Payable	2.98	-
Siddharth Chokkalingam	Payable	27.58	-
Vallikannu S	Payable	30.19	-
TR R Manonmani	Payable	4.00	-
TR Ramanathan	Payable	12.00	-
Vasantha T	Payable	14.00	-

Note 38: Group structure

The Company is a stand-alone entity and does not have any holding, subsidiary, associate or joint venture entities.

Note 39: Rating assigned by Credit Rating Agencies and migration of rating during the year

The company is a HFC-ND and does not intend to issue non-convertible debentures. The Company has however obtained credit rating from M/s CRISIL which has accorded rating of BB-(Double B minus)

Note 40: Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no circumstances that warrant disclosures regarding prior period items and changes in accounting policies during the current year.

Note 41: Consolidated Financial Statements (CFS)

The Company does not have any subsidiary - domestic as well as overseas, and accordingly is not required to prepare consolidated financial statements as per AS 21 - "Consolidated Financial Statements".

Note 42: Break-up of provisions and contingencies in the Statement of Profit and Loss

Particulars	Rs. In lakhs	
	2023-24	2022-23
Provision for depreciation on investments	-	-
Provision towards NPA	25.71	(7.54)
Provision made towards income tax ^{##}	120.67	111.79
Provision for bad and doubtful debts	26.74	21.45
Provision towards Standard Assets	(10.48)	0.71

^{##} including provision for deferred tax/earlier years

Note 43: Break-up of loans and advances and provisions thereon (inclusive of interest accrued)

Particulars	Rs. In lakhs			
	Housing loans		Non-housing loans	
	2023-24	2022-23	2023-24	2022-23
Standard assets				
(a) Total outstanding amount	2,362.32	1,782.55	2,170.21	577.52
(b) Provisions made	8.00	13.40	8.81	2.31
Sub-standard assets				
(a) Total outstanding amount	55.01	64.67	10.12	60.03
(b) Provisions made	8.25	11.60	1.52	11.66
Doubtful assets - category I				
(a) Total outstanding amount	38.91	36.47	46.30	14.63
(b) Provisions made	9.73	9.12	11.57	3.66
Doubtful assets - category II				
(a) Total outstanding amount	37.12	-	39.90	-
(b) Provisions made	14.85	-	15.96	-
Particulars	Housing loans		Non-housing loans	
	2023-24	2022-23	2023-24	2022-23
Doubtful assets - category III				
(a) Total outstanding amount	-	-	-	-
(b) Provisions made	-	-	-	-
Loss assets				
(a) Total outstanding amount	0.00	0.00	0.00	0.00
(b) Provisions made	0.00	0.00	0.00	0.00
Total				
(a) Total outstanding amount	2,493.36	1,883.69	2,266.53	652.17
(b) Provisions made	40.83	34.12	37.86	17.63



Note 44: Draw Down from Reserves

There has been no draw down from reserves during the year ended March 31, 2024 (year ended March 31, 2023 - Nil).

Note 45: Concentration of public deposits, advances, exposures and NPAs**45.1 Concentration of public deposits**

The Company, being a HFC-ND, did not accept any public deposits during the current and previous financial years.

45.2 Concentration of loans and advances

Particulars	Rs. In lakhs	
	2023-24	2022-23
Total loans & advances to twenty largest borrowers	1,049.42	239.71
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	22.05%	9.59%

45.3 Concentration of all exposures (including off-balance sheet exposures)

Particulars	Rs. In lakhs	
	2023-24	2022-23
Total exposure to twenty largest borrowers	1,049.42	239.71
Percentage of exposures to twenty largest borrowers to total exposure of the HFC on borrowers	0.05%	9.52%

* Exposure values considered are outstanding values of the disbursed loans and total amount of undisbursed loans.

45.4 Concentration of NPAs

Particulars	Rs. In lakhs	
	2023-24	2022-23
Total exposure to top ten NPA accounts	87.32	92.35

* Exposure values considered are gross outstanding values of NPA accounts before provisions.

45.5 Sector-wise NPAs (Percentage of NPAs to total advances in that sector)

S.No.	Sector	Rs. In lakhs	
		2023-24	2022-23
A.	Housing loans		
1.	Individuals	5.55%	4.58%
2.	Builders/project loans	-	-
3.	Corporates	-	-
4.	Others(specify)	-	-
B.	Non-housing loans		
1.	Individuals	4.44%	3.32%
2.	Builders/project loans	-	-
3.	Corporates	-	-
4.	Others(specify)	-	-

Note 46: Movement of NPAs

Particulars	Rs. In lakhs	
	2023-24	2022-23
(i) Net NPAs to net advances (%)	2.62%	5.67%
(ii) Movement of gross NPAs		
(a) Opening balance	175.80	113.72
(b) Additions during the year	57.92	91.46
(c) Reductions during the year	(54.87)	29.37
(d) Closing balance	178.85	175.80
(iii) Movement of net NPAs		
(a) Opening balance	139.76	88.10
(b) Additions during the year	18.65	0.00
(c) Reductions during the year	(41.44)	(51.65)
(d) Closing balance	116.97	139.76
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	36.04	25.61
(b) Provisions made during the year	39.27	14.42
(c) Write-off / write-back of excess provisions	(13.43)	(3.99)
(d) Closing balance	61.88	36.04

Note 47: Overseas assets

The Company does not have any overseas assets during the current year and previous year.



Note 48: Off-balance Sheet SPVs sponsored

The Company has not sponsored any SPVs – Domestic or Overseas as at the end of current financial year and previous year.

Note 49: Customer complaints

	Particulars	2023-24	2022-23
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	1	-
(c)	No. of complaints redressed during the year	1	-
(d)	No. of complaints pending at the end of the year	-	-

The Company has Customer Grievance Redressal Mechanism (CGRM) for convenience of customers to register their complaints and for it to monitor and redress them.

Note 50: Top five grounds of Complaints received by HFCs - Refer 50**Note 51: Loan Against Collateral of Gold Jewellery**

		Rs. In lakhs	
Category		2023-24	2022-23
(i)	Total Assets	4,873.99	4,160.13
(ii)	Intangible Assets	0.23	0.29
(iii)	Loan against collateral of Gold Jewellery outstanding	1,357.48	1,129.42
(iv)	Loan against collateral of Gold Jewellery outstanding to Total Assets	27.85%	27.15%
(iii)	Loan against collateral of Gold Jewellery outstanding to Total Tangible Assets	27.85%	27.15%

Other disclosures**Note 52: Auditors Remuneration (Excluding GST):**

	Rs. In lakhs	
Particulars	2023-24	2022-23
Audit Fees	4.52	2.25
Taxation services	0.86	1.25
Other services	0.08	1.38
Total	5.46	4.88

Note 53: Earnings per share

Particulars	2023-24	2022-23
Profit after Tax - in ₹ lakhs	326.28	324.53
Weighted Average Number of Equity Shares	23,213,057	23,213,057
Earnings Per Share (Basic & Diluted) - in ₹	1.41	1.40
Face Value Per Share - in ₹	10	10

Note 54: Based on the extent of information available with the management, there are no transactions with the Micro and small enterprises.

Note 55: Estimated amounts of contracts to be executed on capital account, and not provided for – ₹. NIL (Previous year – ₹. NIL).

Note 56: Claims against the Company/disputed liabilities not acknowledged as debt: As on March 31, 2024, there are no outstanding demands against the Company. (Previous Year – ₹. NIL/-)

Note 57: Proceedings under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

There are 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

Note 58: Wilful defaulter

The Company is not declared as wilful defaulter by any bank or financial institution or other lenders.

Note 59: Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company.

Note 60: Scheme of arrangements

A scheme of merger of M/s Navarathna Financial Services Limited with the Company has been approved by the NCLT in terms of sections 230 to 232 of the Companies Act, 2013 during the year. The effect of the said scheme of merger has been accounted for in the books of accounts of the company in accordance with the scheme and in accordance with accounting standards and there are no deviations in this regard.

Note 61: Undisclosed Income

The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years.



Note 62: Key financial Ratios

Ratio	Numerator	Denominator	31.03.2024	31.03.2023	% Change	Reason
Current ratio	Current assets	Current liabilities	2.52	3.47	-27.27%	Increase in current liabilities in FY 2023-24
Debt - Equity ratio	Total Debt	Shareholders' Equity	0.31	0.21	48.52%	Due to additional loans taken during the year
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	0.72	1.62	-55.65%	Due to additional loans taken during the year
Return on equity ratio	Net profit after taxes	Shareholders'	9.13%	9.81%	-6.93%	The variance is less than 25%
Inventory turnover ratio	Cost of goods sold	Average Inventory	Not applicable	Not applicable	Not applicable	The Company is a service company. Accordingly, there is no inventory.
Trade receivables turnover ratio	Revenue	Average Accounts Receivable	Not applicable	Not applicable	Not applicable	The Company does not have Trade Receivables
Trade payables turnover ratio	Net Credit purchases	Average Trade Payables	Not applicable	Not applicable	Not applicable	The Company is a service company. Accordingly, there are no purchases
Net capital turnover ratio	Net Revenue	Working Capital	0.84	9.06	-90.68%	Decrease in Working Capital
Net profit ratio	Net Profit after taxes	Revenue	38.79%	44.84%	-13.48%	The variance is less than 25%
Return on capital employed	Earnings before interest and taxes	Capital Employed	15.69%	15.15%	3.52%	The variance is less than 25%
Return on investment	Return	Investment	0.00%	5.89%	-100.00%	Investment on mutual fund redeemed during the year

Note 63: Frauds

The Company has not reported any frauds during the year ended March 31, 2024 (March 31, 2023: ₹ 1,55,675/-) as required by NHB through its guideline dated February 5, 2019, and RBI through its Master Directions dated September 29, 2016 on reporting and monitoring of frauds. Of this, a sum of Rs. 48,762/- has been accounted as recoverable from the employee based on written complaints received from customers and pending receipt of complaints from other loan accounts, the matter is under investigation and post firming up the entire quantum of losses, steps will be taken to appropriately treat the losses in the books.

Note 64: Moratorium benefits extended

In accordance with the regulatory packages announced by the Reserve Bank of India on March 27, 2020, April 17, 2020 and May 23, 2020, the Company, as per its Board approved policy, has extended the option of payment moratorium for all amounts falling due between March 1, 2020 and August 31, 2020 to eligible borrowers. In line with the regulatory packages, the asset classification remained standstill during the moratorium period in respect of such accounts.

In accordance with the regulatory packages (Resolution framework 2.0) announced by the Reserve Bank of India on May 5, 2021, the Company, as per its Board approved policy, has extended the option of a moratorium of a maximum two years including moratorium granted under earlier circulars issued by RBI in this regard to all eligible borrowers. In line with the regulatory packages, necessary provisions have also been made for such borrowers and the asset classification also has been made in accordance with the RBI circular.

Particulars	Rs. in lakhs	
	2023-24	2022-23
	Loans extended to individuals- HL and LAP	
Aggregate outstanding as at the end of the previous year (as at March 31) of loans for which moratorium benefit was extended	59.72	140.04
Aggregate outstanding as at the end of the current year (as at March 31) of loans for which asset classification benefit was extended	29.08	59.72
Provisions made at the beginning of the year	9.06	18.67
Net Provisions adjusted during the year (due to shifted to Standard Assets or Slippages to NPA)	6.71	9.62
Provisions outstanding as at the end of the year	2.34	9.06

Note 65: Previous year's figures have been restated by including transferror company's data.

Note 66: Previous year's figures have been re-grouped wherever necessary to conform to the current year classification.


For and on behalf of the Board of
Navarathna Housing Finance Limited


Managing Director
Chokkalingam Palaniappan
(DIN 00884596)


Director
Manonmani Ramanath R. Ganesan
(DIN 03361666)


Chief Financial Officer

As per our report of even date attached
M/s T.Selvaraj & Co.,
Chartered Accountants
Firm Regn. No. 0037035


RM Swaminathan
Partner
Membership No: 203520



Place: Chennai
Date:



Note- 34.3 Sectoral Exposure

Category	As at 31 st March 2024			As at 31 st March 2023		
	Total Exposure (includes on balance sheet and off- balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹ crore)	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loans						
i. Housing Loans	23.62	1.08	4.55%	18.57	1.01	5.45%
ii. Non-Housing Loans	21.72	0.71	3.28%	6.43	0.75	11.62%
Total of Personal Loans (i+ii)	45.34	1.79	0.08	25.00	1.76	0.17
5. Others, if any (please specify)						

Note- 37: Related Party Disclosure

(Amount in Rs. lakhs)

Related Party	Parent / Subsidiaries / Associates / Joint Ventures		Key Management Personnel (Directors)		Relatives of Key Management Personnel (Directors)		Key Management Personnel (Others)		Others		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Items												
Borrowings	-	-	-	-	30.57	-	-	-	205.16	84.57	235.73	84.57
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Placement of Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	-	-	3.43	0.30	-	-	-22.03	10.16	25.45	10.46
Interest received	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	7.20	7.20	7.20	7.20
- Professional Fees	-	-	-	-	-	-	-	-	-	-	0.38	-
- Sitting Fees	-	-	0.38	-	-	-	-	-	-	-	-	-
- Remuneration	-	-	15.00	15.00	-	-	11.70	11.67	9.87	-	36.57	26.67



Note- 50: Top five grounds of Complaints received by HFCs

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Loan account related	-	1	NA	-	-



Annexure I: Schedule to the Balance Sheet of an HFC

Rs. In lakhs

Sl No.	Particulars	Rs. In lakhs	
		Amount Outstanding	Amount Overdue
	Liabilities Side:		
1	Loans and Advances availed by the HFC inclusive of interest accrued thereon but not paid:		
	(a) Debentures		
	- Secured	-	-
	- Unsecured (other than falling within the meaning of public deposits)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	784.44	-
	(d) Inter Corporate loans and borrowing	196.65	-
	(e) Commercial Paper	-	-
	(f) Public Deposits	-	-
	(g) Other Loans –		
	(i) Unsecured loans from directors and their relatives	135.73	-
2	Break up of 1(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)		
	(a) In the form of unsecured of debentures	-	-
	(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of securities	-	-
	(c) Other public deposits	-	-
	Assets Side:		
3	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured		4,523.07
	(b) Unsecured		9.47
4	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities.		
	(i) Lease assets including lease rentals under sundry debtors:		



	(a) Financial Lease	-
	(b) Operating Lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards asset financing activities:	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
5	Break-up of Investments:	
	<u>Current Investments:</u>	
	<u>1. Quoted:</u>	
	(i) Shares:	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others	-
	<u>2. Unquoted:</u>	
	(i) Shares:	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others	-
	<u>Long Term Investments</u>	
	<u>1. Quoted:</u>	
	(i) Shares:	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others	-
	<u>2. Unquoted:</u>	
	(i) Shares:	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of Mutual Funds	-
	(iv) Government Securities	-
	(v) Others	-



6	Borrower group-wise classification of assets financed as in (3) and (4) above:			
	Category	Amount Net of Provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
	2. Other than related parties	4,523.07	9.47	4,532.54
	Total	4,523.07	9.47	4,532.54
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
	1. Related Parties (as per applicable accounting standard)			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
	2. Other than related parties	-	-	-
	Total	-	-	-
8	Other Information			
	Particulars	Amount		
(i)	Gross Non-Performing Assets			
	(a) Related Parties	-		
	(b) Other than related parties	178.85		
(ii)	Net Non-Performing Assets			
	(a) Related Parties	-		
	(b) Other than related parties	116.97		
(iii)	Assets acquired in satisfaction of debt	-		

