

Aviom India Housing Financial Private Limited

Independent Auditor's Report
for the Financial year from April 1, 2022, to March 31, 2023

To the Members of,
Aviom India Housing Finance Private Limited

Report on the Audit of the Ind AS Financial Statements

Opinion

1. We have audited the accompanying Ind AS Financial Statements of **Aviom India Housing Finance Private Limited** ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income) for the year ended March 31, 2023, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended (hereinafter referred to as "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 March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the Ind AS Financial Statements in accordance with the Standards on Auditing ("SAs"), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Ind AS 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 Ind AS Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

Key Audit Matters

4. Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Ind AS Financial Statements as a whole, and in forming and opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS Financial Statements.

Key Audit Matters	How our audit addressed the key audit matters
Impairment of financial instruments (including provision for expected credit loss) <i>(as described in Note 3(e)(v) of the Ind AS financial statements)</i>	
<p>Ind AS 109 requires the Company to provide for impairment of its loan receivables (financial instruments) using the expected credit loss (ECL) approach. ECL involves an estimation of probability-weighted loss on financial instruments over their life, considering reasonable and supportable information about past events, current conditions, and forecasts of future economic conditions which could impact the credit quality of the Company's loans and advances.</p> <p>In the process, a significant degree of judgement has been applied by the management for:</p> <ul style="list-style-type: none"> • Defining Staging of loans (i.e., classification in 'significant increase in credit risk' ("SICR") and 'default' categories); • Estimation of losses for loan products with no/minimal historical defaults; and • Estimating recoveries to determine loss given default on a collective basis for loans that have defaulted. • Determining effect of less frequent past events on future probability of default. • Management overlay for macro-economic factors and estimation of their impact on the credit quality. 	<p>Our audit procedures included reading and considering Company's accounting policies for impairment of financial assets and assessing compliance with Ind AS 109 and the governance framework approved by the Board of Directors.</p> <p>We evaluated the design and operating effectiveness of controls across the processes relevant to ECL, including the judgements and estimates; and underlying computation by testing the input data.</p> <p>Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation.</p> <p>We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage.</p> <p>Tested samples to ascertain the completeness and accuracy of the input data used for determining the PD and LGD rates and agreed the data with underlying books of accounts and records.</p> <p>Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested samples of performing (stage 1) loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or 3.</p> <p>Assessed the additional considerations applied by the management for staging of loans as SICR or default categories in view of Company's policy on one-time restructuring.</p> <p>For samples of exposure, we tested the appropriateness of determining EAD, PD and LGD.</p> <p>Assessed the floor/ minimum rates of provisioning applied by the Company for loan products withinadequate historical defaults by testing the input data.</p> <p>Tested assumptions used by the management in determining the overlay</p>



	<p>for macro-economic factors in accordance with the governance framework approved by the Board of Directors pursuant to RBI guidelines.</p> <p>Tested the arithmetical accuracy of computation of ECL provision performed by the Company in spreadsheets.</p> <p>We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 and Ind AS 109 in relation to ECL especially in relation to judgements used in estimation of ECL provision.</p>
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Information other than the Ind AS Financial Statements and Auditor's Report Thereon

5. The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the Ind AS Financial Statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind AS Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards), Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS 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.



Auditor's responsibility for the Audit of the Ind AS Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standard of Auditing, specified under section 143(10) of the Act, 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 Ind AS Financial Statements.
8. As part of an audit in accordance with Standard of Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Ind AS Financial Statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Ind AS Financial Statements made by the Management and Board of Directors.
 - Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure, and content of the Ind AS Financial Statements, including the disclosures, and whether the Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS Financial Statements.

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



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

From the matters communicated with those charged with governance, we determine those matters that were of the most significance in the audit of the Ind AS Financial Statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosures about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

9. 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 Companies Act, 2013, we give in the **Annexure-A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
10. As required by Section 143 (3) of the Companies Act, 2013, 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 purpose of our audit;
 - (b) In our opinion, proper books of account, as required by law have been kept by the Company so far, as appears from our examination of such books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;
 - (e) On the basis of written representations received from the Directors as on March 31, 2023, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2023, from being appointed as a Director in terms of under sub-section (2) of Section 164 of the Companies Act, 2013.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-B**".
 - (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, issued by the Central Government of India in terms of clause (j) of sub-section (3) of section 143 of the Companies Act, 2013 as amended in our opinion and to the best of our information and 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 which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 43(i) to the IND AS Financial Statements, no funds (which are material either individually or in the aggregate) 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, 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 it's knowledge and belief, as as disclosed in the Note No. 43(i) to the IND AS Financial Statements, no funds (which are material either individually or in the aggregate) 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014, as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year. Accordingly reporting under rule 11(f) is not applicable to the company.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
11. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Companies Act, 2013, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 read with schedule V to the Companies Act, 2013 are not applicable to the Company, as it is a private limited company.

Place: New Delhi
Dated: May 29, 2023



For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089


(Anuj Dhingra)
Partner

Membership No.: 512535
UDIN: 23512535BGYSQG6048

Annexure-A to Independent Auditors' Report

Referred to in Paragraph 9 of the Independent Auditors' Report of even date to the members of **Aviom India Housing Finance Private Limited** on the Ind AS Financial Statements for the year ended March 31, 2023

- (i) (a) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:
- (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
- (B) The Company is maintaining proper records showing full particulars of intangible assets.
- (b) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the verification of Property, Plant and Equipment has been conducted by the management during the year. All the Property, Plant and Equipment have not been physically verified by the management during the year, however, there is a regular phased programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its fixed assets. No discrepancies were noticed on such verification.
- (c) The Company does not have any immovable property (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), therefore requirements to report under paragraph 3(i)(c) of the order are not applicable to the Company.
- (d) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the Company has not revalued its property, plant and equipment (including right-of-use assets) and/or intangible assets during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Register Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including right-of-use assets) or intangible Assets does not arise.
- (e) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, no proceedings have been initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence, reporting under clause 3 (ii)(a) of the Order is not applicable to the Company.
- (b) To the best of our information and according to the explanations provided to us and the books of account and records examined by us in the normal course of audit, we state that, the Company has been sanctioned working capital limit in excess of Rs. 5 Crores, in aggregate, from banks on the basis of security of current assets (i.e. loans given). In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that :
- (a) The Company's principal business is to give loans, and hence reporting under clause 3(iii)(a) of the Order is not applicable.



(b) The terms and conditions of the grant of all loans and advances in the nature of loans, and investments made in Mutual Funds during the year under audit, in our opinion, are prima-facie not prejudicial to the interest of the Company. There are no other investments made or guarantees provided or security given during the year under audit.

(c) The Company, being a Non-Banking Financial Company – Housing Financial Company, is registered under provisions of National Housing Bank Act, 1987 and rules made thereunder, in pursuance of its compliance with the provisions of the said Act/ Rules, particularly, the income Recognition, Asset Classification and Provisioning norms and generally accepted business practices by the lending institutions, repayments scheduled are stipulated basis the nature of the loan products. The repayment of the principal and the payment of interest by the borrower's are as per the stipulated repayment schedule except in case of default cases.

Note 3(e) to the Ind AS Financial Statements explains the Company's accounting policy relating to impairment of financial assets which include loans assets. In accordance with that policy, loan assets with balances as at March 31, 2023, aggregating ₹ 521.20 Lakhs were categorized as credit impaired ("Stage 3") and ₹ 9346.48 Lakhs were categorized as those where the credit risk has increased significantly since initial recognition ("Stage 2"). Disclosures in respect of such loans have been provided in Note 7(h) to the Ind AS Financial Statements. Additionally, out of loans and advances in the nature of loans with balances as at the year-end aggregating ₹ 91429.54 Lakhs, where credit risk has not significantly increased since initial recognition (categorized as "Stage 1"), overdue in the repayment interest and principal aggregating ₹ 256.75 Lakhs were also identified. In all other cases, the repayment of principal and interest is regular. Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemized list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at the year-end is ₹ 92.58 Lakhs. In our opinion, reasonable steps are being taken by the Company for recovery of the principal and interest as stated in the applicable Regulations and Loan agreements.

(e) The Company's principal business is to give loans, and hence requirements to report under paragraph 3(iii)(e) of the Order is not applicable to the Company.

(f) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, requirements to report under paragraph 3(iii)(f) of the Order is not applicable to the Company.

(iv) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the Company has not given any loans, or provided any guarantee or security as specified under Section 185. The Company has not made any investment as referred in Section 186(1) of the Act and other requirements relating to Section 186 do not apply to the company, being a Housing Finance Company.

(v) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Rules framed thereunder to the extent applicable. Accordingly, the requirements to report under Paragraph 3(v) of the Order are not applicable to the Company.



- (vi) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, the requirements to report under Paragraph 3(vi) of the Order are not applicable to the Company.
- (vii) (a) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities. The Company does not have liability in respect of sales-tax, service tax, duty of excise, and value added tax, since effective 1 July 2017, these statutory dues has been subsumed into GST. Further no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable except for the details mentioned in the table as follows:

Name of the Statue	Nature of dues	Amount (₹ in Lakhs)	Period to which amount relates	Date of subsequent payment
Employee's Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund Dues	4.48	April 2019 to July 2019	Not yet paid
Professional Tax Act 1987	Professional Tax dues	8.40	April 2020 to September 2022	Not yet paid

- (b) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, there were no dues referred in sub-clause (a) above, which have not been deposited on account of disputes.
- (viii) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, there were no transactions 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. Accordingly, the requirements to report under paragraph 3(viii) of the Order are not applicable to the Company.
- (ix) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that,
- (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- (c) Term loans availed by the Company during the year have been applied for the purposes for which the loans were obtained.
- (d) On an overall examination of the Ind AS Financial Statements, funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate, or joint-venture as defined under the Companies Act, 2013 and therefore, the requirements to report under Paragraph 3(ix)(e) & (f) of the Order are not applicable to the Company.
- (x) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:
- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and accordingly, the requirements to report under Paragraph 3(x)(a) of the Order are not applicable to the Company.
- (b) The Company, during the year under audit, has made private placement of equity shares and compulsory convertible preference shares. For such allotment, the requirements of Section 42 of the Companies Act, 2013 have been complied with. Also, the funds raised therefrom have been applied for the purpose for which those were raised. The Company, during the year under audit, has not made any private placement of convertible debentures. Further there were no preferential allotment of shares or convertible debentures (fully, partially, or optionally convertible) during the year, therefore compliance with the provisions of Section 62 of the Companies Act, 2013 is not applicable.
- (xi) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:
- (a) Neither any fraud by the Company, nor any fraud on the Company has been noticed or reported during the course of the audit; nor we have been informed of any such case by the Company.
- (b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) No whistle blower complaints received by the Company during the year (and up to the date of this report).
- (xii) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the Company is not a Nidhi Company. Accordingly, requirements to report under Paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the Ind AS Financial Statements as required by the applicable Indian Accounting Standards.



- (xiv) (a) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued for the year under audit.
- (xv) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, reporting on the compliance of the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that,
- (a) As the Company is a Non-Banking Financial institution and registered under National Housing Bank (NHB) Act, 1987, it has been exempted from the requirement of registration under section 45-IA of the Reserve Bank of India Act; 1934.
- (b) The Company has a valid certificate of registration from National Housing Bank. Reference is also made to Note No. 49 to the accompanying Ind AS Financial Statements regarding 'Principal Business Criteria';
- (c) The Company is not a core investment company and hence reporting under clause (xvi)(c) of the Order is not applicable;
- (d) The Company does not have any CICs, which are a part of the Group. We have not, however, separately evaluated whether the information provided by the Management is accurate and complete. Accordingly, requirements to report under Paragraph 3(xvi) (d) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and nor in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, asset liability maturity (ALM) pattern and other information accompanying the Ind AS Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- (xx) To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable to the Company.
- (xxi) The provisions of clauses 3(xxi) of the Order are not applicable to the Company.

Place: New Delhi
Dated: May 29, 2023



For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

(Anuj Dhingra)

Partner

Membership No.: 512535
UDIN: 23512535BGYSQG6048

Annexure-B to Independent Auditors' Report

Referred to in Paragraph 10(f) of the Independent Auditors' Report of even date to the members of **Aviom India Housing Finance Private Limited** on the Ind AS Financial Statements for the year ended March 31, 2023

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of **Aviom India Housing Finance Private Limited** ("the Company") as of March 31, 2023, in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in



accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that;

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

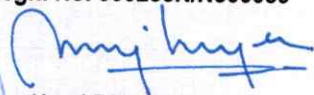
Inherent Limitations of Internal Financial Controls Over Financial Reporting


7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi
Dated: May 29, 2023

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

(Anuj Dhingra)
Partner
Membership No.: 512535
UDIN: 23512535BGYSQG6048



Aviom India Housing Financial Private Limited

Additional Auditor's Report

**In terms of paragraph 70 and 71 of the Master Direction - Non Banking Financial
Company - Housing Finance Company (Reserve Bank) Directions, 2021
for the Financial year from April 1, 2022, to March 31, 2023**

**To the Board of Directors of,
Aviom India Housing Finance Private Limited**

1. In addition to the report made under section 143 of the Companies Act, 2013 (the 'Act') on financial statement of **AVIOM India Housing Finance Private Limited** ("the Company") for the year ended March 31, 2023 and as required by Master Direction-Non Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 (the 'Directions'), we make a separate report to Board Of Directors of the company on the matters specified in paragraph 70 and 71 of the subject Directions to the extent applicable.

Management's responsibility

2. The company's management is responsible for the matters stated in section 134(5) of the Act with respect to preparation of financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards specified in section 133 of the act read with relevant rules issued thereunder.
3. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting principles; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
4. The Company's management is responsible for ensuring that the Company complies with the requirements of subject Directions. This responsibility includes the design, implementation, and maintenance of internal control relevant to the compliance with the subject Directions.

Auditor's responsibility

5. Pursuant to the requirements of subject Directions, it is our responsibility to provide reasonable assurance on whether the company has complied with the matters specified in paragraph 70 and 71 of the subject Directions to the extent applicable to the Company.



6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for special purposes (Revised 2016) issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the independence and other ethical requirements of the code of ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') I, Quality Control for firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.
8. Based on our examination of the financial statements as at and for the period ended March 31, 2023, books of account and records of the company as produced for our examination and according to the information and explanations given to us, we report that:

- i. With reference to paragraph 70.1.1. of the subject Directions, the company is engaged in housing finance business, and it has obtained a certificate of registration No. 08.0140.16 from the National Housing bank (the 'NHB') vide certificate dated 16 August 2016, in pursuance of section 29A, of the NHB Act, 1987 (the 'NHB Act'); Further, in respect of Company's compliance with 'Principal Business criteria' as specified in the subject Directions, attention is drawn to Note No. 47 of Company's Ind AS Financial Statements (audited) and our observation, as under.

Observation referred to in Para 8(i) above:

Company's financial assets in the business of providing finance for housing, as at March 31, 2023, constitute less than 60% of its total assets.

In this regard, it may be noted that paragraph 5.3 of the subject Directions prescribes for transitional phase for compliance with the 'Minimum percentage of total assets towards Housing Finance within the timelines permitted in the subject Directions and the Company is presently underway submitting to the Reserve Bank, a Board approved plan including a roadmap to fulfil the stated criteria and timeline for transition.

- ii. With reference to paragraph 70.1.2. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the Company is meeting the Net Owned Fund requirement as prescribed under section 29A of the NHB Act read with paragraph 5.1 of the subject Directions.
- iii. With reference to paragraph 70.1.3. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the Company has complied with provisions of section 29C of NHB Act.
- iv. With reference to paragraph 70.1.4. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the total borrowings of the company are within the limits prescribed under paragraph 27.2 of the subject Directions.
- v. With reference to paragraph 70.1.5. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in the subject Directions.

- vi. With reference to paragraph 70.1.6. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the capital adequacy ratio as disclosed in half-yearly Schedule II return has been correctly determined and the said ratio is in compliance with the minimum capital to risk weighted asset ratio (CRAR) prescribed by the NHB. The Schedule II return (and/or the capital adequacy ratio) for the half year



ended March 31, 2023 was initially prepared / submitted based on unaudited amounts / figures, which got subsequently amended in terms of audited amounts / figures and have been disclosed in Audited Ind AS Financial Statements for year ended March 31, 2023.

- vii. With reference to paragraph 70.1.7. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the company has furnished to the NHB within the stipulated period of the half yearly statutory return [i.e., Schedule II] as specified in the subject Directions. Schedule III return is not applicable to the Company.
- viii. With reference to paragraph 70.1.8. of the subject Directions, the quarterly statutory return on Statutory Liquid Assets, is not applicable to the Company.
- ix. With reference to paragraph 70.1.9. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the company has complied with the requirements contained in the subject Directions in case of opening of new branches/ offices and in case of closure of existing branches/offices,
- x. With reference to paragraph 70.1.10. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the company has not granted any loans against security of shares and gold jewelry, hence provisions contained in paragraph 3.1.3 and paragraph 3.1.4 of the subject Direction are not applicable to the Company. Further, the Company has complied with the paragraph 18 of the Directions.
- xi. With reference to paragraph 70.1.11. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the Board of Directors of the company has passed a resolution dated June 30, 2022 for non-acceptance of public deposit;
- xii. With reference to paragraph 70.1.12. of the subject Directions, in our opinion and to the best of our information and according to the explanations given to us, the Company has not accepted public deposits during the year ended March 31, 2023, hence paragraph 27.2 of the subject Directions as well as reporting under paragraph 70.2 of the subject Directions is not applicable to the Company.

Restriction of use

9. This report is addressed to and provided to the Board of Directors solely in connection with the aforesaid Direction and for submission to National Housing bank/ Reserve Bank of India, if required and may not be suitable for any other purpose. Accordingly, our report should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our Report is shown or into whose hands it may come without our prior consent in writing.

Place: New Delhi
Dated: May 29, 2023

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No. 000235N/N500089

(Anuj Dhingra)
Partner
Membership No.: 512535
UDIN: 23512535BGYSQN1458



AVIOM India Housing Finance Private Limited
Balance Sheet as at 31 March 2023
All amounts in INR lakhs, except per share data or as otherwise stated

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	5	14,328.56	13,178.19
Bank balances other than cash and cash equivalents	6	5,489.62	4,209.17
Loans	7	101,093.76	69,452.65
Investments	8	89.40	76.14
Other financial assets	9	3,046.45	2,546.69
Total financial assets		124,047.79	89,462.84
Non Financial Assets			
Property, plant and equipment	10	946.59	632.41
Intangible assets	11	187.22	172.91
Right to use asset	12	453.56	613.77
Other non-financial assets	13	1,445.81	1,292.98
Total non-financial assets		3,033.18	2,712.07
Total assets		127,080.97	92,174.91
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade payables	14	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		409.82	91.21
Debt securities	15	33,174.21	21,206.79
Borrowings (other than debt securities)	16	57,842.26	46,801.54
Lease liabilities	17	563.65	701.58
Other financial liabilities	18	5,524.31	7,217.41
Total financial liabilities		97,514.25	76,018.53
Non-Financial Liabilities			
Current tax liabilities (net)	34	11.24	254.03
Deferred tax liabilities (net)	34	462.02	212.29
Provisions	19	75.90	101.75
Other non-financial liabilities	20	270.39	239.52
Total non-financial liabilities		819.55	807.59
EQUITY			
Equity share capital	21	4,621.43	3,872.79
Other equity	22	24,125.74	11,476.00
Total equity		28,747.17	15,348.79
Total Liabilities and Equity		127,080.97	92,174.91
Summary of significant accounting policies	1-4		

The accompanying notes form an integral part of these financial statements
As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm registration number: 000235N/N500089

Anuj Dhingra
Anuj Dhingra
Partner

Membership No.: 512535
UDIN:



For and on behalf of the Board of Directors of
AVIOM India Housing Finance Private Limited

Kaajal Aijaz Ilmi
Kaajal Aijaz Ilmi
Managing Director and CEO
DIN No.: 01390771
Place: New Delhi
Date: May 29, 2023

Kunal Sikka
Kunal Sikka
Director
DIN No.: 9082591
Place: Bellevue, WA, USA
Date: May 29, 2023

Amit Arora
Amit Arora
Chief Financial Officer

Place: New Delhi
Date: May 29, 2023

Divyani Chand
Divyani Chand
Company Secretary
Membership No. ACS- 52153
Place: New Delhi
Date: May 29, 2023

Place: New Delhi
Date: May 29, 2023



AVIOM India Housing Finance Private Limited
Statement of Profit and Loss for the year ended 31 March 2023
All amounts in INR lakhs, except per share data or as otherwise stated

Particulars	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
INCOME			
Revenue from operations			
Interest income	23	20,882.61	13,394.11
Fees and commission income	24	2,593.88	1,545.64
Net gain on fair value changes	25	78.61	36.86
Net gain on derecognition of financial instruments under amortised cost category	26	632.20	827.69
Total revenue from operations		24,187.30	15,804.29
Other income	27	3.29	-
Total income		24,190.59	15,804.29
EXPENSES			
Finance costs	28	11,615.88	7,285.31
Fees and commission expenses	29	942.45	387.33
Employee benefits expenses	30	6,016.76	3,950.01
Impairment on financial instruments	31	36.49	382.89
Depreciation, amortization and impairment	32	664.05	593.69
Other expenses	33	2,716.01	1,443.84
Total expenses		21,991.64	14,043.06
Profit before exceptional items and tax		2,198.95	1,761.23
Exceptional items		-	-
Profit before tax		2,198.95	1,761.23
Tax expense:	34		
Current tax		303.21	332.69
Deferred tax		249.59	208.47
Tax expense pertaining to previous year		39.76	-
Total tax expense		592.56	541.16
Profit for the year		1,606.39	1,220.07
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liabilities/assets		0.57	8.94
Income tax relating to items that will not be reclassified to profit or loss		(0.14)	(2.25)
Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive income for the year		0.43	6.69
Total comprehensive income		1,606.82	1,226.76
Earnings per equity share (Face value of INR 10 each)	35		
Basic (INR)		11.40	9.26
Diluted (INR)		4.75	3.36
Summary of significant accounting policies	1-4		

The accompanying notes form an integral part of these financial statements
As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm registration number: 000235N/N500089

Anuj Dhingra

Anuj Dhingra
Partner
Membership No.: 512535
UDIN:



For and on behalf of the Board of Directors of
AVIOM India Housing Finance Private Limited

Kaajal Aijaz Ilmi
Kaajal Aijaz Ilmi
Managing Director and CEO
DIN No.: 01390771
Place: New Delhi
Date: May 29, 2023

Kamal Sikka
Kamal Sikka
Director
DIN No.: 9082591
Place: Bellevue, WA, USA
Date: May 29, 2023

Anit Arora
Anit Arora
Chief Financial Officer

Divyani Chand
Divyani Chand
Company Secretary
Membership No: ACS- 52153

Place: New Delhi
Date : May 29, 2023

Place: New Delhi
Date : May 29, 2023



AVIOM India Housing Finance Private Limited
Statement of Cash Flow for the year ended 31 March 2023
All amounts in INR lakhs, except per share data or as otherwise stated

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
A. Cash flow from operating activities		
Profit before tax	2,198.95	1,761.23
Adjustments for:		
Depreciation and amortisation	664.05	593.69
Impairment on financial instruments	36.49	382.89
Unamortised processing fee (Income Side)	183.83	167.62
Interest on lease liabilities	94.37	98.73
Unamortised processing fee on borrowings	851.75	543.20
Interest on staff loan	(43.91)	(21.61)
Interest on cash collateral	(58.40)	(33.68)
Interest income on fixed deposits	(240.33)	(85.27)
Interest income on security deposits	(6.58)	(6.23)
Profit on termination of leases	(1.83)	-
Net gain on fair value changes	(78.61)	(36.86)
Net gain on derecognition of financial instruments under amortised cost category	(632.20)	(827.69)
Operating profit before working capital changes	2,967.58	2,536.02
Adjustment for change in working capital:		
(Increase) in loan and advances	(31,817.52)	(23,932.04)
Decrease in other financial assets	247.24	(793.44)
(Increase) in other non-financial assets	(42.15)	(1,030.42)
Increase in other financial liabilities	(1,693.10)	4,786.82
Increase/(Decrease) in provisions	(25.28)	89.56
Increase in other non-financial liabilities	30.87	125.47
Increase in trade payables	318.61	33.85
Cash flow used in operations	(30,013.75)	(18,184.18)
Income tax paid (net)	(585.76)	(46.60)
Net cash used in operating activities	(30,599.51)	(18,230.78)
B. Cash flow from investing activities		
Investment in fixed deposits	(8,792.45)	(2,590.72)
Maturity of fixed deposits	7,555.72	23.14
Purchase of investments	(10,071.47)	(5,500.00)
Sale of investments	10,136.82	5,460.72
Interest received on fixed deposits	142.51	20.89
Purchase of property, plant and equipments	(919.51)	(247.67)
Purchase of intangible assets	(14.31)	(181.38)
Net cash used in investing activities	(1,962.69)	(3,015.02)
C. Cash flow from financing activities		
Proceeds from issuance of equity shares, including security premium	2,194.96	-
Proceeds from issuance of compulsory convertible preference shares, including security premium	9,597.30	5,699.07
Proceeds from borrowings, including debt securities	48,313.71	46,040.53
Repayment of borrowings, including debt securities	(26,157.37)	(19,478.00)
Payment of lease liability	(236.04)	(210.77)
Net cash flows from financing activities	33,712.56	32,050.83
Net increase in cash and cash equivalents	1,150.37	10,805.03
Cash and cash equivalents at the beginning of the period	13,178.19	2,373.16
Cash and cash equivalents at the end of the year	14,328.56	13,178.19
Cash and cash equivalents includes:		
Cash in hand	765.60	873.18
In current accounts	13,562.96	12,305.01
Cash and cash equivalents at the end of the year (refer note 5)	14,328.56	13,178.19

The accompanying notes form an integral part of these financial statements
As per our report of even date attached
For SCV & Co. LLP
Chartered Accountants
Firm registration number: 000235N/N500089


Anuj Dhingra
Partner

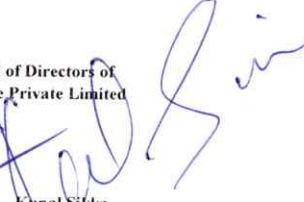
Membership No.: 512535
UDIN:



Place: New Delhi
Date: May 29, 2023

For and on behalf of the Board of Directors of
AVIOM India Housing Finance Private Limited


Kaajal Aijaz Ilmi
Managing Director and CEO
DIN No.: 01390771
Place: New Delhi
Date: May 29, 2023


Kunal Sikka
Director
DIN No.: 9082591
Place: Bellevue, WA, USA
Date: May 29, 2023


Anil Arora
Chief Financial Officer

Place: New Delhi
Date: May 29, 2023


Divyani Chaud
Company Secretary
Membership No: ACS- 52153
Place: New Delhi
Date: May 29, 2023



AVIOM India Housing Finance Private Limited
Statement of Changes in Equity for the year ended 31 March 2023
All amounts in INR lakhs, except per share data or as otherwise stated

A. Equity share capital

	Equity shares	Compulsory Convertible Preference Shares	Amount
Shares of INR 10 each issued, subscribed and fully paid			
Balance as at 1 April 2021	1,318.10	2,112.46	3,430.56
Add: Shares issued during the year	-	442.23	442.23
Balance as at 31 March 2022	1,318.10	2,554.69	3,872.79
Balance as at 1 April 2022	1,318.10	2,554.69	3,872.79
Add: Shares issued during the year	164.53	584.11	748.64
Balance as at 31 March 2023	1,482.63	3,138.80	4,621.43

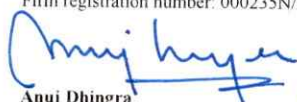
B. Other equity

	Reserves and Surplus			Other comprehensive income - Remeasurements of defined benefit plans	Total
	Securities premium	Special reserve under Section 29C of the NHB Act, 1987	Retained earnings		
Balance as at 1 April 2021	5,270.48	116.87	(388.88)	(6.07)	4,992.40
Profit for the year	-	-	1,220.07	-	1,220.07
Additions during the year	5,457.78	-	-	-	5,457.78
Share issue expenses	(200.94)	-	-	-	(200.94)
Other comprehensive income (net of tax)	-	-	-	6.69	6.69
Transfer to special reserve under section 29C of NHB Act, 1987	-	244.01	(244.01)	-	-
Balance as at 31 March 2022	10,527.32	360.88	587.18	0.62	11,476.00
Balance as at 1 April 2022	10,527.32	360.88	587.18	0.62	11,476.00
Profit for the year	-	-	1,606.39	-	1,606.39
Additions during the year	11,446.32	-	-	-	11,446.32
Share issue expenses	(403.40)	-	-	-	(403.40)
Other comprehensive income (net of tax)	-	-	-	0.43	0.43
Transfer to special reserve under section 29C of NHB Act, 1987	-	321.28	(321.28)	-	-
Balance as at 31 March 2023	21,570.24	682.16	1,872.30	1.05	24,125.74

The accompanying notes form an integral part of these financial statements

As per our report of even date attached

For SCV & Co. LLP
Chartered Accountants
Firm registration number: 000235N/N500089

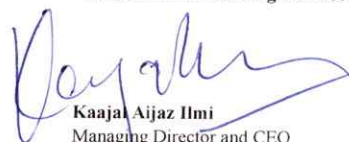

Anuj Dhingra
Partner

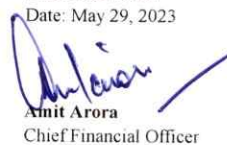
Membership No.: 512535
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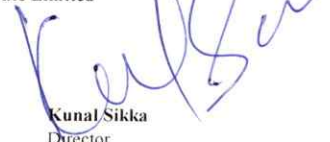


Place: New Delhi
Date: May 29, 2023

For and on behalf of the Board of Directors of
AVIOM India Housing Finance Private Limited


Kaajal Aijaz Ilmi
Managing Director and CEO
DIN No.: 01390771
Place: New Delhi
Date: May 29, 2023


Amit Arora
Chief Financial Officer
Place: New Delhi
Date: May 29, 2023


Kunal Sikka
Director
DIN No.: 9082591
Place: Bellevue, WA, USA
Date: May 29, 2023


Divyani Chaud
Company Secretary
Membership No. ACS- 52153
Place: New Delhi
Date: May 29, 2023



AVIOM India Housing Finance Private Limited
Notes to accounts for the year ended 31 March 2023

All amounts in INR lakhs, except per share data or as otherwise stated

1 Company Overview

Aviom India Housing Finance Private Limited ('the Company') is a private limited company incorporated in India under the provisions of the Companies Act, 2013. The Company is registered with the National Housing Bank as a Housing Finance Company vide certification no. 08014016 dated 16 August 2016. The Company is engaged in the business of providing housing and non-housing loans. The Company's redeemable non-convertible debentures are listed on Bombay Stock Exchange in India (BSE). As such, the Company has acquired the status of Listed Company pursuant to Section 2(52) of Companies Act, 2013. Under the scale based regulation the Company is categorised as middle layer (HFCML).

2 Basis of preparation and presentation

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

The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow and Statement of Changes in Equity are together referred as the financial statement of the Company. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act'), other relevant provisions of the Act, guidelines issued by National Housing Bank ('NHB') and Reserve Bank of India ('RBI') as applicable to an Housing Finance Companies and other accounting principles generally accepted in India. Any application/guidance/clarifications/directions issued by NHB / RBI or other regulators are implemented as and when they are issued/applicable.

Presentation of Financial Statement

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". As required by Division III issued under Schedule III of the Act, the Company has presented the assets and liabilities in the balance sheet in the order of Liquidity.

Functional and presentation currency

Indian Rupee (INR) is the Company's functional currency and the currency of the primary economic environment in which the Company operates. Accordingly, the management has determined that financial statements are presented in INR and all values are rounded off to the nearest lakhs with two decimal places, except when otherwise stated.

The financial statements were approved for issue by the Board of Directors at the meeting held on 29 May 2023.

ii) Basis of Measurement

The financial statements have been prepared on historical cost basis except for certain financial instruments that are measured at fair values.

Historical cost is a measure of value used for accounting in which the price of an asset on the balance sheet is based on its historical cost, it is generally fair value of consideration given in exchange for goods and services at the time of transaction or original cost when acquired by the Company.

Fair value is the price that is likely to be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability that market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 Leases.

Fair value measurements under Ind AS are categorised into fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

iii) Significant accounting judgements and estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Company's accounting policies, management has made the following significant judgements and estimates, which have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



a) Business model assessment

The Company determines the business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company considers all relevant information available when making the business model assessment. The Company takes into account all relevant evidence available such as:

- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The Company's business model does not depend on management's intentions for an individual instrument; therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis. Based on this assessment and future business plans of the Company, the management has measured its financial assets at amortized cost except investment in mutual funds as the asset is held within the business model whose objective is to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest ('the SPPI criterion').

b) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from the active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include consideration of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility

c) Effective Interest Rate (EIR) method

The Company's EIR methodology recognises interest income/ expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given/taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behaviour and life cycle of the instruments, as well expected changes to India's base rate and other fee income/ expense that are integral part of the instrument.

d) Defined employee benefit assets and liabilities

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

e) Provisions and contingencies

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgements is required to conclude on these estimates.



f) Determining the lease term of contracts with renewal and termination options and incremental borrowing rate - Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several contracts that include extension and termination options. The Company would apply judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is significant event or change in circumstances that is within the control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased assets).

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowings rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which require estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

g) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The development of Company's ECL model, which assigns Probability of defaults (PDs)
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Life Time Expected Credit Loss (LTECL) basis and the qualitative assessment.
- The segmentation of financial assets when their ECL is assessed on a collective basis.
- Development of ECL models, including the various formulas and the choice of inputs.
- Determination of association between macroeconomic scenarios and, economic inputs, and the effect on PDs (Probability of defaults) , EADs(Exposure at Defaults) and LGDs(Loss Given Default)
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

The Company regularly reviews its models in the context of actual loss experience and adjust when necessary.

h) Useful life and residual value of property, plant and equipment and other intangible assets

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed at each financial year end.

i) Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. In assessing the probability, the Company considers whether the entity has sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilized before they expire. Significant management assumptions are required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.



3 Significant accounting policies

a) Property, plant and equipment ("PPE")

Recognition and measurement

PPE are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of PPE comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repair and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Derecognition and measurement

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

Depreciation

Depreciation on PPE is provided on written down value method using the rates arrived at based on the useful lives as specified in the Schedule II of the Companies Act, 2013. Depreciation on the PPE added/disposed off/discarded during the year is provided from/upto the date when added/disposed off/discarded. The estimated useful lives and residual values of the PPE are reviewed at the end of each financial year. The Company has used following useful lives to provide depreciation on its PPE.

	<u>Useful life</u>
Computer	3 years
Furniture and Fixtures	10 years
Office equipments	5 years
Vehicles	8 years

Leasehold improvements are amortised over the lease-term including the optional period, if any, available to the Company, where it is reasonably certain at the inception of lease that such option would be exercised by the Company.

b) Other Intangible Assets

Recognition and measurement

Intangible assets, representing softwares are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Amortisation

The intangible assets are amortised using the written down value method over a period of three years (which is the management's estimate of its useful life) from the date when the asset is available for use or license period which ever is lower. Amortisation on the intangible asset disposed off during the year is provided on pro-rata basis with reference to the date of disposal. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.



d) Revenue recognition

Interest income

The Company earns revenue in the form of interest income on loans granted. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest income is recognized using the effective interest rate ('EIR') method. The EIR method calculates the amortized cost of a financial instrument and allocates the interest income. The EIR is the rate that discounts estimated future cash flows of the financial asset through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates the interest income by applying the effective interest rate to the net amortised cost (i.e. net of ECL provision) of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to recognizing interest income on gross basis.

Fees and commission income not integral to EIR method under Ind AS 109 and income from services and distribution of financial products

The Company recognizes the fees and commission income like application fees, penal interest, cheque bouncing charges, other income, etc. not integral to EIR method under Ind AS 109 in accordance with the terms of relevant customer contracts/ agreement and when it is confirmed that the Company will collect the consideration for items.

Dividend income

Dividend income is accounted for when the right to receive the income is established, which is generally when the shareholders approve the dividend.

e) Financial Instruments

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

(i) Initial recognition and measurement

Financial Assets

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e. the date that the Company becomes a party to the contractual provisions of the Instrument. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial Liabilities

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading or it is designated as such on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

(ii) Subsequent measurement

Financial Assets

On subsequent recognition, a financial asset is classified and measured at

- Amortised Cost;
- Fair Value Through Other Comprehensive Income (FVOCI); or
- Fair Value Through Profit and Loss (FVTPL)

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

A financial asset is measured at amortised cost if it meets both of the following conditions and is not recognised as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI) (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified and measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.



Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets.

Financial assets: Subsequent measurement and gains and losses

Financial assets measured at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.
Financial assets measured at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.
Financial assets measured at Amortised Cost	These assets are subsequently measured at amortised cost using the effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss. Any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Financial Liabilities

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

(iii) Derecognition

Financial Assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de recognition.

A financial asset is considered to be transferred if, and only if, either:

- the Company has transferred its contractual rights to receive the cash flows from the financial assets; or
- the Company retains the rights to the cash flows but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients').

Pass-through arrangements result in derecognition of financial assets only when all the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company must remit any cash flows it collects on behalf of eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investment in cash or cash equivalents including interest earned, during the year between the collection date and date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- the Company has transferred substantially all risks and rewards of the asset, or
- the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred the control of the asset.



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The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards of the asset and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, which case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Assignment / De-recognition of financial assets

In case of transfer of loans through direct assignment transactions, the transferred loans are de-recognised and gains/losses are accounted for, only if the Company transfers substantially all risks and rewards specified in the underlying assigned loan contract. In accordance with Ind AS 109, on de-recognition of a financial asset under assigned transactions, the difference between the carrying amount and the consideration received are recognized in the statement of profit and loss.

Financial Liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

(iv) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the company's procedures for recovery of amounts due.

(v) Impairment of Financial Assets

The Company assesses at each date of Balance Sheet whether a Financial asset or a group of Financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance.

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

Particulars	Criteria
Stage 1 (1-30 Days)	includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
Stage 2 (31-90 Days)	includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
Stage 3 (More than 90 Days)	includes loan assets that have objective evidence of impairment at the reporting date.

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

Probability of Default (PD): The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

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

Exposure at Default (EAD): EAD is based on the amounts the Company expects to be owed at the time of default.

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

(vi) Offsetting Financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.



(vii) Compound Financial Instrument

Convertible instruments are separated into equity and liability component based on the terms of the contract. On issuance of the said instruments, the liability component is arrived by discounting the gross sum (including redemption premium, if any) at a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost until it is extinguished on conversion or redemption. The remainder of the proceeds is recognised as equity component of compound financial instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

f) Borrowing costs

Borrowing cost attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such assets are ready for its intended use. Ancillary costs incurred in connection with the arrangement of borrowings are adjusted with the proceeds of the borrowings and recognised using the Effective Interest Rate (EIR) method. Other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

g) Employee benefits

(i) Short term employee benefits

Short-term employee benefits are expensed in the year in which the related services are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined Contribution Plan

Employee benefits in the form of Provident Fund and Employees' State Insurance are defined as contribution plan and charged as expenses during the period in which the employees perform the services.

(iii) Defined Benefit Plan - Gratuity

For defined benefit gratuity plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields available on government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in other equity and will not be reclassified to the Statement of Profit & Loss. Past service cost is recognised in the Statement of Profit & Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement of of net defined benefit liability and assets.

The Company presents the first two components of defined benefit costs in the Statement of Profit & Loss in the line item employee benefits expense. The liability recognised in the statement of financial position for defined benefit plans in the present value of the Defined Benefit Obligation (DBO) at the reporting date less the fair value of plan assets. Management estimates the DBO annually with the assistance of independent actuary. Actuarial gains/ losses from re-measurements of the liability/ asset are included in other comprehensive income.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

h) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.



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l) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income.

Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, at the reporting date. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax

Deferred tax is provided using the liability method on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

j) Foreign Currency Transactions

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the date of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise, except for exchange difference arising on re-statement of long-term monetary items that in substance forms part of Company's net investment in foreign operations, is accumulated in Foreign Currency Translation Reserve (component of OCI) until the disposal of the investment, at which time such exchange difference is recognised in the Statement of Profit and Loss.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

l) Leases

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

Company as a lessee

The Company assesses if a contract is or contains a lease at inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date, except for short-term leases of twelve months or less and leases for which the underlying asset is of low value, which are expensed in the statement of profit and loss on a straight-line basis over the lease term.



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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or, if not readily determinable, the incremental borrowing rate specific to the country, term and currency of the contract.

Lease payments can include fixed payments, variable payments that depend on an index or rate known at the commencement date, as well as any extension or purchase options, if the Company is reasonably certain to exercise these options. The lease liability is subsequently measured at amortized cost using the effective interest method and remeasured with a corresponding adjustment to the related right-of-use asset when there is a change in future lease payments in case of renegotiation, changes of an index or rate or in case of reassessments of options.

The right-of-use asset comprises, at inception, the initial lease liability, any initial direct costs and, when applicable, the obligations to refurbish the asset, less any incentives granted by the lessors. The right-of-use asset is subsequently depreciated, on a straight-line basis, over the lease term, if the lease transfers the ownership of the underlying asset to the Company at the end of the lease term or, if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, over the estimated useful life of the underlying asset. Right-of-use assets are also subject to testing for impairment if there is an indicator for impairment. Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of operations in the period in which the events or conditions which trigger those payments occur. In the statement of financial position right-of-use assets and lease liabilities are classified on the face of the Balance Sheet.

m) Segment Reporting

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the Company falls within one business segment viz. "Financing Activities".

n) Earning per equity share

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

o) Cash Flow Statements

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

p) Share issue expenses

Share issue expenses are adjusted from the share premium account in terms of section 52 of the Companies Act, 2013.

4 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1 April 2023, as below:

Ind AS 1 – Presentation of Financial Statements

This amendment requires the Company to disclose its material accounting policies rather than their significant accounting policies. The Company will carry out a detailed review of accounting policies to determine material accounting policy information to be disclosed going forward. The Company does not expect this amendment to have any material impact in its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has changed the definition of a "change in accounting estimates" to a definition of "accounting estimates". The amendment clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The Company does not expect this amendment to have any material impact in its financial statements.

Ind AS 12 – Income Taxes

This amendment has done away with the recognition exemption on initial recognition of assets and liabilities that give rise to equal and offsetting temporary differences. The Company does not expect this amendment to have any material impact in its financial statements.



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5 Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Cash on hand	765.60	873.18
Balances with banks - in current accounts	13,562.96	12,305.01
	14,328.56	13,178.19

6 Bank balances other than cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Bank deposits with original maturity of more than 3 months*	4,977.45	3,740.72
Cash collateral against borrowings**	512.17	468.45
	5,489.62	4,209.17

*The above bank deposits include deposits under lien of INR 4,465.45 lakhs (F.Y 2021-22 INR 2,729.72 lakhs)

**Cash collateral paid to avail borrowing limits. The Company receives interest income on the said cash collateral at a stated rate on yearly basis.

7 Loans

	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Loan assets	101,659.58	69,981.98
Total Gross	101,659.58	69,981.98
Less: Impairment loss allowance	(565.82)	(529.33)
Total Net	101,093.76	69,452.65
Secured / Unsecured		
Secured by tangible assets	101,297.23	69,981.98
Unsecured	362.35	-
Total Gross	101,659.58	69,981.98
Less: Impairment loss allowance	(565.82)	(529.33)
Total Net	101,093.76	69,452.65
Loan in India		
Public sector	-	-
Others	101,659.58	69,981.98
Total Gross	101,659.58	69,981.98
Less: Impairment loss allowance	(565.82)	(529.33)
Total Net	101,093.76	69,452.65

Notes

- Loans are non-derivative financial assets which generate a fixed interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.
 - Loans granted by the Company are secured by equitable mortgage/registered mortgage of the property and/or undertaking to create a security and/or hypothecation of assets.
 - Loan commitment amount is INR 8,494.63 lakhs as on 31 March 2023 (INR 9,120.48 lakhs as on 31 March 2022).
 - During the year ended 31 March 2023 and 31 March 2022, the Company has assigned a pool of certain loans amounting to INR 2,009.57 and INR 2,306.92 lakhs respectively by way of direct assignment transactions. These loan assets have been de-recognised from the loan portfolio of the Company as the sale of loan assets is an absolute assignment and transfer on a 'no-recourse' basis. The Company continues to act as a servicer to the assignment transaction on behalf of assignee. In terms of the assignment agreement, the Company pays to assignee, on a monthly basis, the pro-rata collection amounts.
 - The Company has not granted any loans against security of shares or against gold jewellery as collateral during the financial year ended 31 March 2023 and 31 March 2022.
 - The Company has not granted any loans and advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment.
- g) **Break up of loan assets**

Particulars	As at 31 March 2023	As at 31 March 2022
Housing loan	62,864.90	45,430.46
Non-housing loan	38,432.33	24,551.52
Subtotal	101,297.23	69,981.98
Staff loan	362.35	-
Total	101,659.58	69,981.98



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h) Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification. The amounts presented are gross of impairment allowances. Details of companies risk assessment model and ECL allowances are assessed at the collective portfolio level.

As of 31 March 2023	Loan to customers			Impairment loss allowance		
	Housing loan	Non- housing loans	Total	Housing loan	Non- housing loans	Total
Stage 1	57,532.85	33,891.64	91,424.49	132.75	52.81	185.56
Stage 2	5,011.39	4,287.10	9,298.49	71.59	54.70	126.29
Stage 3	320.66	253.59	574.25	146.49	107.48	253.97
Total	62,864.90	38,432.33	101,297.23	350.83	214.99	565.82

As of 31 March 2022	Loan to customers			Impairment loss allowance		
	Housing loan	Non- housing loans	Total	Housing loan	Non- housing loans	Total
Stage 1	40,547.87	21,343.06	61,890.93	165.54	87.11	252.65
Stage 2	4,771.60	3,076.57	7,848.17	115.33	63.65	178.98
Stage 3	110.99	131.89	242.88	44.64	53.06	97.70
Total	45,430.46	24,551.52	69,981.98	325.51	203.82	529.33

i) Reconciliation of Gross carrying amount (Housing loan)

	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on 1 April 2021	30,139.27	1,050.87	-	31,190.14
New assets originated or purchased	17,953.65	299.41	4.68	18,257.75
Assets derecognised or repaid (excluding write offs)	(3,976.95)	(40.48)	-	(4,017.43)
Transfers from Stage 1	(4,114.81)	4,008.51	106.31	-
Transfers from Stage 2	546.71	(546.71)	-	-
Transfers from Stage 3	-	-	-	-
Gross carrying amount as on 31 March 2022	40,547.87	4,771.60	110.99	45,430.46
Gross carrying amount as on 1 April 2022	40,547.87	4,771.60	110.99	45,430.46
New assets originated or purchased	27,842.31	203.15	-	28,045.46
Assets derecognised or repaid (excluding write offs)	(9,731.34)	(861.32)	(18.36)	(10,611.02)
Transfers from Stage 1	(2,903.61)	2,808.67	94.94	-
Transfers from Stage 2	1,771.15	(1,915.40)	144.25	-
Transfers from Stage 3	6.47	4.69	(11.16)	-
Gross carrying amount as on 31 March 2023	57,532.85	5,011.39	320.66	62,864.90

Reconciliation of impairment loss allowance

	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on 1 April 2021	77.67	2.59	-	80.26
New assets originated or purchased	105.35	103.56	44.35	253.26
Assets derecognised or repaid (excluding write offs)	(7.95)	(0.06)	-	(8.02)
Impact of ECL of Exposures transferred between stages during the year				
Transfers from Stage 1	(11.04)	10.75	0.29	-
Transfers from Stage 2	1.51	(1.51)	-	-
Transfers from Stage 3	-	-	-	-
Gross carrying amount as on 31 March 2022	165.54	115.33	44.64	325.51
Gross carrying amount as on 1 April 2022	165.54	115.33	44.64	325.51
New assets originated or purchased	166.24	74.43	10.15	250.82
Assets derecognised or repaid (excluding write offs)	(121.70)	(89.33)	(14.48)	(225.50)
Impact of ECL of Exposures transferred between stages during the year				
Transfers from Stage 1	(80.68)	36.87	43.81	-
Transfers from Stage 2	3.35	(65.89)	62.54	-
Transfers from Stage 3	0.00	0.16	(0.16)	-
Gross carrying amount as on 31 March 2023	132.75	71.59	146.49	350.83



j) Reconciliation of Gross carrying amount (Non-housing loan)

	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on 1 April 2021	14,488.59	522.54	-	15,011.13
New assets originated or purchased	12,363.86	164.20	5.34	12,533.40
Assets derecognised or repaid (excluding write offs)	(2,857.99)	(128.67)	(6.35)	(2,993.01)
Transfers from Stage 1	(2,834.37)	2,706.05	128.32	-
Transfers from Stage 2	182.97	(187.55)	4.58	-
Transfers from Stage 3	-	-	-	-
Gross carrying amount as on 31 March 2021	21,343.06	3,076.57	131.89	24,551.52
Gross carrying amount as on 1 April 2022	21,343.06	3,076.57	131.89	24,551.52
New assets originated or purchased	15,498.79	728.98	9.08	16,236.86
Assets derecognised or repaid (excluding write offs)	(2,053.97)	(289.94)	(12.13)	(2,356.05)
Transfers from Stage 1	(2,264.37)	2,207.67	56.69	-
Transfers from Stage 2	1,359.80	(1,448.34)	88.54	-
Transfers from Stage 3	8.33	12.16	(20.49)	-
Gross carrying amount as on 31 March 2022	33,891.64	4,287.10	253.59	38,432.33
Reconciliation of impairment loss allowance	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as on 1 April 2021	63.92	2.26	-	66.18
New assets originated or purchased	50.32	50.78	52.50	153.60
Assets derecognised or repaid (excluding write offs)	(15.86)	(0.10)	-	(15.96)
Impact of ECL of Exposures transferred between stages during the year				
Transfers from Stage 1	(12.08)	11.54	0.54	-
Transfers from Stage 2	0.81	(0.83)	0.02	-
Transfers from Stage 3	-	-	-	-
Gross carrying amount as on 31 March 2021	87.11	63.65	53.06	203.82
Gross carrying amount as on 1 April 2022	87.11	63.65	53.06	203.82
New assets originated or purchased	75.51	49.44	13.58	138.53
Assets derecognised or repaid (excluding write offs)	(62.09)	(47.35)	(17.92)	(127.36)
Impact of ECL of Exposures transferred between stages during the year				
Transfers from Stage 1	(49.80)	24.12	25.68	-
Transfers from Stage 2	2.06	(35.27)	33.20	-
Transfers from Stage 3	0.01	0.12	(0.13)	-
Gross carrying amount as on 31 March 2022	52.81	54.70	107.48	214.99

k) Expected Credit Losses ('ECL')

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

The key components of Credit Risk assessment are:

a) **Probability of default ('PD')** represents the likelihood of default over a defined time horizon. The account level delinquency has been considered while assigning PD at a portfolio level. The PDs are computed for homogenous portfolio segments

b) **Exposure at default (EAD):** represents total amount outstanding including accrued interest as at the reporting date. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD

c) **Loss given default (LGD):** represents the proportion of EAD, that is likely-loss post default. The estimated recovery cashflows are discounted such that the LGD calculation factors in the NPV of the recoveries.

ECL is computed as a product of PD, LGD and EAD.

Definition of default and cure

The Company considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Company may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Further, in compliance with RBI clarification dated 12 November 2021, financial instrument will continue to be classified as Stage 3 (credit-impaired) till the time all the overdue contractual payments/arrears are paid by the borrower.

Delinquency buckets considered for the staging of loans:

- 0-30 days past due (DPD) and overdue up to one calendar month are classified as stage 1.
- 31-90 DPD and overdue more than one calendar month, but not stage 3; in addition, SICR accounts are classified as stage 2, and
- > 90 DPD + Accounts identified by the Company as Non-performing Accounts under regulatory guidelines + objective evidence for impairment (Qualitative Overlay) are classified as stage 3.

Significant increase in credit risk

The Company evaluates the loans on an ongoing basis. The Company also assesses if there has been a significant increase in credit risk since the previously risk taking into consideration both qualitative and quantitative information. One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.



Grouping financial assets measured on a collective basis

The Company calculates ECLs on a collective basis on Housing loans and Non-housing loans.

The Company has designed and operates its risk assessment model that factors in both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. The Company groups these exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans. Asset class such as home improvements and loans against properties are mix of Housing and Non-housing loans and based on customer profiling and associated risk attached.

1) Collateral

The Company is in business of secured lending and all loans are adequately covered by either residential collateral or commercial collateral. The collaterals are assessed at the time of origination and are being reassessed as and when required. The illustrative factors considered while evaluation of collateral are liquidity, enforceability, marketability, ease and efficiency in custody and settlement and free from all encumbrances in the relevant jurisdictions and complied with local by laws. The assessment of collateral is undertaken by empanelled team of independent and qualified technical/legal agencies. The Company has specified the maximum loan-to-value ratio for various types of asset to be accepted as collateral. Such ratios commensurate with the relative risk of the assets as prescribed by National Housing Bank and provides an adequate buffer against potential losses.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral as at 31 March 2023 and 31 March 2022. There was no change in the Company's collateral policy during the period.

1) The aforesaid loan includes 1,046.63 lakh at 31 March 23 and 285.59 lakh at 31 March 22 towards unamortised staff cost (i.e. transaction cost)

8 Investments

	As at 31 March 2023	As at 31 March 2022
At fair value through profit and loss		
Investments in mutual funds*	89.40	76.14
	89.40	76.14

* Investments in mutual funds amounting to INR 79.60 lakhs (previous year INR 76.14 lakhs) are pledged against the term fund based facilities availed by the Company.

9 Other financial assets

	As at 31 March 2023	As at 31 March 2022
Advances to employees (refer note 40)	84.57	285.04
Interest accrued but not due on loans (refer note (a) below)	1,348.67	911.52
Interest on deposits	234.98	78.76
Security deposits	97.99	88.06
Excess interest spread (EIS) receivable*	1,154.71	827.69
Other receivables	125.53	355.62
	3,046.45	2,546.69

*Under Ind AS, with respect to Assignment deals, the Company has created an EIS receivable (with corresponding credit to statement of profit and loss), which has been computed by discounting EIS to present value.

(a) Particulars

	Loans		Interest accrued		Total	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Housing loan	62,864.90	45,430.46	909.08	570.65	63,773.98	46,001.11
Non- housing loan	38,432.33	24,551.52	439.59	340.87	38,871.92	24,892.39
	101,297.23	69,981.98	1,348.67	911.52	102,645.90	70,893.50

10 Property, plant and equipment

	Computers	Furniture and Fixtures	Office equipments	Leasehold Improvements	Vehicles	Total
As at 1 April 2021	538.82	275.35	39.77	2.13	95.34	951.41
Additions	16.21	48.86	29.83	158.34	-	253.24
Disposals	-	-	-	-	-	-
As at 31 March 2022	555.03	324.21	69.60	160.47	95.34	1,204.65
As at 1 April 2022	555.03	324.21	69.60	160.47	95.34	1,204.65
Additions	217.55	30.12	404.12	8.33	-	660.12
Disposals	-	-	-	-	-	-
As at 31 March 2023	772.58	354.33	473.72	168.80	95.34	1,864.77
Accumulated depreciation						
As at 1 April 2021	108.69	31.84	5.76	1.70	23.82	171.81
Charge for the year	273.80	67.83	20.15	16.31	22.34	400.43
Disposals	-	-	-	-	-	-
As at 31 March 2022	382.49	99.67	25.91	18.01	46.16	572.24
As at 1 April 2022	382.49	99.67	25.91	18.01	46.16	572.24
Charge for the period	136.39	61.07	72.67	60.45	15.36	345.94
Disposals	-	-	-	-	-	-
As at 31 March 2023	518.87	160.74	98.59	78.46	61.52	918.18
Net carrying value						
As at 31 March 2022	172.54	224.54	43.69	142.46	49.18	632.41
As at 31 March 2023	253.71	193.59	375.13	90.34	33.82	946.59



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11 Intangible assets

	Software	Total
As at 1 April 2021	56.48	56.48
Additions	181.38	181.38
Disposals	-	-
As at 31 March 2022	<u>237.86</u>	<u>237.86</u>
As at 1 April 2022	237.86	237.86
Additions	163.55	163.55
Disposals	-	-
As at 31 March 2023	<u>401.41</u>	<u>401.41</u>
Accumulated depreciation		
As at 1 April 2021	24.07	24.07
Charge for the year	40.88	40.88
Disposals	-	-
As at 31 March 2022	<u>64.95</u>	<u>64.95</u>
As at 1 April 2022	64.95	64.95
Charge for the period	149.24	149.24
Disposals	-	-
As at 31 March 2023	<u>214.19</u>	<u>214.19</u>
Net carrying value		
As at 31 March 2022	172.91	172.91
As at 31 March 2023	<u>187.22</u>	<u>187.22</u>

12 Right to use assets

As at 1 April 2021	671.07	671.07
Additions	206.17	206.17
Disposals	-	-
As at 31 March 2022	<u>877.24</u>	<u>877.24</u>
As at 1 April 2022	877.24	877.24
Additions	22.89	22.89
Disposals	(26.14)	(26.14)
As at 31 March 2023	<u>873.99</u>	<u>873.99</u>
Accumulated depreciation		
As at 1 April 2021	111.09	111.09
Charge for the year	152.38	152.38
Disposals	-	-
As at 31 March 2022	<u>263.47</u>	<u>263.47</u>
As at 1 April 2022	263.47	263.47
Charge for the period	168.89	168.89
Disposals	(11.93)	(11.93)
As at 31 March 2023	<u>420.43</u>	<u>420.43</u>
Net carrying value		
As at 31 March 2022	613.77	613.77
As at 31 March 2023	<u>453.56</u>	<u>453.56</u>

Note: The Company does not hold any immovable property as on 31 March 2023 and 31 March 2022. All the lease agreements are duly executed in favour of the Company for properties where the Company is a lessee.

13 Other non-financial assets

	As at 31 March 2023	As at 31 March 2022
Advance to vendors	1,090.64	797.43
Prepaid expenses	245.00	495.55
Capital advance	110.17	-
	<u>1,445.81</u>	<u>1,292.98</u>



14 Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues to Micro enterprise and small enterprises	-	-
Total outstanding dues of creditors other than Micro enterprise and small enterprises	409.82	91.21
	409.82	91.21

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") is as under:

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on information received and available with the Company, there are no amounts payable other than disclosed above to Micro and Small Enterprises as follows:

	As at 31 March 2023	As at 31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amount of the payment made to the supplier 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 the 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 enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

Trade payable ageing schedule as on 31 March 2023

	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Micro, small and medium enterprises (MSMEs)	-	-	-	-	-
Others	409.82	-	-	-	409.82
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
	409.82	-	-	-	409.82

Trade payable ageing schedule as on 31 March 2022

	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Micro, small and medium enterprises (MSMEs)	-	-	-	-	-
Others	91.21	-	-	-	91.21
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
	91.00	-	-	-	91.21

15 Debt securities

	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Secured		
Privately placed non-convertible debentures	33,174.21	21,206.79
	33,174.21	21,206.79
Debt securities in India	5,941.89	6,110.22
Debt securities outside India	27,232.32	15,096.57
Total	33,174.21	21,206.79

Terms of Non-convertible debentures ('NCDs')

- The Non-convertible debentures are secured by exclusive hypothecation of present and future loans of standard receivable (net of financial charge, NPA's and other charges etc.) as per selection criteria as defined in the respective loan agreement and personal guarantee given by the managing director of the Company.
- The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.
- The Company has submitted monthly or quarterly return or statement of current assets with banks or financial institution in agreement with the books of account for borrowings taken on the basis of security of loan assets.
- The Company has used the proceeds of debentures for the specific purpose for which it was taken.



f) Terms of redemption based on nominal value of debt securities and repayment terms

As at 31 March 2023	0-1 year	>1- 3 years	>3- 5 years	> 5 years	Total
Debt Securities					
Non-convertible debentures (Unlisted)					
11.00%-12.00%	-	-	2,426.87	0.25	2,427.12
12.01%-13.00%	-	5,078.30	0.15	-	5,078.45
13.01%-14.00%	2,302.03	-	7,771.73	-	10,073.76
14.01%-15.00%	828.21	2,021.94	-	-	2,850.15
15.01%-16.00%	-	-	2,967.95	-	2,967.95
Non-convertible debentures (Listed)					
10.01%-11.00%	-	-	3,603.48	-	3,603.48
13.01%-14.00%	-	6,173.31	-	-	6,173.31
As at 31 March 2022					
Debt Securities					
Non-convertible debentures (Unlisted)					
11.00%-12.00%	-	-	3,682.47	2,942.29	6,624.76
12.01%-13.00%	-	2,104.51	-	-	2,104.51
13.01%-14.00%	1,051.36	861.55	4,016.62	-	5,929.53
14.01%-15.00%	-	-	2,958.87	-	2,958.87
Non-convertible debentures (Listed)					
11.01%-12.00%	-	-	3,589.12	-	3,589.12

16 Borrowings (other than debt securities)

	As at 31 March 2023	As at 31 March 2022
At amortised cost		
Secured		
Term Loan		
From banks	22,446.59	21,114.86
From other parties	35,223.18	25,386.68
Loans repayable on demand		
From banks	172.49	300.00
	57,842.26	46,801.54
Borrowings in India	57,842.26	46,801.54
Borrowings outside India	-	-
Total	57,842.26	46,801.54

- a) Secured borrowings from banks and financial institutions carry rate of interest in the range of 8% p.a. to 16% p.a. These loans are having tenure of 1 to 12 years from the date of disbursement and are repayable in monthly or quarterly or six monthly instalments. These loans are secured by exclusive hypothecation of present and future loan of standard receivable (net of financial charge, NPA's and other charges etc.) as per selection criteria as defined in the respective loan agreement and personal guarantee given by the managing director of the Company. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender during the year.
- b) The Company has short-term working capital loan and overdraft facilities amounting to INR 550.00 lakhs with interest ranging from 8.50% to 12.50% from different banks. During the year ended 31 March 2023 and 31 March 2022, company has drawdown facility amounting to INR 200.00 lakhs and INR 300.00 lakhs respectively. The loan is having a tenure of less than 12 month from the date of disbursement and are repayable on demand. These loans are secured against loan assets of the company.
- c) The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.
- d) The Company has submitted monthly or quarterly return or statement of current assets with banks or financial institution in agreement with the books of account for borrowings taken on the basis of security of current assets.
- e) The Company has used the borrowings from bank and financial institution for the specific purpose for which it was taken.

f) Terms of redemption based on nominal value of borrowings (other than debt securities) and repayment terms

As at 31 March 2023	0-1 year	>1- 3 years	>3- 5 years	> 5 years	Total
Term loans- from banks					
8.01%-9.00%	-	-	-	-	-
9.01%-10.00%	-	-	-	-	-
10.01%-11.00%	757.34	1,504.88	1,491.17	388.78	4,142.17
11.01%-12.00%	555.53	-	-	-	555.53
12.01%-13.00%	850.13	1,895.11	1,904.90	2,053.06	6,703.20
13.01%-14.00%	1,818.96	2,712.80	697.11	-	5,228.87
14.01%-15.00%	1,616.99	657.62	-	-	2,274.61
15.01%-16.00%	250.71	775.61	-	-	1,026.32
16.01%-17.00%	1,858.03	657.87	-	-	2,515.90
Overdraft - from banks					
13.01%-14.00%	172.49	-	-	-	172.49
Working capital loan - from banks					
10.01%-11.00%	-	-	-	-	-



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Term loans- from others					
7.01%-8.00%	277.78	740.74	723.38	-	1,741.90
8.01%-9.00%	111.00	182.00	-	-	293.00
9.01%-10.00%	38.46	88.98	-	-	127.44
12.01%-13.00%	880.75	2,287.40	1,968.30	33.46	5,169.91
13.01%-14.00%	2,229.66	3,686.70	977.02	-	6,893.38
14.01%-15.00%	5,299.67	6,820.09	706.41	-	12,826.17
15.01%-16.00%	1,515.05	1,889.73	27.70	-	3,432.48
16.01%-17.00%	2,571.47	1,277.34	-	-	3,848.81
17.01%-18.00%	353.53	-	-	-	353.53
18.01%-19.00%	500.75	35.81	-	-	536.56

As at 31 March 2022	0-1 year	>1- 3 years	>3- 5 years	> 5 years	Total
Term loans- from banks					
8.01%-9.00%	-	1,274.99	-	-	1,274.99
9.01%-10.00%	-	-	-	2,511.93	2,511.93
10.01%-11.00%	-	789.82	-	-	789.82
11.01%-12.00%	-	-	-	3,126.60	3,126.60
12.01%-13.00%	1,352.95	2,006.00	1,383.40	4,000.00	8,742.35
13.01%-14.00%	370.86	4,145.62	-	-	4,516.48
14.01%-15.00%	-	152.69	-	-	152.69
Overdraft - from banks					
10.01%-11.00%	200.00	-	-	-	200.00
Working capital loan - from banks					
10.01%-11.00%	100.00	-	-	-	100.00
Term loans- from others					
5.01%-6.00%	250.00	-	-	-	250.00
6.01%-7.00%	-	-	441.00	2,578.35	3,019.35
11.01%-12.00%	-	376.21	3,204.88	-	3,581.09
12.01%-13.00%	437.05	-	964.30	-	1,401.35
13.01%-14.00%	1,446.12	8,190.40	6,540.83	-	16,177.35
14.01%-15.00%	284.87	193.65	-	-	478.52
15.01%-16.00%	479.02	-	-	-	479.02

17 Lease liability

	As at 31 March 2023	As at 31 March 2022
Lease liability	563.65	701.58
	563.65	701.58

Leases:

The Company's lease asset class primarily consist of leases for buildings and office premises. Generally, the Company is restricted from assigning and subleasing the leased assets. The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease liability

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	701.58	614.80
Addition	18.63	198.82
Accretion of interest	94.37	98.73
Payments	(236.04)	(210.77)
Derecognized during the year	(14.89)	-
Balance at the end of the year	563.65	701.58

Amounts recognised in the Statement of profit and loss

	For the year ended 31 March 2023
Depreciation on right to use assets	168.89
Interest expense on lease liabilities (included in finance cost)	94.37
Expenses related to short-term leases or low value leases (included in other expenses)	173.31

Amounts recognised in Cash flow statement

	For the year ended 31 March 2023
Cash outflow for leases	236.04

Contractual maturities of lease liabilities on as discounted basis are as given below:

	As at 31 March 2023	As at 31 March 2022
Not later than a year	124.41	144.06
Later than one year and not later than five years	419.98	447.68
Later than five years	15.84	109.84
Total	560.23	701.58

Notes:

When measuring lease liabilities for operating leases, the Company discounted lease payments using incremental borrowing rate at the date of inception of the leases. The weighted average pre tax rate applied is 14.76% p.a.



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18 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Employee benefit payable	162.56	87.19
Interest accrued but not due on borrowings	963.34	631.79
Loan pending disbursement	4,398.41	6,292.01
Other payables	-	206.42
	5,524.31	7,217.41

19 Provisions

	As at 31 March 2023	As at 31 March 2022
Provisions for employee benefits		
Gratuity (refer note 36)	65.08	36.76
Leave encashment	10.82	64.99
	75.90	101.75

20 Other non- financial liabilities

	As at 31 March 2023	As at 31 March 2022
Statutory dues	270.39	239.52
	270.39	239.52

21 Equity share capital

	As at 31 March 2023		As at 31 March 2022	
	Number (Absolute)	Amount	Number (Absolute)	Amount
Authorised				
Equity shares of INR 10 each	22,653,095	2,265.31	22,653,095	2,265.31
Preference shares of INR 10 each	37,546,905	3,754.69	25,546,905	2,554.69
	60,200,000	6,020.00	48,200,000	4,820.00
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	14,826,290	1,482.63	13,181,040	1,318.10
	14,826,290	1,482.63	13,181,040	1,318.10
Preference shares				
Series A Compulsory convertible preference shares of INR 10 each	6,124,939	612.49	6,124,939	612.49
Series B Compulsory convertible preference shares of INR 10 each	14,999,611	1,499.97	14,999,611	1,499.97
Series C Compulsory convertible preference shares of INR 10 each	4,422,355	442.23	4,422,355	442.23
Series D Compulsory convertible preference shares of INR 10 each	5,841,111	584.11	-	-
	31,388,016	3,138.80	25,546,905	2,554.69

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting year

	As at 31 March 2023		As at 31 March 2022	
	Numbers	Amount	Numbers	Amount
Equity shares of INR 10 each				
Balance as at beginning of the year	13,181,040	1,318.10	13,181,030	1,318.10
Add: Shares issued during the year	1,645,250	164.53	10.00	0.00
Outstanding at the end of the year (a)	14,826,290	1,482.63	13,181,040	1,318.10
Preference shares of INR 10 each				
Series A				
Balance as at beginning of the year	6,124,939	612.49	6,124,939	612.49
Add: Preference shares issued during the year	-	-	-	-
Balance as at end of the year (b)	6,124,939	612.49	6,124,939	612.49
Series B				
Balance as at beginning of the year	14,999,611	1,499.97	14,999,611	1,499.97
Add: Preference shares issued during the year	-	-	-	-
Balance as at end of the year (c)	14,999,611	1,499.97	14,999,611	1,499.97
Series C				
Balance as at beginning of the year	4,422,355	442.23	-	-
Add: Preference shares issued during the year	-	-	4,422,355	442.23
Balance as at end of the year (d)	4,422,355	442.23	4,422,355	442.23
Series D				
Balance as at beginning of the year	-	-	-	-
Add: Preference shares issued during the year	5,841,111	584.11	-	-
Balance as at end of the year (d)	5,841,111	584.11	-	-
Total [(a) + (b) + (c) + (d)]	46,214,306	4,621.43	38,727,945	3,872.79

(ii) Rights, preference and restrictions attached to equity shares

The Company has only one class of equity shares having the par value of the each share is INR 10. Each shareholder shall have voting right equal to shareholding percentage of the total of the shares issued including compulsory convertible preference shares on an as if converted basis. The equity shares are entitled to receive dividend as declared from time to time. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholding.



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(iii) Rights, preference and restrictions attached to preference shares

The Company issued Series-A compulsory convertible preference shares (CCPS) during the year ended 31 March 2018 and 31 March 2019. The CCPS are convertible into 4301685 equity shares of face value of INR 10 each by the holder by notice in writing to the Company, and which date shall not be later than 19 years from the issuance of the Series-A CCPS (i.e. 5 February 2018 and 31 July 2018). dividend of 0.001% to be given subject to anti-dilution adjustment and conversion adjustments as stated in share holders agreement entered on 15 December 2017.

The Company issued 11,499,707 and 3,499,904 Series-B CCPS during the year ended 31 March 2020. The CCPS holders may convert CCPS into Equity Shares of face value of Rs 10 each by giving notice in writing to the Company, and the date of which shall not be later than 19 years from the date of issuance of the Series-B CCPS (i.e. 19 August 2019, 25 February 2020, 3 March 2020). Each series B CCPS shall be converted into 843,311 equity shares and 2,566,594 equity shares respectively, and subject to the terms and conditions mentioned in the SHA dated 9 August 2019 such as achieving certain targets of the portfolio, maintain specific PAR percentage as defined in SHA.

The Company has issued 4,422,355 Series-C compulsory convertible preference shares (CCPS) during the year ended 31 March 2022. The CCPS are convertible at any time into equity shares of face value INR 10 each by the holder by notice in writing to the Company, and which date shall not be later than 19 years from the issuance of the Series-C CCPS (13 October 2021). Each Series-C CCPS shall be convert into 1 equity share subject to anti-dilution adjustment and conversion adjustments as stated in shareholders agreement entered on 30 September 2021.

The Company has issued 5,841,111 Series-D compulsory convertible preference shares (CCPS) during the year ended 31 March 2023. The CCPS are convertible at any time into equity shares of face value INR 10 each by the holder by notice in writing to the Company, (i) immediately prior to expiry of a period of 20 (twenty) years from the date of issuance of the Series D CCPS; or (ii) immediately prior to listing of the Company's Shares on any stock exchange, whichever is earlier.

(iv) Details of shareholders holding more than 5% shares in the Company

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10 each				
Ms. Kaajal Aijaz Iimi	9,722,667	65.58%	9,721,667	73.75%
Green Scraps Advertisement Pvt. Ltd.	1,645,240	11.10%	-	0.00%
Mr. Kunal Sikka	2,000,000	13.49%	2,000,000	15.17%
Gojo & Company, Inc	750,020	5.06%	750,020	5.69%

(v) Details of compulsorily convertible preference shares held by shareholders holding more than 5% of the aggregate shares in the company

	As at 31 March 2023		As at 31 March 2022	
	Number of CCPS	% of holding	Number of CCPS	% of holding
Preference shares of INR 10 each				
Series A				
Gojo & Company, Inc	6,124,939	100%	6,124,939	100%
Series B				
Gojo & Company, Inc	11,499,707	76.67%	11,499,707	76.67%
Capital 4 Development Asia Fund	3,499,904	23.33%	3,499,904	23.33%
Series C				
Sabre partners AIF Trust	4,422,355	100.00%	4,422,355	100.00%
Series D				
Teachers Insurance and Annuity Association of America ("TIAA")	5,841,111	100.00%	-	-

(v) Shareholding of promoters

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares				
Ms. Kaajal Aijaz Iimi	9,722,667	65.58%	9,721,667	73.75%
Mr. Kunal Sikka	2,000,000	15.17%	2,000,000	15.17%
Mr. Om Parkash Sikka	-	-	1,000	0.01%

(vi) The Company has not issued any shares without cash consideration and there has not been any buy-back of shares in the five years immediately preceding the balance sheet date i.e. 31 March 2023.



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22 Other equity

	Securities premium	Share application money pending allotment	Special reserve under Section 29C of the NHB Act, 1987	Retained earnings	Other comprehensive income - Remeasurements of defined benefit plans	Total
Balance as at 1 April 2021	5,270.48	-	116.87	(388.88)	(6.07)	4,992.40
Profit/(loss) for the year	-	-	-	1,220.07	-	1,220.07
Additions during the year	5,457.78	-	-	-	-	5,457.78
Share issue expenses	(200.94)	-	-	-	-	(200.94)
Other comprehensive income (net of tax)	-	-	-	-	6.69	6.69
Transfer to special reserve under section 29C of NHB Act, 1987	-	-	244.01	(244.01)	-	-
Balance as at 31 March 2022	10,527.32	-	360.88	587.18	0.62	11,476.00
Balance as at 1 April 2022	10,527.32	-	360.88	587.18	0.62	11,476.00
Profit for the period	-	-	-	1,606.39	-	1,606.39
Additions during the period	11,446.32	-	-	-	-	11,446.32
Share issue expenses	(403.40)	-	-	-	-	(403.40)
Other comprehensive income (net of tax)	-	-	-	-	0.43	0.43
Transfer to special reserve under section 29C of NHB Act, 1987	-	-	321.28	(321.28)	-	-
Balance as at 31 March 2023	21,570.24	-	682.16	1,872.30	1.05	24,125.74

Nature and purpose of special reserves:

Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Special reserve

Section 29C (i) of the National Housing Bank Act, 1987 defines that every housing finance institution which is a Company shall create a reserve fund and transfer therein 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. For this purpose any special reserve created by the Company under Section 36(1)(viii) of Income tax Act, 1961, is considered to be an eligible transfer. During the year ended 31 March 2023, the Company has transferred an amount of INR 321.28 lakhs (31 March 2022: INR 244.01 lakhs) to the reserve in terms of Section 29C of the National Housing Bank ("NHB") Act, 1987.

Retained earnings

Retained earnings represents the amount of accumulated earnings of the Company

Other comprehensive income - Remeasurements of defined benefit plans

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



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15 (e) Debt securities (Contd...)

S.No	ISIN	Date of allotment	Date of redemption	Nominal value per debenture (INR)	Total number of debentures #	Rate of interest p.a. (Coupon rate)	As at 31 March 2023 (Face Value) Amount	As at 31 March 2023 Amount	As at 31 March 2022 (Face Value) Amount	As at 31 March 2022 Amount	Secured / Unsecured	Fixed / Floating
1	INB0E2307013	25-Aug-20	25-Aug-23	1,000,000.00	50	13.90%	500.00	498.71	500.00	495.50	Secured	Fixed
2	INB0E2307021	06-Jan-21	06-Jun-24	100,000.00	375	13.50%	375.00	371.07	375.00	366.81	Secured	Fixed
3	INB0E2307054	04-May-21	04-May-26	1,000,000.00	145	11.68%	1,450.00	1,439.21	1,450.00	1,435.86	Secured	Floating
4	INB0E2307062	06-May-21	06-May-26	1,000,000.00	220	11.72%	2,200.00	2,164.27	2,200.00	2,153.86	Secured	Floating
5	INB0E2307088	06-Jul-21	15-Jul-24	1,000,000.00	215	11.76%	2,150.00	2,124.19	2,150.00	2,104.94	Secured	Fixed
6	INB0E2307096	26-Jul-21	29-Sep-23	1,000,000.00	235	11.33%	2,346.67	2,339.45	3,720.00	3,682.87	Secured	Fixed
7	INB0E2307104	27-Oct-21	30-Sep-26	1,000,000.00	300	15.00%	3,000.00	2,967.95	3,000.00	2,938.86	Secured	Fixed
8	INB0E2307112	16-Nov-21	13-Nov-27	1,000,000.00	300	11.06%	3,000.00	2,954.26	3,000.00	2,939.80	Secured	Fixed
9	INB0E2307120	27-Jan-22	05-Jul-25	10,000.00	42,000	11.76%	4,200.00	4,080.37	4,200.00	4,016.92	Secured	Fixed
10	INB0E2307039	26-Nov-20	30-Jan-23	500,000.00	84	14.00%	-	-	416.67	408.59	Secured	Fixed
11	INB0E2307047	10-Feb-21	31-Jan-23	500,000.00	131	14.00%	-	-	652.14	642.77	Secured	Fixed
12	INB0E2307138	21-Jul-22	21-Jul-25	1,000,000.00	310	12.24%	3,100.00	3,086.86	-	-	Secured	Floating
13	INB0E2307146	29-Jul-22	29-Jan-26	1,000,000.00	310	12.29%	3,100.00	3,086.44	-	-	Secured	Floating
14	INB0E2307153	28-Dec-22	04-Dec-26	100.00	5,786,200	13.25%	5,786.29	5,634.31	-	-	Secured	Fixed
15	INB0E2307161	23-Dec-22	23-Dec-27	100,000.00	2,454	11.50%	2,454.00	2,427.12	-	-	Secured	Fixed
Total							33,661.87	33,174.21	21,663.81	21,206.79		

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23 Interest Income

On financial assets measured at amortized cost

Interest income on:

- on housing and non-housing loans
- deposits with banks
- cash collateral against borrowings
- on staff loan
- security deposits

	For the year ended 31 March 2023	For the year ended 31 March 2022
	20,533.39	13,232.61
	240.33	85.27
	58.40	48.39
	43.91	21.61
	6.58	6.23
	20,882.61	13,394.11

24 Fees and commission income

- Application fees
- Other fee income

	For the year ended 31 March 2023	For the year ended 31 March 2022
	1,126.12	738.05
	1,467.76	807.59
	2,593.88	1,545.64

Notes:

The performance obligation in regards of arrangements where fees is charged per transaction executed is recognized at point in time when the amount is realized.

Geographical markets

- India
- Outside India

Total revenue from contracts with customers

India	2,593.88	1,545.64
Outside India	-	-
	2,593.88	1,545.64

Timing of revenue recognition

- Services transferred at a point in time
- Services transferred over time

Total revenue from contracts with customers

Services transferred at a point in time	2,593.88	1,545.64
Services transferred over time	-	-
	2,593.88	1,545.64

25 Net gain on fair value changes

Net gain on instruments at fair value through profit and loss

- Realised
- Unrealised

	For the year ended 31 March 2023	For the year ended 31 March 2022
	77.23	36.66
	1.38	0.20
	78.61	36.86

26 Net gain on derecognition of financial instruments under amortised cost category

Net gain on derecognition of financial instruments under amortised cost

	For the year ended 31 March 2023	For the year ended 31 March 2022
	632.20	827.69
	632.20	827.69

27 Other income

- Profit on termination of leases
- Interest on income tax

	For the year ended 31 March 2023	For the year ended 31 March 2022
	1.83	-
	1.45	-
	3.29	-

28 Finance cost

On financial liabilities measured at amortized cost

- Interest on borrowings
- Interest on lease liabilities
- Interest on income tax
- Interest on cash collateral

	For the year ended 31 March 2023	For the year ended 31 March 2022
	11,441.73	7,148.74
	94.37	98.73
	30.26	-
	49.52	37.83
	11,615.88	7,285.31



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29 Fees and commission expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Legal and professional expenses	942.45	387.33
	942.45	387.33

30 Employee benefit expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salary, wages and bonus	5,389.29	3,539.94
Contribution to provident and other funds	505.40	307.98
Staff welfare expenses	93.18	77.53
Gratuity expense	28.89	24.56
	6,016.76	3,950.01

31 Impairment on financial instruments

	For the year ended 31 March 2023	For the year ended 31 March 2022
On financial assets measured at amortized cost		
Impairment loss allowances on loans	36.49	382.89
	36.49	382.89

32 Depreciation, amortization and impairment

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation and amortisation expenses	495.16	441.31
Depreciation on right to use assets	168.89	152.38
	664.05	593.69

33 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Bank charges	63.57	46.13
Business promotion expenses	169.62	79.95
Audit fees	37.93	28.56
Legal & professional expenses	555.48	382.03
Communication expenses	166.66	84.19
Insurance expenses	37.17	57.11
Information technology support cost	125.97	43.89
Customer acquisition cost	78.58	6.12
Electricity expenses	58.92	43.52
Printing and stationery	353.44	110.79
Marketing & advertisement expenses	185.85	39.04
Office expense	241.68	126.65
Travelling expenses	316.71	188.01
Rent expense	173.31	147.66
Rates and taxes	36.69	8.97
Training and development	78.06	50.00
Corporate Social Responsibility expense	17.78	-
Miscellaneous expenses	18.60	1.22
	2,716.01	1,443.84

#Audit fees includes auditors remuneration (excluding goods and service tax) comprises the following:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Statutory audit	25.00	20.00
Tax audit	3.43	3.15
Limited review	6.00	4.00
Certification charges	3.50	1.41
Total	37.93	28.56

*Tax auditors are other than statutory auditors



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34 Income tax

The components of income tax expense for the period ended 31 March 2023 and year ended 31 March 2022 are:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Statement of profit and loss		
Current income tax:		
Current income tax charge	303.21	332.69
Tax expense pertaining to previous year	39.76	-
Deferred tax:		
Relating to origination and reversal of temporary differences	249.59	208.47
Income tax expense reported in the statement of profit and loss	592.56	541.16

	For the year ended 31 March 2023	For the year ended 31 March 2022
Other comprehensive income		
Deferred tax:		
Relating to origination and reversal of temporary differences	0.14	2.25
Income tax expense reported in the Other Comprehensive income	0.14	2.25

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the period ended 31 March 2023

	For the year ended 31 March 2023	For the year ended 31 March 2022
Accounting profit before tax	2,198.95	1,761.23
Tax at statutory Income tax rate of @ 25.17%	553.43	443.27
Others	(0.63)	97.89
Tax expense pertaining to previous year	39.76	-
Tax at effective income tax rate	592.56	541.16
Income tax expense reported in the statement of profit and loss	592.56	541.16

Current tax assets/(liabilities) (net)

	As at 31 March 2023	As at 31 March 2022
Current tax assets (net)	-	-
Current tax liabilities (net)	11.24	254.03
	(11.24)	(254.03)

Deferred tax assets/(liabilities) (net)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense.

	As at 31 March 2023	As at 31 March 2022
Deferred tax assets		
Lease liabilities net of Right of use assets	30.27	23.86
Provision for employee benefits	19.10	25.61
Expected credit loss (ECL)	110.97	110.97
EIR on processing fees of loans	177.94	131.67
Property, plant and equipment	82.18	51.45
Others	2.29	6.30
	422.75	349.86
Deferred tax liabilities		
EIS receivable	290.64	208.33
Un-amortised processing fees on Customer Acquisition cost	263.44	71.88
Unamortised loan origination costs	330.69	281.94
	884.77	562.15
Deferred tax assets/ (liabilities), net recognised in the balance sheet	(462.02)	(212.29)
Deferred tax credit/(expense)	(249.73)	(210.73)
Deferred tax credit/(expense) recorded in statement of profit and loss	(249.59)	(208.47)
Deferred tax credit/(expense) recorded in other comprehensive income	(0.14)	(2.25)
	(249.73)	(210.73)

35 Earning per share

Basic earnings per share (EPS) is calculated by dividing the net profit/(loss) for the year attributable to equity holders of the Company 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.

	For the year ended 31 March 2023	For the year ended 31 March 2022
Following reflects the profit and share data used in EPS computations:		
Basic		
Weighted average number of equity shares for computation of Basic EPS (in absolute numbers)	14,096,397	13,181,035
Net profit for calculation of basic EPS (in lakhs)	1,606.39	1,220.07
Basic earning per share (in absolute INR)	11.40	9.26
Diluted		
Weighted average number of equity shares for computation of Diluted EPS (in absolute numbers)	33,852,186	36,353,196
Net profit for calculation of diluted EPS (in lakhs)	1,606.39	1,220.07
Diluted earning per share (in absolute INR)	4.75	3.36



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	For the year ended 31 March 2023	For the year ended 31 March 2022
Reconciliation of profit for calculation of diluted EPS		
Net profit for calculation of basic EPS (INR in lakhs)	1,606.39	1,220.07
Add: Impact of dilution of compulsory convertible preference shares	-	-
Net profit for calculation of Diluted EPS (INR in lakhs)	1,606.39	1,220.07
Reconciliation of Weighted average number of shares outstanding		
Weighted average number of equity shares for computation of Basic EPS	14,096,397	13,181,035
Add: Impact of dilution of compulsory convertible preference shares	19,755,789	23,172,161
Weighted average number of equity shares for computation of Diluted EPS	33,852,186	36,353,196
Nominal/ Face value of equity shares (in INR)	10.00	10.00
36 Retirement benefit plan		
a) Defined contribution plan		
The Company provide provident fund and employee's state insurance scheme for eligible employees as per applicable regulations where in both employee and the Company make monthly contribution at a specified percentage of the eligible employee's salary. The expense recognised in the Statement of profit and loss during the year towards defined contribution plan is INR 505.40 lakhs (31 March 2022: INR 307.98 lakhs).		
b) Defined benefit plan		
The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous services of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to maximum limit of INR 20 lakh. The present value of the unfunded defined benefit obligation and the related current service cost were measured using the Projected Unit Credit Method with actuarial valuations being carried out at each reporting date.		
Amount recognised in the Balance sheet		
	As at 31 March 2023	As at 31 March 2022
Present value of benefit obligation at the end of the year	69.94	47.48
Fair value of plan assets at the end of the year	4.86	10.72
Net Liability recognized in the Balance Sheet	65.08	36.76
Expenses recognized in the Statement of Profit and Loss		
	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	27.35	23.99
Net Interest cost	1.54	0.57
Expenses recognised	28.89	24.56
Expenses recognized in the Other comprehensive income (OCI)		
	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (Gains) on obligation for the year		
Due to Change in financial assumptions	(2.69)	(1.26)
Due to change in demographic assumption	-	-
Due to experience adjustments	1.22	(8.29)
Return on Plan Assets, Excluding Interest Income	0.90	0.61
Net (Income) for the year recognized in OCI	(0.57)	(8.94)
The actuarial assumptions used to determine benefit obligations as at 31 March 2023 and 31 March 2022 are as follows:		
	For the year ended 31 March 2023	For the year ended 31 March 2022
Discount rate	7.35%	6.70%
Salary escalation rate	3.00%	3.00%
Withdrawal rate	15.00%	15.00%
Balance sheet reconciliation		
	As at 31 March 2023	As at 31 March 2022
Opening net liability	36.76	21.14
Expenses recognized in Statement of Profit and Loss	28.89	24.56
Expenses recognized in OCI	(0.57)	(8.94)
Net liability recognized in the Balance Sheet	65.08	36.76
Cash Flow Projection		
Maturity analysis of the benefit payments: from the fund		
	For the year ended 31 March 2023	For the year ended 31 March 2022
Projected benefits payable in future years from the date of reporting		
Year 1 cashflow	4.84	3.30
Year 2 cashflow	5.56	4.10
Year 3 cashflow	6.03	4.29
Year 4 cashflow	7.39	4.46
Year 5 cashflow	13.88	5.13
Year 6 to year 10 Cashflow	32.24	26.20



Sensitivity analysis

	For the year ended 31 March 2023	For the year ended 31 March 2022
Projected benefit obligation on current assumptions		
Discount rate sensitivity		
Increase by 0.5%	67.98	46.14
Decrease by 0.5%	71.99	48.89
Salary growth rate sensitivity		
Increase by 0.5%	71.75	48.61
Decrease by 0.5%	68.26	46.42
Withdrawal rate (W.R.) sensitivity		
W.R. X 110%	68.90	46.70
W.R. X 90%	70.84	48.19

37 Segment information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by Company's Chief Executive Officer (CEO) to make decisions about resources to be allocated to the segments and assess their performance. The Company provides Housing loans and Non-housing loans and the entire services are governed by same set of risk and returns. Hence, the Company has been considered to have only one primary reporting segment. The entire income of the Company is generated from customers which are domiciled in India. Hence, there is only one geographical segment. The said treatment is in compliance with the guiding principle as envisaged by Indian Accounting Standard 108, 'Operating Segments' as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.

38 Change in liabilities arising from financing activities

	As at 1 April 2022	Cashflow (net)	Others*	As at 31 March 2023
Debt securities	21,206.79	11,769.47	197.95	33,174.21
Borrowings other than debt securities	46,801.54	10,386.93	653.80	57,842.26
Total	68,008.33	22,156.40	851.75	91,016.48
	As at 1 April 2021	Cashflow (net)	Others*	As at 31 March 2022
Debt securities	3,249.45	17,957.34	-	21,206.79
Borrowings other than debt securities	37,653.17	8,605.19	543.18	46,801.54
Total	40,902.62	26,562.53	543.18	68,008.33

*Represents non cash adjustment on account of amortization of processing fees

39 Contingent liabilities and commitments (to the extent not provided for)

a) Contingent liabilities

There are no claims against the Company not acknowledged as debt as at 31 March 2023 and 31 March 2022.

The Company does not have any pending litigations which have a material adverse effect on its financial statements of the Company as at March 31, 2023 and as at March 31, 2022.

Additionally, the Company is not involved in any disputes, lawsuits and claims, including commercial matters. The Company believes that there are no such pending matters that are expected to have any material adverse effect on its financial statements in any given accounting period.

The Hon'ble Supreme Court of India, vide their ruling dated 28 February 2019, set out the principles based on which certain allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed by a third party and is pending before the Supreme Court for disposal.

In view of the management, pending decision on the subject review petition and directions from the EPFO, the management has a view that the applicability of the decisions is prospective. Further, the impact for the past period, if any, is not practically ascertainable in view of various interpretation issues. The Company will continue to assess any further developments in this matter for the implications on financial statements, if any.

b) Commitments

Undisbursed amount of sanctioned loans

	As at 31 March 2023	As at 31 March 2022
Undisbursed amount of sanctioned loans	8,494.63	9,120.48



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40 Related party disclosures

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

a) Name of the related parties and related party relationship

Individuals with control over the enterprise	Ms. Kaajal Aijaz Ilmi (Managing Director and CEO)
Key Management Personnel	
Ms. Kaajal Aijaz Ilmi	Managing Director and Chief Executive officer
Mr. Ramandeep Gill	Chief Financial Officer (Till 22 October 2022)
Ms. Divyani Chand	Company Secretary
Mr. Amit Arora	Chief Financial Officer (effective 18 January 2023)

b) Transactions during the year:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Remuneration to Key Managerial Personnel*		
Ms. Kaajal Aijaz Ilmi	224.78	166.82
Mr. Ramandeep Gill	46.10	63.62
Ms. Divyani Chand	22.28	14.78
Mr. Amit Arora	18.34	-
Salary advance given during the year		
Ms. Kaajal Aijaz Ilmi	-	163.00
Mr. Ramandeep Gill	-	65.00
Salary advance recovered during the year		
Ms. Kaajal Aijaz Ilmi	(43.00)	(30.04)
Mr. Ramandeep Gill	(59.59)	(5.41)
Personal Guarantee given during the year		
Ms. Kaajal Aijaz Ilmi	58,640.20	47,090.00

c) Outstanding balances as at year end:

	As at 31 March 2023	As at 31 March 2022
Loan - Staff loans		
Ms. Kaajal Aijaz Ilmi	155.01	161.26
Mr. Ramandeep Gill	-	55.36
Personal guarantee given (outstanding)		
Ms. Kaajal Aijaz Ilmi	135,580.20	104,720.00

*The amount excludes provision made for gratuity and leave encashment which are provided for a group of employees on overall basis.

The Company has not granted any loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment. However, the Company has granted the advances in the nature of loan to the Promoter and KMPs that are repayable as per specified terms of repayment, details of which are here under:

Type of borrower	As at 31 March 2023		As at 31 March 2022	
	Amount of loan or advance in the nature of loan outstanding*	Percentage to the total loans and advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding*	Percentage to the total loans and advances in the nature of loans
Promoters	155.01	0.15%	161.26	0.23%
Directors	-	-	-	-
KMPs	-	0.00%	55.36	0.08%
Related parties	-	-	-	-

*Amount of loan or advance in the nature of loan outstanding represents gross amount given to the borrower.

41 Financial instruments

I. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is total debt divided by net owned funds. The Company's policy is to keep the gearing ratio at reasonable level of 5-6 times in imminent year while the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 (the "RBI Master Directions") currently permits HFCs to borrow up to 12 times of their net owned funds ("NOF"). The Company includes within debt, its all interest bearing loans and borrowings.

Debt to Net worth ratio is as under:

	31 March 2023	31 March 2022
Debts	91,016.47	68,008.33
Net Worth*	26,609.88	15,175.88
Debt to net owned funds (in times)	3.42	4.48

* Net worth has been calculated as per RBI directions (Net Owned Funds).

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.



II. Financial Risk management

Introduction and risk profile

Whilst risk is inherent in the Company's activities, it is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk, interest rate risk and market risk. It is also subject to various operating and business risks. The Company also has a system of internal controls to reduce the residual risk in each of these categories and the effectiveness of these controls is assessed periodically.

Risk management structure and Company's risk profile

The Board of Directors are responsible for the overall risk management approach and for approving the risk management strategies and principles. The Risk Management Committee (RMC) has the overall responsibility for the development of the risk strategy and implementing principles, frameworks, policies and limits. The RMC is also responsible for managing risk decisions, implementing and maintaining risk related procedures to ensure an independent control process is maintained and monitoring risk levels and reports to the Board.

The Company is also responsible for monitoring compliance with risk principles, policies and limits across the Company, including monitoring the actual risk of exposures against authorised limits and the assessment of risks of new products and structured transactions. The Company's treasury team is responsible for managing its assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Company.

A) Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counter parties fail to discharge their contractual obligations. Credit risk in the Company is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk. There is a clear segregation of duties between transaction originators in the business function and approvers in the credit risk function. Board approved credit policies and procedures mitigate the Company's prime risk which is the default risk. There is a robust Credit Risk Management set-up in the Company at various levels.

- There are credit teams to ensure implementation of various policies and processes through random customer visits and assessment, training of branch staff on application errors, liaison with other institutions to obtain necessary information/loan closure documents, as the case may be, and highlight early warning Signals and industry developments enabling pro-active field risk management
- The credit sanction is done through a delegation matrix where credit sanctioning powers are defined for respective levels.
- Portfolio analysis and reporting is used to identify and manage credit quality and concentration risks.
- Credit risk monitoring for the Company is broadly done at two levels: account level and portfolio level. Account monitoring aims to identify weak accounts at an incipient stage to facilitate corrective action. Portfolio monitoring aims towards managing risk concentration in the portfolio as well as identifying stress in certain occupations, markets and states.

Analysis of risk concentration

The Company's concentrations of risk are managed based on Loan to Value (LTV) segregation, employment type and geographical spread. The following tables stratify credit exposures from housing and other loans to customers by these metrics. LTV is calculated as the ratio of gross amount of the loan (including interest accrued on loans and excluding unamortised balance of processing fees) or the amount committed for loan commitments - to the value of the collateral. The value of the collateral for housing and other loans is based on collateral value at origination.

Loans to Customers:

As at 31 March 2023

LTV Bucket

<=40

40-60

60-70

70-80

>80

Total

Sector/ Employment

Salaried

Self Employed

Total

Geographical concentration

North

South

East

West

Total

As at 31 March 2022

LTV Bucket

<=40

40-60

60-70

70-80

>80

Total

Sector/ Employment

Salaried

Self Employed

Total

Geographical concentration

North

South

East

West

Total

	Stage 1	Stage 2	Stage 3	Total
<=40	88,101.89	8,691.61	545.29	97,338.79
40-60	3,272.28	591.06	26.45	3,889.79
60-70	43.14	14.33	2.51	59.98
70-80	7.19	1.48	-	8.67
>80	-	-	-	-
Total	91,424.50	9,298.49	574.24	101,297.23

	Stage 1	Stage 2	Stage 3	Total
Salaried	17,734.23	2,895.09	183.45	20,812.77
Self Employed	73,690.27	6,403.39	390.80	80,484.46
Total	91,424.50	9,298.48	574.25	101,297.23

	Stage 1	Stage 2	Stage 3	Total
North	61,449.46	8,080.88	549.97	70,080.31
South	22,069.65	946.36	19.65	23,035.65
East	39.68	-	-	39.68
West	7,865.71	271.25	4.63	8,141.59
Total	91,424.50	9,298.49	574.24	101,297.23

	Stage 1	Stage 2	Stage 3	Total
<=40	58,453.37	7,216.88	206.16	65,876.41
40-60	3,374.26	612.23	36.72	4,023.21
60-70	53.55	19.06	-	72.60
70-80	9.75	-	-	9.75
>80	-	-	-	-
Total	61,890.92	7,848.17	242.88	69,981.97

	Stage 1	Stage 2	Stage 3	Total
Salaried	17,894.22	2,778.18	77.49	20,749.89
Self Employed	43,996.71	5,069.99	165.39	49,232.09
Total	61,890.93	7,848.17	242.88	69,981.98

	Stage 1	Stage 2	Stage 3	Total
North	46,185.31	7,678.41	235.48	54,099.20
South	13,761.28	86.48	7.40	13,855.16
East	-	-	-	-
West	1,944.34	83.28	-	2,027.62
Total	61,890.93	7,848.17	242.88	69,981.98



B) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to, at all times maintain optimum level of liquidity to meet its cash requirements. The unavailability of adequate amount of funds at optimum cost and co-terminus tenure to repay the financial liabilities and further growth of business may result in Asset Liability Management (ALM) mismatch caused by a difference in the maturity profile of Company assets and liabilities. This risk may arise from the unexpected increase in the cost of funding an asset portfolio at the appropriate maturity and the risk of being unable to liquidate a position in a timely manner and at a reasonable price. The Company manages liquidity risk by maintaining adequate cash reserves and undrawn credit facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below summarizes the maturity profile of the undiscounted cashflow of the Company's financial assets and liabilities:

As at 31 March 2023	< 1 year	1-3 year	3-5 year	>5 years	Total
Financial assets					
Cash and cash equivalents	14,328.56	-	-	-	14,328.56
Bank balances other than cash and cash equivalents	2,732.46	690.99	196.10	1,870.06	5,489.62
Loans	9,447.84	25,026.16	29,227.31	37,392.44	101,093.76
Investments	9.80	-	79.60	-	89.40
Other financial assets	2,085.98	567.64	223.83	169.01	3,046.45
Total	28,604.64	26,284.79	29,726.84	39,431.51	124,047.79
Financial liabilities					
Trade payables	409.82	-	-	-	409.82
Debt securities	3,060.95	13,171.13	16,941.89	0.24	33,174.21
Borrowings (other than debt securities)	21,658.30	25,212.66	8,496.00	2,475.30	57,842.26
Lease liabilities	124.41	230.15	189.84	19.25	563.65
Other financial liabilities	5,524.31	-	-	-	5,524.31
Total	30,777.79	38,613.94	25,627.73	2,494.79	97,514.25
As at 31 March 2022					
Financial assets					
Cash and cash equivalents	13,178.19	-	-	-	13,178.19
Bank balances other than cash and cash equivalents	2,083.68	650.00	175.00	1,300.50	4,209.17
Loans	5,408.96	24,006.68	19,066.76	21,499.58	69,981.97
Investments	-	-	-	76.14	76.14
Other financial assets	1,416.69	549.01	393.21	187.77	2,546.69
Total	22,087.52	25,205.69	19,634.97	23,063.99	89,992.16
Financial liabilities					
Trade payables	91.21	-	-	-	91.21
Debt securities	1,046.26	4,781.95	15,378.29	0.29	21,206.79
Borrowings (other than debt securities)	17,534.23	17,471.07	7,662.66	4,133.57	46,801.53
Lease liabilities	237.32	366.01	270.86	120.97	995.16
Other financial liabilities	7,217.41	-	-	-	7,217.41
Total	26,126.42	22,619.03	23,311.81	4,254.83	76,312.10

C) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market price. Market price comprises of three types of risks: interest rate risk, currency risk and other price risk. The Company's exposure to market risk is primarily on account of interest rate risk.

i) Interest rate risk

The Company is exposed to interest rate risk, primarily since it lends to customers at rates and for maturity periods that may differ from funding sources. Interest rates are highly sensitive to many factors beyond control, including the monetary policies of Reserve Bank of India, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. In order to manage interest rate risk, the Company seek to optimize borrowing profile between short-term and long-term loans. The Company adopts funding strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and Asset Liability Management Committee supervise an interest rate sensitivity report periodically for assessment of interest rate risks.

The Company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings.

Exposure to interest rate risk

The interest rate profile to the Company's interest bearing financial instruments as reported to management is as follows:

	As at 31 March 2023	As at 31 March 2022
Variable rate instruments		
Borrowings	43,605.81	29,680.80

Interest rate sensitivity analysis for variable instruments:

The following table demonstrates the sensitivity to a reasonably possible change in interest rate of borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings as follows:

Impact on statement of profit and loss for the period

	For the year ended 31 March 2023	For the year ended 31 March 2022
Increase by 50 basis points	(218.03)	(148.40)
Decrease by 50 basis points	218.03	148.40

ii) Currency risk: Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have any foreign currency exposure as on 31 March 2023 and 31 March 2022 and therefore there is no foreign currency risk on the future cashflows of the Company. Further, expenditure incurred in foreign currency during the years ended 31 March 2023 and 31 March 2022 is as given below:



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The Company's exposure to foreign currency risk was based on the following amounts as at the reporting dates between USD and INR.

Particulars	As at	As at
	31 March 2023	31 March 2022
Trade payable/receivables	-	-
Sensitivity		
Impact on statement of profit and loss for the period		
+5% change in currency exchange rates	-	-
-5% change in currency exchange rates	-	-
Expenditure in foreign currency		
Legal and professional charges	159.91	165.45
Total	159.91	165.45

III. Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is insignificant to the fair value measurements as a whole.

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

Level 2: Valuation techniques for which the lowest level inputs that has a significant effect on the fair value measurement are observable, either directly or indirectly.

Level 3: Valuation techniques for which the lowest level input which has a significant effect on fair value measurement is not based on observable market data.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments other than those with carrying amounts that are approximates of fair value. This table does not include the fair values of non-financial assets and non-financial liabilities.

As at 31 March 2023	Carrying Amount				Fair Value		
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value							
Investments	89.40	-	-	89.40	89.40	-	-
Financial assets not measured at fair value							
Cash and cash equivalents	-	-	14,328.56	14,328.56	-	-	-
Bank balances other than cash and cash equivalents	-	-	5,489.62	5,489.62	-	-	-
Loans	-	-	101,093.76	101,093.76	-	-	-
Other financial assets	-	-	3,046.45	3,046.45	-	-	-
	89.40	-	123,958.39	124,047.79	89.40	-	-
Financial liabilities not measured at fair value							
Debt securities	-	-	33,174.21	33,174.21	-	-	-
Borrowings (other than debt securities)	-	-	57,842.26	57,842.26	-	-	-
Trade payables	-	-	409.82	409.82	-	-	-
Lease liabilities	-	-	563.65	563.65	-	-	-
Other financial liabilities	-	-	5,524.31	5,524.31	-	-	-
	-	-	97,514.25	97,514.25	-	-	-
As at 31 March 2022							
As at 31 March 2022	Carrying Amount				Fair Value		
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value							
Investments	76.14	-	-	76.14	76.14	-	-
Financial assets not measured at fair value							
Cash and cash equivalents	-	-	13,178.19	13,178.19	-	-	-
Bank balances other than cash and cash equivalents	-	-	4,209.17	4,209.17	-	-	-
Loans	-	-	69,452.65	69,452.65	-	-	-
Other financial assets	-	-	2,546.69	2,546.69	-	-	-
	76.14	-	89,386.70	89,462.84	76.14	-	-
Financial liabilities not measured at fair value							
Debt securities	-	-	21,206.79	21,206.79	-	-	-
Borrowings (other than debt securities)	-	-	46,801.54	46,801.54	-	-	-
Trade payables	-	-	91.21	91.21	-	-	-
Lease liabilities	-	-	701.58	701.58	-	-	-
Other financial liabilities	-	-	7,217.41	7,217.41	-	-	-
	-	-	76,018.53	76,018.53	-	-	-

There have been no transfers between Level 1, Level 2 and Level 3 during the year ended 31 March 2023 and 31 March 2022.

Valuation methodologies of financial instruments measured at fair value

Investments - The fair value is determined using quoted prices from active markets at the measurement date for investments at fair value through profit and loss.

Valuation methodologies of financial instruments not measured at fair value

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Loans - The fair value of fixed rate loans are determined by discounting expected future contractual cash flows using current market interest rates charged to similar categories of new loans. The fair value of floating rate loans are deemed to be equivalent to the carrying value.

Debt securities and borrowings - The fair value of fixed rate borrowings are determined by discounting expected future contractual cash flows using current market interest rates charged to similar new loans. The fair value of floating rate borrowings are deemed to be equivalent to the carrying value.

Lease liabilities - The fair value of lease liabilities is determined by discounting expected contractual lease payments to be made over the lease term using incremental borrowing rate at the lease commencement date.

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



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43 Statutory disclosure required as per Schedule III Division III of the Companies Act, 2013

- a) The Company has not entered any transactions with companies that were struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- b) The Company does not have any investment in any subsidiary company. Therefore, there is no requirement to comply with the number of layers prescribed under clause (87) of section 2 of Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- c) There was no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the year ended 31 March 2023 and 31 March 2022.
- d) The Company does not have any transactions which were not recorded in the books of account, but offered as income during the year in the tax assessment under the Income Tax Act, 1961. Also, there is no previously unrecorded income and related assets which need to be recorded in the books of account during the year.
- e) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- f) No proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder, as at 31 March 2023 and 31 March 2022.
- g) The Company is not a declared wilful defaulter by any bank or financial institution or other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India, during the year ended 31 March 2023 and 31 March 2022.
- h) The Company has not revalued any property plant and equipment (including – Right of Use assets) and Intangible assets during the year.
- i) As a part of normal lending business, the company grants loans and advances on the basis of security/guarantee provided by the Borrower/ co-borrower. These transactions are conducted after exercising proper due diligence. Other than the transactions described above:
- No funds have been advanced or loaned or invested by the Company to or in any other person(s) or entity(ies) including foreign entities ("Intermediaries") with the understanding that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries),
- No funds have been received by the Company 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.

j) Ratios

I Ratios as per Schedule III requirements

Ratio	Numerator	Denominator	31 March 2023	31 March 2022	%age Variance	Reasons for variance (if above 25%)
Capital to risk-weighted assets ratio (CRAR)	26,922.58	66,348.29	40.58%	28.07%	12.51%	Not applicable
Tier I CRAR	26,609.88	66,348.29	40.11%	27.20%	12.91%	Not applicable
Tier II CRAR	312.70	66,348.29	0.47%	0.87%	-0.40%	Not applicable
Liquidity Coverage Ratio*	NA*	NA*	NA*	NA*	NA*	NA*

* The Company is not required to comply with the guidelines on Liquidity Coverage Ratio (LCR) in line with Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 as at 31 March 2023 and 31 March 2022.

II Disclosures of Financial Ratios for the financial year ended 31 March 2023

Pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations), key financial ratios are as follows:

Key Financial Ratios	31 March 2023
A. Debt Equity Ratio Debt Equity Ratio = (Borrowing + Debt Securities)/(Equity share capital + Other equity)	3.17
B. Debt Service Coverage Ratio	Not Applicable (being a H.F.C.)
C. Interest Service Coverage Ratio	Not Applicable (being a H.F.C.)
D. Outstanding Redeemable Preference Shares (quantity and value)	Not Applicable
E. Capital Redemption Reserve	Not Applicable
F. Debenture Redemption Reserve	Not Applicable (being a H.F.C.)
G. Net Worth (INR in lakhs)	28,747.17
H. Net Profit After Tax (INR in lakhs)	1,606.39
I. Earnings Per Share (Basic)	11.40
J. Earnings Per Share (Diluted)	4.75
K. Current Ratio	Not Applicable (being a H.F.C.)
L. Long Term Debt To Working Capital	Not Applicable (being a H.F.C.)
M. Bad Debts To Account Receivable Ratio	Not Applicable (being a H.F.C.)
N. Current Liability Ratio	Not Applicable (being a H.F.C.)
O. Total Debts To Total Assets	0.72
P. Debtors Turnover Ratio	Not Applicable (being a H.F.C.)
Q. Inventory Turnover Ratio	Not Applicable (being a H.F.C.)
R. Operating Margin (%)	16.88%
S. Net Profit Margin (%) Net Profit Margin (%) = Profit after tax / Total Revenue	9.99%
T. Sector Specific Ratio	
(a) GNPA %	0.56%
(b) NNPA %	0.32%
(c) Capital Adequacy Ratio % - Total	40.58%



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44 Details of CSR expenditure:

Particulars

- a) Gross amount required to be spent by the company during the year
b) Amount spent during the year
i) On purposes of construction/acquisition of any asset
ii) On purposes other than (i) above
- Contribution to various Trust/NGOs/Societies/Agencies and utilisation thereon
- Expenditure towards COVID testing, Rapid test kit, masks, PPE kits, RTPCR, Vaccination
c) The amount of shortfall at the end of the year
d) The total of previous year's shortfall amounts
Total amount spent during the year

	For the year ended 31 March 2023	For the year ended 31 March 2022
	17.78	-
	-	-
	17.78	-
	-	-
	-	-
	-	-
	17.78	-

45 Additional disclosures required by Reserve Bank of India

The disclosures as required in terms of Annex IV of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated 17 February 2021 issued by the Reserve Bank of India, as amended, are as follows:

45.1 Summary of Significant accounting policies - Refer note 3

45.2 Capital

- Capital to Risk Asset Ratio
CRAR - Tier I Capital (%)
CRAR - Tier II Capital (%)
Amount of subordinated debt raised as Tier-II Capital
Amount raised by issue of Perpetual Debt Instruments

	31 March 2023	31 March 2022
	40.58%	28.07%
	40.11%	27.20%
	0.47%	0.87%
	-	-
	-	-

45.3 Reserve Fund u/s 29C of NHB Act, 1987

Particulars

Balance at the beginning of the year

- Statutory reserve under Section 29C of the National Housing Bank ('NHB') Act, 1987
Amount of special reserve under section 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

	31 March 2023	31 March 2022
	360.88	116.87
	-	-
Total	360.88	116.87

Addition/ Appropriation/ Withdrawal during the year

Add:

- Amount transferred under Section 29C of the NHB Act, 1987
Amount of special reserve under section 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

	31 March 2023	31 March 2022
	321.28	244.01
	-	-

Less:

- Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987
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

	31 March 2023	31 March 2022
	-	-
	-	-
Total	321.28	244.01

Balance at the end of the year

- Statutory reserve under Section 29C of the NHB Act, 1987
Amount of special reserve under section 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

	31 March 2023	31 March 2022
	682.16	360.88
	-	-
Total	682.16	360.88

45.4 Investments

Particulars

Value of investments

Gross value of investments

- (a) In India
(b) Outside India

	31 March 2023	31 March 2022
	89.40	76.14
	-	-

Provisions for Depreciation

- (a) In India
(b) Outside India

	31 March 2023	31 March 2022
	-	-
	-	-

Net value of investments

- (a) In India
(b) Outside India

	31 March 2023	31 March 2022
	89.40	76.14
	-	-

Movement of provisions held towards depreciation on investments

Opening Balance

- Add: Provision made during the year
Less: Write off/written back of excess provisions during the year
Closing Balance

	31 March 2023	31 March 2022
	-	-
	-	-
	-	-



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45.5 Derivative

1) Forward Rate Agreement (FRA)/ Interest Rate Swap

Particulars	31 March 2023	31 March 2022
The notional principal of swap agreements	-	-
Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	-	-
Collateral required by the HFC upon entering into swaps	-	-
Concentration of credit risk arising from the swaps	-	-
The fair value of the swap book @	-	-

Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.

\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies

@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date

2) Exchange Traded Interest Rate (IR) Derivative

Particulars	31 March 2023	31 March 2022
Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(a)	-	-
(b)	-	-
(c)	-	-
Notional principal amount of exchange traded IR derivatives outstanding as on 31 March 2023 (instrument wise)	-	-
(a)	-	-
(b)	-	-
(c)	-	-
Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-
(a)	-	-
(b)	-	-
(c)	-	-
Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument wise)	-	-
(a)	-	-
(b)	-	-
(c)	-	-

3) Risk Exposure in Derivatives

i) Qualitative Disclosure - The Company has not entered into any derivative contract during the year.

ii) Quantitative Disclosure

Particulars	31 March 2023		31 March 2022	
	Currency Derivatives	Interest rate derivatives	Currency Derivatives	Interest rate derivatives
Derivatives (Notional Principal Amount)	-	-	-	-
Marked to Market Positions	-	-	-	-
(a) Assets (+)	-	-	-	-
(b) Liability (-)	-	-	-	-
Credit Exposure	-	-	-	-
Unhedged Exposures	-	-	-	-

45.6 Asset Liability Management (Maturity pattern of certain items of Assets and Liabilities)

	Liabilities				Assets		
	Deposits	Borrowings from banks	Market Borrowings	Foreign currency liabilities	Advances	Investments	Foreign currency Assets
31 March 2023							
1 day to 7 days	-	245.75	222.32	-	-	-	-
8 to 14 days	-	8.32	272.18	-	692.19	-	-
15 days to 30/31 days	-	599.76	681.83	-	6.08	9.80	-
Over 1 month upto 2 months	-	501.97	898.09	-	725.99	-	-
Over 2 months upto 3 months	-	489.95	1,075.69	-	739.82	-	-
Over 3 months upto 6 months	-	2,137.41	5,245.72	-	2,304.03	-	-
Over 6 months upto 1 year	-	3,897.01	8,443.25	-	4,979.73	-	-
Over 1 year to 3 years	-	8,203.89	30,179.90	-	25,026.16	-	-
Over 3 to 5 years	-	4,093.17	21,344.71	-	29,227.31	79.60	-
Over 5 years	-	2,441.84	33.70	-	37,392.45	-	-
Total	-	22,619.08	68,397.39	-	101,093.76	89.40	-
31 March 2022							
1 day to 7 days	-	121.82	175.59	-	-	-	-
8 to 14 days	-	36.18	191.01	-	442.81	-	-
15 days to 30/31 days	-	482.32	707.62	-	-	-	-
Over 1 month upto 2 months	-	423.68	751.09	-	409.94	-	-
Over 2 months upto 3 months	-	571.51	1,109.44	-	417.88	-	-
Over 3 months upto 6 months	-	1,546.52	2,688.32	-	1,302.05	-	-
Over 6 months upto 1 year	-	3,972.43	5,802.96	-	2,836.28	-	-
Over 1 year to 3 years	-	773.50	14,521.52	-	24,006.68	-	-
Over 3 to 5 years	-	3,040.80	20,000.16	-	19,066.76	-	-
Over 5 years	-	3,488.10	645.76	-	21,499.58	76.14	-
Total	-	21,414.86	46,593.47	-	69,981.98	76.14	-

Note:

- Classification of assets and liabilities under different maturity buckets is based on the estimates and assumptions used by the Company.
- The Company does not have any deposits, foreign currency liabilities and foreign currency assets as at 31 March 2023 and 31 March 2022.



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45.7 Exposure

A. Exposure Real Estate Sector

Category	31 March 2023	31 March 2022
Direct Exposure		
i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	101,297.23	69,981.98
ii) Commercial Real estate		
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 construction, etc.). Exposure	-	-
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
(a) Residential	-	-
(b) Commercial Real Estate	-	-
Indirect Exposure		
Fund based and non fund based exposure on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total exposure to Real Estate Sector	101,297.23	69,981.98

B. Exposure to Capital Market

Category	31 March 2023	31 March 2022
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	-	-
Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
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	-	-
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	-	-
Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
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	-	-
Bridge loans to companies against expected equity flows / issues	-	-
All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

C. Details of financing of parent company products

The Company does not have any parent company. Hence, disclosure with respect to details of financing of parent company products is not applicable to the Company.

D. Details of Single Borrower Limit (SGL)/ Group Borrower Limit (GBL) exceeded by the HFC

During the years ended 31 March 2023 and 31 March 2022, the Company's credit exposure (whether in term of sanctioned amount or entire amount outstanding, whichever is higher) to single borrowers and group of borrowers were within the limit prescribed by National Housing Bank for Housing Finance Companies.

E. Unsecured Advances

The Company has not financed any projects wherein intangible collateral such as rights, licenses, authority etc. have been taken as a security during the year ended 31 March 2023 and 31 March 2022.

F. Exposure to group Companies engaged in real estate business

Description	31 March 2023		31 March 2022	
	Amount	% of owned fund	Amount	% of owned fund
Exposure to any single entity in a group engaged in real estate business	-	-	-	-
Exposure to all entities in a group engaged in real estate business	-	-	-	-

45.8 Miscellaneous

A. Registration obtained from other financial sector regulators

There are no registrations obtained from other financial sector regulators.

B. Disclosure of Penalties imposed by NHB/ RBI and other regulators

During the years ended 31 March 2023 and 31 March 2022, there has been no penalty imposed by National Housing Bank and there has been no adverse comments in writing from National Housing Bank on regulatory compliances, which require a specific communication by the Company to the public.

C. Related Party Transactions

Refer note 40 for all material transactions with related parties.

D. Group Structure

The Company does not have any parent company or any subsidiary, so group structure is not applicable.



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E. Rating assigned by Credit Rating Agencies and Migration of rating during the year

Nature of securities	31 March 2023		31 March 2022	
	Rating Agency	Rating	Rating Agency	Rating
Bank borrowing and Term loan	Acute credit rating research CRISIL credit rating	ACUTE BBB/ Outlook: Stable BBB/ Outlook: Stable	Acute credit rating research	ACUTE BBB/ Outlook: Stable
Non Convertible Debentures	ICRA credit rating	BBB/ Outlook: Stable	ICRA credit rating	BBB/ Outlook: Stable

There has been no migration of rating during the current year and previous year

F. Remuneration of directors

Remuneration paid to directors is reflected in Note 40 "Related Party Transactions". There is no pecuniary relationship or transactions of the non-executive directors with the company or its directors, senior management or group companies.

G. Net Profit or Loss for the period, prior period items and changes in accounting policies

The Company does not have any prior period item/ change in accounting policy during the current year other than those disclosed in the financial statements.

H. Revenue Recognition

There has been no instances where revenue recognition has been postponed pending the resolution of significant uncertainties during the year ended 31 March 2023 and 31 March 2022.

I. Consolidated Financial Statements (CFS)

The Company does not have any parent or subsidiary, so consolidation of financial statements is not applicable to the Company.

45.9 Additional disclosures

A. Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	31 March 2023	31 March 2022
Provision for depreciation on investment	-	-
Provision towards NPA	253.97	97.70
Provision made towards Income Tax	303.21	332.69
Provision for Standard Assets (with details like teaser loan, CRE, CRE-RH etc.)	(217.47)	285.19
Other provisions and contingencies		
Provision for Gratuity	28.89	24.56
Provision for Compensated Advances	10.82	64.99

Break up of Loans & Advances & Provisions thereon	Housing		Non-Housing	
	31 March 2023	31 March 2022 *	31 March 2023	31 March 2022 *
Standard assets				
a) Total outstanding amount	62,544.24	45,319.47	38,178.74	24,419.63
b) Provision made	204.34	280.87	107.51	150.76
Sub-Standard assets				
a) Total outstanding amount	320.66	110.99	253.59	131.89
b) Provision made	146.49	44.64	107.48	53.06
Doubtful assets-I				
a) Total outstanding amount	-	-	-	-
b) Provision made	-	-	-	-
Doubtful assets-II				
a) Total outstanding amount	-	-	-	-
b) Provision made	-	-	-	-
Doubtful assets-III				
a) Total outstanding amount	-	-	-	-
b) Provision made	-	-	-	-
Loss assets				
a) Total outstanding amount	-	-	-	-
b) Provision made	-	-	-	-
Total				
a) Total outstanding amount	62,864.90	45,430.46	38,432.33	24,551.52
b) Provision made	350.83	325.51	214.99	203.82

Note:

*Total outstanding amount represents total of principal pertaining to loans without netting off. Further, the Company has excluded minimum retention requirement of direct assignment for the purpose of this disclosure.

B. Draw Down from Reserves

The Company has not drawn down any reserves during the current year and previous year



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C. Concentration of Public Deposits, Advances, Exposures and NPAs

i) Concentration of Public Deposits

The Company is a non-deposit accepting housing finance company, hence it did not have any public deposits in current year and previous year. Therefore, disclosure with respect to concentration of public deposits is not applicable on the Company.

Particulars	31 March 2023	31 March 2022
Total deposits of twenty largest depositors	N/A	N/A
Percentage of deposits of twenty largest depositors to total deposits of the deposit taking HFC	N/A	N/A

ii) Concentration of Loans and Advances

Particulars	31 March 2023	31 March 2022
Total loans & advances to twenty largest borrowers*	108.34	118.86
Percentage of loans & advances to twenty largest borrowers to total advances of the HFC	0.11%	0.17%

*Largest borrowers represent loan outstanding at reporting period.

iii) Concentration of all Exposures (including off balance sheet exposures)

Particulars	31 March 2023	31 March 2022
Total exposure to twenty largest borrowers/ customers*	108.34	118.86
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the HFC on borrowers/ customers	0.11%	0.17%

*The above balances do not include interest accrued but not due on loans for computation of concentration of loans and advances and concentration of all exposures (including off-balance sheet exposure).

iv) Concentration of NPAs

Particulars	31 March 2023	31 March 2022
Total exposure to top ten NPA accounts	82.73	74.66

v) Sector-wise NPAs

Particulars	Percentage of NPAs to Total Advances in that sector	
	31 March 2023	31 March 2022
Housing Loans		
Individuals	0.51%	0.24%
Builders/Project loans	-	-
Corporates	-	-
Others (specify)	-	-
Non-Housing Loans		
Individuals	0.66%	0.54%
Builders/Project loans	-	-
Corporates	-	-
Others (specify)	-	-

D. Movement of NPA

Particulars	31 March 2023	31 March 2022
Net NPAs to Net Advances (%)		
Movement of NPAs (Gross)		
(a) Opening Balance	242.88	-
(b) Additions during the year	393.50	242.88
(c) Reductions during the year	(62.14)	-
(d) Closing Balance	574.25	242.88
Movement of Net NPAs		
(a) Opening Balance	145.18	-
(b) Additions during the year	204.68	145.18
(c) Reductions during the year	(29.74)	-
(d) Closing Balance	320.12	145.18
Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening Balance	97.70	-
(b) Provisions made during the year	188.83	97.70
(c) Write off/ Write-back	(32.40)	-
(d) Closing Balance	254.13	97.70

E. Overseas Assets

Particulars	31 March 2023	31 March 2022
Overseas assets	-	-

F. Off Balance sheet SPVS sponsored

The Company does not have any off balance sheet SPVS sponsored which required to be consolidated as per accounting norms (previous year- Nil)

Particulars	31 March 2023		31 March 2022	
	Domestic	Overseas	Domestic	Overseas
SPVs sponsored	-	-	-	-

G. Disclosure of complaints

Particulars	31 March 2023	31 March 2022
No. of Complaints pending at the beginning of the year	-	-
No. of Complaints received during the year	17	8
No. of complaints redressed during the year	17	8
No. of complaints pending at the end of the year	-	-



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46 Balance sheet disclosures as required under Annex III of Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 dated 17 February 2021 issued by the RBI, as updated.

Liabilities side	As at 31 March 2023		As at 31 March 2022	
	Amount outstanding	Amount Overdue	Amount outstanding	Amount Overdue
A. Loans and advances availed by the HFC inclusive of interest accrued thereon (before TDS) but not paid:				
a) Debentures				
Secured	34,069.87	-	21,734.81	-
Unsecured	-	-	-	-
b) Deferred credits	-	-	-	-
c) Term loans	57,795.23	-	46,605.31	-
d) Inter-corporate loans and borrowing	-	-	-	-
e) Commercial Paper	-	-	-	-
f) Public Deposits	-	-	-	-
g) Other Loans (Overdraft facility)	172.68	-	300.00	-
B. Break-up of (A)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
a) In the form of Unsecured debentures	-	-	-	-
b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
c) Other public deposits	-	-	-	-
Assets side				
	Amount outstanding as at 31 March 2023		Amount outstanding as at 31 March 2022	
C. Break-up of Loans and Advances including bills receivables [other than those included in (D) below]:				
a) Secured		101,297.23		69,981.98
b) Unsecured		-		-
D. 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		-		-
E. Break-up of Investments				
Current investments				
1. Quoted				
i) Shares				
a) Equity		-		-
b) Preference		-		-
ii) Debentures and Bonds				
iii) Units of mutual funds		9.80		-
iv) Government Securities		-		-
v) Others		-		-
2. Unquoted				
i) Shares				
a) Equity		-		-
b) Preference		-		-
ii) Debentures and Bonds				
iii) Units of mutual funds		-		-
iv) Government Securities		-		-
v) Others		-		-
Long-term investments				
1. Quoted				
i) Shares				
a) Equity		-		-
b) Preference		-		-
ii) Debentures and Bonds				
iii) Units of mutual funds		79.60		76.14
iv) Government Securities		-		-
v) Others		-		-
2. Unquoted				
i) Shares				
a) Equity		-		-
b) Preference		-		-
ii) Debentures and Bonds				
iii) Units of mutual funds		-		-
iv) Government Securities		-		-
v) Others		-		-



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F. Borrower group-wise classification of assets financed as in (C) and (D) above:

Category	Amount net of provisions as at 31 March 2023			Amount net of provisions as at 31 March 2022		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
a) Subsidiaries	-	-	-	-	-	-
b) Companies in the same group	-	-	-	-	-	-
c) Other related parties	-	-	-	-	-	-
2. Other than related parties	101,093.76	-	101,093.76	69,452.65	-	69,452.65
Total	101,093.76	-	101,093.76	69,452.65	-	69,452.65

G. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	As at 31 March 2023		As at 31 March 2022	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
a) Subsidiaries	-	-	-	-
b) Companies in the same group	-	-	-	-
c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
Total	-	-	-	-

H. Other Information

	Amount outstanding as at	
	31 March 2023	31 March 2022
i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	574.25	242.88
ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	320.12	145.18
iii) Assets acquired in satisfaction of debt	-	-

47 Details of Principal Business Criteria

Particulars	31 March 2023	31 March 2022
Percentage of total assets towards housing finance	50.71%	50.38%
Percentage of total assets towards housing finance for individuals	50.71%	50.38%

Requirement as per Paragraph 4.1.17 of the Master Direction is given below:

	31 March 2022	31 March 2023	31 March 2024
Minimum percentage of total assets towards housing finance	50%	55%	60%
Minimum percentage of total assets towards housing finance for individuals	40%	45%	50%

Note: "Para 5.3 of the Master Direction Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 prescribes for transitional phase for compliance with the 'Minimum percentage of total assets towards Housing Finance within the timelines permitted in the aforesaid Directions and the Company is presently underway submitting to the Reserve Bank, a Board approved plan including a roadmap to fulfil the stated criteria and timeline for transition."

The Company has received money against the equity shares and compulsory convertible preference shares issued under Series D on 29 March 2023 amounting to INR 100,00,00 lakhs and is part of cash and cash equivalent as of 31 March 2023. When we compute "Total assets" excluding this amount received under Series D, the ratio of Housing Finance / Total Assets (Net of Intangible Assets) would have been 55.11% as against 50.71%, as reported above.

48 Disclosure as required by Liquidity Risk Management Framework for Non-Banking Financial Companies

Disclosure in terms of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated 17 February 2021 issued by the Reserve Bank of India read with para 15A on Guidelines on Liquidity Risk Management Framework in Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016. Public disclosure on liquidity risk in terms of Guidelines on Liquidity Risk Management Framework.

A. Funding concentration based on significant counterparty (both deposits and borrowings)

Particulars	31 March 2023	31 March 2022
i) Number of significant counterparties*	29	28
ii) Amount	79,772.00	50,205.83
iii) Percentage of funding concentration to total deposits	-	-
iv) Percentage of funding concentration to total liabilities	81.12%	65.35%

*Significant counter parties is as defined in RBI circular RBI/2019-2020/88 DOR. NBFC(PD) CC.No. 102/03.10.001/2019-20 dated 4 November 2019 on Liquidity Risk Management Framework for Non Banking Financial Companies and Core Investment Companies.



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B. Top 10 Borrowings

Particulars

i) Total amount of top 10 borrowings

ii) Percentage of amount of top 10 borrowings to total borrowings

	31 March 2023	31 March 2022
i) Total amount of top 10 borrowings	45,695.13	28,091.36
ii) Percentage of amount of top 10 borrowings to total borrowings	49.42%	41.31%

C. Funding Concentration based on significant instrument/product

Particulars

i) Non-convertible debentures

ii) Term Loans

	31 March 2023		31 March 2022	
	% of Total Liabilities	Amount	% of Total Liabilities	Amount
i) Non-convertible debentures	32.85%	32,304.43	25.11%	19,290.99
ii) Term Loans	47.85%	47,050.38	40.24%	30,914.84

D. Stock Ratio

Particulars

i) Non convertible debentures (original maturity of less than one year) as a percentage of total public funds*

ii) Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities

iii) Non convertible debentures (original maturity of less than one year) as a percentage of total assets

iv) Other short term liabilities as a percentage of total public funds

v) Other short term liabilities as a percentage of total liabilities**

vi) Other short term liabilities as a percentage of total assets

	31 March 2023	31 March 2022
i) Non convertible debentures (original maturity of less than one year) as a percentage of total public funds*	-	-
ii) Non convertible debentures (original maturity of less than one year) as a percentage of total liabilities	-	-
iii) Non convertible debentures (original maturity of less than one year) as a percentage of total assets	-	-
iv) Other short term liabilities as a percentage of total public funds	35.21%	39.14%
v) Other short term liabilities as a percentage of total liabilities**	32.59%	34.65%
vi) Other short term liabilities as a percentage of total assets	25.21%	28.88%

**Total liabilities are excluding equity share capital and other equity.

* Public funds is as defined in Master Direction on Non-Banking Financial Company Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Direction, 2016

Other short term liabilities are excluding commercial paper and short-term non convertible debentures.

No Commercial papers issued by the Company as of reporting date.

E. Institutional set-up for Liquidity Risk Management

Liquidity risk management consists of asset liability management committee(ALCO) which is the sub committee of Board of Directors. Meeting of this committee are held at periodic intervals while the committee is responsible for oversight of specific risk relating to liquidity and interest rate sensitivity, the risk management committee is responsible for company-wide risk management.

49 The disclosures as required by the Master Direction -Monitoring of frauds in NBFCs issued by RBI dated 29 September 2016.

There were Nil fraud reported during the year (31 March 2022: Nil).

50 Transfers of assets

Assignment deal:

The Company has sold some loans measured at amortised cost as per assignment deals during the year. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet. The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan, the Company's business model remains to hold the assets for collecting contractual cash flows. The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition, per type of asset:

Loans measured at amortized cost

Carrying amount of financial assets derecognized as at the year end
 Carrying amount of financial assets derecognized during the year
 Gain from derecognition

	31 March 2023	31 March 2022
Carrying amount of financial assets derecognized as at the year end	3,701.03	2,275.97
Carrying amount of financial assets derecognized during the year	2,009.57	2,306.92
Gain from derecognition	632.20	827.69

Details of loans transferred/acquired during the year ended 31 March 2023 and 31 March 2022 under the Master Direction - RBI (Transfer of Loan Exposure) Directions, 2021 dated 24 September 2021 are given below:

Details of loans not in default transferred/acquired through assignment:

(i) Particulars	31 March 2023	31 March 2022
	Transferred	Transferred
Aggregate of loans transferred	2,009.57	2,306.92
Weighted average maturity (in years)	9.00	9.00
Weighted average holding period (in years)	2.00	1.00
Retention of beneficial economic interest by the originator	10%	10%
Tangible security coverage	100%	100%
Rating-wise distribution of rated loans	NA	NA

(ii) The Company has not acquired any loan not in default during the year ended 31 March 2023.

(iii) The Company has not transferred or acquired any stressed loans during the year ended 31 March 2023.

(iv) The Company does not have any security receipts during the financial year ended 31 March 2023.

(v) Disclosure under Master Direction - Reserve Bank of India (Securitisation of Standard Assets) Direction, 2021 dated 24 September 2021.

Particulars

No. of SPEs holding assets for securitisation assets originated by the originator

Total amount of securitised assets as per books of the SPEs

Total amount of exposures retained by the originator to comply with MRR as on the date of balancesheet

(a) Off-balance sheet exposures

Corporate Guarantee

(b) On balance sheet exposures

Investment in PTC

Amount of exposures to securitisation transactions other than MRR

	31 March 2023	31 March 2022
No. of SPEs holding assets for securitisation assets originated by the originator	-	-
Total amount of securitised assets as per books of the SPEs	-	-
Total amount of exposures retained by the originator to comply with MRR as on the date of balancesheet	-	-
(a) Off-balance sheet exposures	-	-
Corporate Guarantee	-	-
(b) On balance sheet exposures	-	-
Investment in PTC	-	-
Amount of exposures to securitisation transactions other than MRR	-	-



51 Disclosures required by the RBI circular no. 109/22.10.106/2019-20 on Implementation of Indian Accounting Standards dated 13 March 2020.

A comparison between provision required under income recognition, asset classification and provisioning (IRACP) and impairment allowance as per IND AS 109 'Financial Instrument'.

Asset classification as per RBI Norms 31 March 2023	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Indas 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(4)-(3)	(6)	(7)
Performing Assets						
Standard	Stage 1	91,424.49	185.56	91,238.93	281.96	96.40
	Stage 2	9,298.49	126.29	9,172.19	27.93	98.36
Non Performing Assets (NPA)						
Standard	Stage 3	574.25	253.97	320.28	80.33	173.64
Doubtful Assets						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal-Doubtful						
Loss Assets	Stage 3	-	-	-	-	-
Loan Commitments						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal of Loan commitments						
Grand Total	Stage 1	91,424.49	185.56	91,238.93	281.96	-96.40
	Stage 2	9,298.49	126.29	9,172.19	27.93	98.36
	Stage 3	574.25	253.97	320.28	80.33	173.64

* The company has considered loans (including the minimum retention requirement of direct assignments) for the purpose of this disclosures.

Asset classification as per RBI Norms 31 March 2022	Asset classification as per Ind AS 109	Gross carrying amount as per Ind AS	Loss Allowances (Provisions) as required under Indas 109	Net Carrying Amount	Provisions required as per IRACP Norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(4)-(3)	(6)	(7)
Performing Assets						
Standard	Stage 1	61,890.93	252.65	61,638.28	195.87	56.78
	Stage 2	7,848.17	178.98	7,669.19	25.97	153.01
Non Performing Assets (NPA)						
Standard	Stage 3	242.88	97.70	145.18	36.64	61.06
Doubtful Assets						
Upto 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal-Doubtful						
Loss Assets	Stage 3	-	-	-	-	-
Loan Commitments						
	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal of Loan commitments						
Grand Total	Stage 1	61,890.93	252.65	61,638.28	195.87	56.78
	Stage 2	7,848.17	178.98	7,669.19	25.97	153.01
	Stage 3	242.88	97.70	145.18	36.64	61.06

52 Detail of resolution plan implemented under the Resolution Framework for COVID-19 related Stress as per RBI Circular dated 6 August 2020 (Resolution Framework – 1.0) and May 5, 2021 (Resolution Framework – 2.0) as at 31 March 2023 are given below.

Type of Borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan position as at the end of the previous half year	(B) Of (A), aggregate debt that slipped into NPAs during the half year	(C) Of (A) amount written off during the half year	(D) Of (A) amount paid by the borrowers during the half year	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan position as at the end of this half year
Personal Loans	-	-	-	-	-
Corporate Loans	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	-	-	-	-	-



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53 Disclosure pursuant to Reserve Bank of India notification DOR.CRE.REC.No.60/03.10.001/2021-22 dated 22 October 2021 pertaining to Scale Based Regulations (SBR)

Section I

A Exposures

i Exposure to real estate sector

Details of all Exposure to real estate sector have been disclosed in point A of Note 45.7.A

ii Exposure to capital market

Details of all Exposure to real estate sector have been disclosed in point B of Note 45.7.B

iii Sectors

	As at 31 March 2023			As at 31 March 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and allied activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
4. Personal Loan	-	-	-	-	-	-
i. Housing Loan	71,160.02	320.66	0.45%	50,646.23	110.99	0.22%
ii. Non Housing Loan	38,631.84	253.59	0.66%	24,943.69	131.89	0.53%
iii. Others	-	-	-	-	-	-
Total Personal Loan	109,791.86	574.25	0.52%	75,589.92	242.88	0.32%

iv Intra Group exposures

The Company has no exposure to group companies during the year ended 31 March 2023 and 31 March 2022.

v Unhedged foreign currency exposure

The Company is having NIL Unhedged foreign currency exposure as at 31 March 2023 and 31 March 2022.

B Related party disclosures

Details of all transactions with related parties have been disclosed in Note 40.

C Disclosure of Complaints

Details of Customer Complaints have been disclosed in point G of Note 45.9.G.

Section II

A Breach of covenant

There are no instances of breach of covenant of loan availed or debt securities issued for the year ended 31 March 2023 and 31 March 2022.

B Divergence in Asset Classification and Provisioning

For the Year ended 31 March 2023 and 31 March 2022, the Company has not received any final letter/report from the Regulator (i.e National Housing Bank/Reserve Bank of India) for divergence in additional provision requirement and the additional Gross NPAs identified by National Housing Bank, which needed to be reported hereunder.

As per our report of even date attached

For SCV & Co. LLP
 Chartered Accountants
 Firm registration number: 000235N/N500089

Anuj Dhingra
Anuj Dhingra
 Partner
 Membership No.: 512535
 UDIN:



Place: New Delhi
 Date: May 29, 2023

For and on behalf of the Board of Directors of
AVIOM India Housing Finance Private Limited

Kaajal Aijaz Ilmi
Kaajal Aijaz Ilmi
 Managing Director and CEO
 DIN No.: 01390771
 Place: New Delhi
 Date: May 29, 2023

Amit Arora
Amit Arora
 Chief Financial Officer

Place: New Delhi
 Date: May 29, 2023

Kunal Sikka
Kunal Sikka
 Director
 DIN No.: 9082591
 Place: Bellevue, WA, USA
 Date: May 29, 2023

Divyani Chand
Divyani Chand
 Company Secretary
 Membership No. ACS- 52153
 Place: New Delhi
 Date: May 29, 2023



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42 Maturity analysis of assets and liabilities

Assets	As at 31 March 2023			As at 31 March 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	14,328.56	-	14,328.56	13,178.19	-	13,178.19
Bank balances other than cash and cash equivalents	2,732.46	2,757.16	5,489.62	4,209.17	-	4,209.17
Loans	9,351.10	91,742.66	101,093.76	5,408.96	64,043.69	69,452.65
Investments	9.80	79.60	89.40	-	76.14	76.14
Other financial assets	2,085.98	960.47	3,046.45	1,416.69	1,130.00	2,546.69
Non- financial assets						
Current tax assets (net)	-	-	-	-	-	-
Deferred tax assets (net)	-	-	-	-	-	-
Property, plant and equipment	-	946.59	946.59	-	632.41	632.41
Intangible assets	-	187.22	187.22	-	172.91	172.91
Right to use asset	128.68	324.88	453.56	-	613.77	613.77
Other non-financial assets	1,491.71	45.90	1,445.81	33.55	1,259.43	1,292.98
Total assets	30,128.28	96,952.69	127,080.97	24,246.56	67,928.35	92,174.91
Liabilities						
Financial liabilities						
Trade payables	-	-	-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	409.82	-	409.82	91.21	-	91.21
Debt securities	3,174.60	29,999.61	33,174.21	1,046.26	20,160.53	21,206.79
Borrowings (other than debt securities)	22,517.36	35,324.90	57,842.26	17,534.23	29,267.31	46,801.54
Lease liabilities	124.41	439.24	563.65	144.06	557.52	701.58
Other financial liabilities	5,524.31	-	5,524.31	7,217.41	-	7,217.41
Non- financial liabilities						
Current tax liabilities (net)	11.24	-	11.24	254.03	-	254.03
Deferred tax liabilities (net)	-	462.02	462.02	-	212.29	212.29
Provisions	10.82	65.08	75.90	92.34	9.41	101.75
Other non-financial liabilities	270.39	-	270.39	239.52	-	239.52
Total liabilities	32,042.97	66,290.87	98,333.82	26,619.06	50,207.06	76,826.12
Net	(1,914.69)	30,661.82	28,747.15	(2,372.50)	17,721.29	15,348.79

