MAKING DREAMS AFFORDABLE

APTUS VALUE HOUSING FINANCE INDIA LIMITED

ANNUAL REPORT 2021-22

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Disclaimer

Statements in this report that describe the Company's objectives, projections, estimates, expectations or predictions of the future may be 'forward-looking statements' within the meaning of the applicable securities laws and regulations. The Company cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include cyclical demand in the Company's principal markets, changes in Government & RBI regulations, economic developments within the countries in which the Company conducts business, and other factors relating to the Company's operations, such as litigation, labour negotiations and fiscal regimes.

CORPORATE INFORMATION

CHAIRMAN & MANAGING DIRECTOR
Mr. M. Anandan

BOARD OF DIRECTORS
Mr. S. Krishnamurthy
Mr. K.M. Mohandass
Mr. Krishnamurthy Vijayan
Ms. Mona Kachhwaha
Mr. V.G. Kannan
Mr. Shailesh Mehta
Mr. Sumir Chadha
Mr. K.P. Balaraj
Mr. Suman Bollina

MANAGEMENT TEAM
Mr. G. Subramaniam - ED - Chief of Business and Risk
Mr. P. Balaji - ED & CFO
Mr. C.T. Manoharan - Executive VP - Business Development
Mr. D. Sarath Chandran - Executive VP - Collections & Technical

COMPANY SECRETARY & COMPLIANCE OFFICER
Mr. Sanin Panicker

SECRETARIAL AUDITORS
S. Sandeep & Associates
F20, F-Block, Ground Floor,
Gemini Parsn Apts,
New No.448, Old No.599,
Cathedral Garden Road,
Anna Salai, Chennai - 600 006

INTERNAL AUDITORS
R.G.N. Price & Co.
Chartered Accountants
Simpsons Buildings,
861, Anna Salai,
Chennai - 600 002

STATUTORY AUDITORS
T R Chadha & Co LLP
Door No. 5D, Vth floor,
Mount Chambers, 758,
Anna Salai
Chennai 600002
Tamil Nadu
Tel: +91 44 426 945 71

DEBENTURE TRUSTEES
Axis Trustee Services Limited
Axis House,
Bombay Dyeing Mills Compound,
Pandurang Budhkar Marg,
Worli, Mumbai – 400 025

BANKERS & FINANCIAL INSTITUTIONS
National Housing Bank
International Finance Corporation

HDFC Bank
Axis Bank
State Bank of India
Federal Bank
IndusInd Bank
Indian Bank
Yes Bank
Bank of Baroda
DCB Bank
Bank of India
ICICI Bank
Kotak Mahindra Bank
AU Small Finance Bank
South Indian Bank
CSB Bank

REGISTRAR AND SHARE TRANSFER AGENT
KFin Technologies Limited
Selenium Tower B, Plot No. 31 & 32
Gachibowli, Financial District
Nanakramguda,
Serilingampally,
Hyderabad - 500 032
Telangana
Tel: +91 40 6716 2222
Website: www.kfintech.com

REGISTERED & CORPORATE OFFICE
No. 8B, Doshi Towers, 8th Floor,
No: 205, Poonamallee High Road,
Kilpauk, Chennai 600 010
Tamil Nadu
CIN: L65922TN2009PLC073881
Email: corporateaffairs@aptusindia.com
Website: www.aptusindia.com

A FINANCIAL INSTITUTION WITH AN INCLUSIVE FOCUS

Incorporated in 2009 and head quartered in Chennai, your company is a housing finance company with focus on affordable housing loans. The Company provides home loans to low and middle income groups, in rural and semi-urban areas for purchase and self construction of residential properties and for home improvement. The company targets first time home buyers where primary collateral is self occupied residential property.

Since its inception in 2009 Aptus has helped about 1,00,000 customers fulfill their dream to own a house. Currently the company operates with 208 branches spread across Tamil Nadu, Karnataka, Andhra Pradesh, Telangana and Odisha.

Your Company, despite being built in one of the toughest macro economic cycles over the last decade including Covid-19, has delivered good and consistent growth, quality portfolio and best financial matrix. Corner stones of our business model that lend resilience include, sharp focus on core business, disciplined underwriting practices, customer centric approach, enhanced productivity, application of appropriate technology and prudent treasury management resulting in strong business outcomes.

We have successfully built a highly granular, entirely retail portfolio that is backed by self occupied residential properties as security with no concentration in any particular sector. Recognizing the large potential in retail mortgage lending in India, we continue to invest in our key pillars of strength namely people and technology.

Key Differentiators

- Focus on housing finance for lower, middle income customers.
- Presence in under penetrated rural and semi-urban markets, informal economies and SME sector that are still substantial in India.
- Continue to spread our geographic presence in order to make the company one of the largest through calibrated expansion.
- Continue to be profitable business model delivering best financial matrix & value creation.
- Continued process improvement program through technology & people to enhance productivity, product/ service experience, risk management with due focus on quality of book.
- Diversified lender base, calibrated expansion and transparency will be duly articulated to build scale.

Customers

83,000

+27% YoY

Branches

208

+18 YoY

States

5

+1 YoY

Employees

2,270+

AUM

₹5,180 crores

+27% YoY

Aptus Loan Portfolio

Housing Loans: Housing Loans are for constructing independent houses or an apartment on the land owned by the customer. Expanded housing loan options are also available for purchasing new or second-hand house and for house renovations.

Loan Against Property (LAP): LAP is aimed at refinancing of funds used for the purpose of construction/purchase of house. Eligible customers can get a loan up to ₹ 25 lakhs at affordable interest rates and can select a repayment tenure ranging from 5 to 15 years.

Business Loans: These are loans provided to individuals for business enhancement purposes. The customer has to provide self occupied property as collateral for the loan. Customers are eligible for a loan amount, up to a maximum of 60 % of the property value, subject to the credit eligibility and technical valuation of the property.

Insurance Support: Aptus has tied up with Insurance companies to offer both Credit Shield Insurance and Property Insurance to customers. The Credit shield cover protects the customers from the burden of having to worry about the repayment in the event of any untoward happening.

CHAIRMAN'S MESSAGE

Dear Shareholders,

In line with our core purpose, FY2021-22 annual report comes with the theme "Making Dreams Affordable". Our core business purpose is enabling our fellow countrymen and women from the Low and Middle Income (LMI) segment to construct their dream home. Since our inception we have fulfilled dreams of about 100,000 customers by extending home loan, home renovation loans and business loans.

FY 2021-22 has been an encouraging year, after undergoing the challenges of 2020-21. Despite the emergence of new variants, Covid-19 has been transitioning from 'pandemic' phase to 'endemic' phase. Health risk is not yet mitigated, but impact of Covid-19 has been less severe during the year 2021-22. At Aptus, we have followed the health guidelines in letter and spirit and minimised the risk to our employees, customers and the public.

Capital-strengthening IPO

In August 2021, we have successfully completed the Initial Public Offer (IPO) comprising fresh issue of shares and offer for sale. Through the fresh issue of shares, the capital base of the Company got strengthened by additional ₹ 500 crores which makes Aptus poised for a strong growth in future.

Near term outlook

Housing continues to be a priority at individual level and government level. While rising incomes have been enabling higher-income groups to build their homes from their own funds and loan funds, Government's Affordable Housing program has been helping the low and middle income group to have their own homes. In the Budget 2022-23, the central government has set a target of constructing 80 lakh homes under Pradhan Mantri Awas Yojna (PMAY), demonstrating the importance given for housing.

Thus we can safely expect a good growth in the segments that we operate and consequential demand for housing loans.

Growth strategies

India being a developing country with aspirational youth forming a majority of population and growing demand for housing, there are plenty of opportunities for home loan business. However, being in a business with its own inherent risk, we have been chalking out cautious yet growth oriented strategies for business expansion and key strategies include:

- Continued focus on lower, middle income customers.
- Deeper penetration of existing markets and expansion into adjacent markets through new branches.
- Continued focus on existing product/service segments.
- Continuous focus on the quality of book, productivity with enhanced credit rating and diversified lender base.

Financial inclusion of chosen customer segment and value creation to key stakeholders will continue to drive the company forward for many years to come.

I thank all our customers, both borrowers and lenders, who are the fulcrum of our business. I thank our regulators like NHB, RBI and SEBI for their guidance and also Rating Agencies. I am grateful to the Board who have provided valuable direction in matters such as governance and growth strategies. I am also deeply grateful to all our employees for their team spirit and dedicated work all the time.

M Anandan
Chairman & Managing Director

Encouraging financial performance in FY22

Despite the setbacks triggered by Covid-19 for first few months of the financial year, we have been able to perform significantly better than in previous year.

Growing balance sheet

Loan book increased from ₹ 4,068 crores to ₹ 5,180 crores resulting in a growth of 27%.

Asset quality

Our quality of book remained intact though our GNPA increased to 1.19% from 0.70% in FY 21, primarily because of the revised NPA recognition norms as per the RBI circular dated November 12, 2021.

Improved income and profitability

Interest income on loans increased by 26% from ₹ 627 crores to ₹ 792 crores in FY22, while Net Interest Income increased by 39% from ₹ 420 crores to ₹ 583 crores. Net Profit at ₹ 370 crores is 39% higher than previous year's ₹ 267 crores.

Yields were continuously maintained at around 17% while the cost of borrowings decreased by 69 bps. Resultant spread improved to 9.15%

Equity Infusion

Equity infusion through IPO despite multiple macro-economic challenges.

Credit Rating

Credit rating upgrade resulting in more lenders at low cost, strengthening of trust by the lending ecosystem.

STRATEGIC MILESTONES ACHIEVED

→ **2010 : Receipt of certificate of registration from NHB**

→ **Growth**

Locations/Branches	Loan Book	Customers
2012: 20 Branches	2013: ₹90 crores	2012: 1200
2015: 4 States	2014: ₹250 crores	2020: 50,000+
2018: 100 Branches	2017: ₹846 crores	2021: 60,000+
2019: 143 Branches	2018: ₹1,414 crores	2022: 83,000+
2020: 175 Branches	2019: ₹2,247 crores	
2021: 190 Branches	2020: ₹3,183 crores	
2022: 208 Branches	2021: ₹4,068 crores	
	2022: ₹5,180 crores	

→ **Successful completion of IPO in FY22**

The ₹ 2,780 crore IPO, which was opened on August 10 to August 12, was subscribed 17.20 times. The category for qualified institutional buyers was subscribed 32.41 times, while those for non-institutional investors attracted 33.91 times subscription. The quota reserved for retail individual investors was subscribed 1.35 times. The listing ceremony was held on 24 August, 2021.

STRATEGIC STRENGTHS

1. Large Customer Base & Inclusive Focus.

APTUS focuses on low and middle income self-employed customers which has a large base in the country.

Technical Group on Urban Housing Shortage-2012 (TG-12) had reported a shortage of 1.87 crore houses in FY12. Formal credit penetration is increasing in this market with increased focus on economic policy driven inclusive financing. APTUS focuses on low and middle income self-employed customers which has a large base in the country.

The average home loan ticket size of ₹ 5-25 lakhs provides the Company with a large potential customer base in its existing markets.

2. Experienced Management Team

Senior management team of the Company comes with multiple years of diverse experience in the financial services sector.

APTUS has an experienced management team, which is supported by qualified and experienced operational personnel. The Company's Promoter, Chairman and Managing Director, M Anandan, has over 40 years of experience in the financial services sector and the senior management team of the Company comes with multiple years of diverse experience in various financial services and functions.

STRATEGIC STRENGTHS

3. Increasing Branch Network

The focus is to further deepen the business in existing markets and to expand contiguously in the states of Maharashtra, Odisha and Chhattisgarh

From 20 branches in FY2012 the Company has increased its number of branches to 208 in FY2022 . The Company is currently focused on operating in Tamil Nadu, Andhra Pradesh, Karnataka, Telangana and the Union Territory of Puducherry. The focus is to further deepen the business in existing markets and to expand contiguously in the states of Maharashtra, Odisha and Chhattisgarh. APTUS has opened its first branch at Bramhapur in Odisha.

4. ML & AI for better Risk Mitigation

Customer acquisition, customer service and risk management through IT enabled system

The IT and digital backbone of APTUS is enabled by Machine Learning (ML) and Artificial Intelligence (AI). ML/AI initiatives helps in better evaluation of customer acquisition, credit profiles, customer service and risk management.

ML/AI helps in monitoring, tracking and taking necessary actions on strategic indicators which helps business achieve productivity and growth.

5. Asset Quality

The Company has been able to maintain robust asset quality despite challenging external events.

At APTUS growth goes hand in hand with maintaining a robust asset quality. The company has been able to maintain the asset quality through events like demonetization, liquidity crisis in the market and the Covid-19 pandemic. During the Covid-19 pandemic, the Company strengthened its underwriting process and closely monitored customer accounts that were affected by the pandemic.

As of March 31, 2022 GNPA is at 1.19% (increase by 49 bps, NPA computed based on RBI circular dated 12 Nov 2021) while for FY21 and FY20 it was at 0.70%. Net NPA is 0.88% as at March 31, 2022 as against 0.38% in March 31, 2021. Collection efficiency improved YoY.

Provision coverage ratio which was at 0.4% as of 31st March 21 has been improved to 0.8% as on 31st March 2022.

6. Diversified Sources of Borrowing

Diversified borrowing, sufficient balance sheet liquidity and upgraded credit rating

Through diversified borrowing sources and improved credit rating the Company has been reducing the cost of borrowing . Through secured source of financing from private and public sector banks, issuance of NCDs, NHB, and securitisation transactions APTUS has been able to obtain cost-effective financing and further optimise borrowing costs, which has resulted in a good financial performance.

Rating has been upgraded to AA- from A+ by ICRA. This will help us in exploring more sources of funding. We have well diversified borrowing profile. Of the total borrowings 50% were from banks, 32% were from NHB, 14% were from DFIs like IFC and large financial institution and the balance were in the form of securitization. APTUS has sufficient on balance sheet liquidity of ₹ 846 crores including undrawn sanctions of ₹ 300 crores from banks.

KEY DRIVERS OF THE BUSINESS

Scenario 1

About 53.5% of India's total employable population (age 21 years and above) are self-employed. Among this more than 70% are solo entrepreneurs earning daily income from their businesses. Granting loans to these self-employed individuals has been considered risky by many banks and FIs. Nevertheless in the recent years , several central and state government schemes have been introduced to fund the self-employed for their livelihood and housing needs, however access to formal credit continues to be a challenge for many in India who are in the low and middle income segment. While the high-earning entrepreneurs easily clear credit assessments, the low and middle-income entrepreneurs are adversely affected as they lack proper financial documents and have minimum or nil exposure to formal banking.

Scenario 2

Beyond the top 50 towns in India more than 100 crore people reside in the rural/semi-urban areas. With nearly 20 lakh retail loans in this segment, the penetration of home loans is <1%, which shows massive untapped potential for new home loan businesses. Many credit institutions find it difficult to access these customers without proper branch infrastructure, credit assessment and collection mechanism.

Scenario 3

Aided by the government of India's policy initiatives on affordable housing under the flagship Pradhan Mantri Awas Yojana (PMAY),between FY-20 and FY-21, affordable home loans showed a YoY growth of 8%. The target for FY22-23 is to complete 8 million houses. Union budget of FY23 has allocated ₹ 48,000 crores for affordable housing schemes.

APTUS STRATEGY, KPIs & GOALS

Strategic Priorities	FY22 KPI – Non financial	FY22 KPI - Financial	Goals for FY 2023 and beyond
Continue to focus on low and middle income self-employed customers in rural and semi-urban markets.	During the year the number of customers increased by 27% of which 75% are LIG, 72% Self-employed and 40% new to credit.	Avg Ticket Size ₹ 7 to 8 lakhs	APTUS' goal is to keep increasing the customers through reference from existing customers and from ecosystem partners through referral App.
Increase penetration in the existing markets and expand branch network in large housing markets.	Number of branches: **208** Tamil Nadu: 81, Karnataka: 21, Andhra Pradesh: 73, Telangana: 32 First branch opened in Odisha	Disbursements ₹ 1641 Crores - +26% year on year	Increased reach in the existing markets as well as strategic contiguous expansion in new markets i.e Odisha, Maharashtra, and Chhattisgarh
Continue to be an asset quality focused financier.	We continue to strengthen our underwriting processes and monitor customer accounts that are more likely to be affected by the external or internal factors. We enhanced our collection efforts and monitor the asset quality	Gross NPA:1.19% Net NPA: 0.88% Collection efficiency is robust and back to pre-covid levels	To be an asset quality focused financier.
Continue to be cost efficient	With the lowest opex among peer companies, our operations continue to be cost efficient	Opex: 2.53%	APTUS' strategy shall be to continue with low Opex model with focus on productivity.
Prudent ALM, gearing and access to low-cost funds from diverse sources	Increased number of fundings sources in FY22	Credit Rating upgraded to AA- from A+	Continue to focus on reduction in cost of funds through diversified source of borrowings

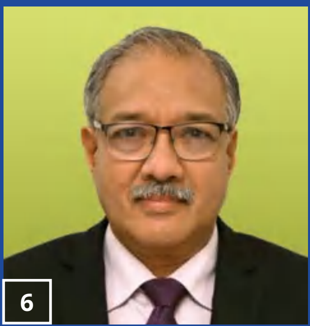
BOARD OF DIRECTORS

M. Anandan
Chairman & Managing Director

S. Krishnamurthy
Independent Director

K.M. Mohandass
Independent Director

Krishnamurthy Vijayan
Independent Director



V.G. Kannan
Independent Director

Shailesh Mehta
Non-Executive Director

Sumir Chadha
Nominee Director

K.P. Balaraj
Nominee Director

1 NRC CSR ITC RMC RBC

M. Anandan is a Member of the ICAI. He has an illustrious career of over 4 decades in the financial services industry during which he has held positions as ED and MD of Cholamandalam Investments and Finance, MD of Cholamandalam MS General Insurance Co. and CEO/Director of the Financial Services Businesses in Murugappa Group. Between 2008 – 2015 he was Non-whole time Director in Equitas Micro Finance Ltd, Independent Director in Manappuram Finance Ltd and Chairman of Five Star Business Credits Ltd. He is the founder promoter of the Company and has served as the Chairman and Managing Director on the Board since inception.

2 AC NRC RBC

S. Krishnamurthy holds a bachelor's degree in science from the University of Madras. He is a certified associate of the Indian Institute of Bankers. He was the former Dy. MD of SBI, where he served for more than 38 years. He was also the MD & CEO of SBI Life Insurance Company Ltd. He is also on the board of our subsidiary, Aptus Finance India Private Ltd.

3 AC NRC CSR RBC

K.M. Mohandass holds a bachelor's degree in science from the University of Madras. He is a fellow member of the ICAI and a partner in KM Mohandass & Co., Chartered Accountants. He has over three decades of experience in the financial services sector. He is also on the board of our subsidiary, Aptus Finance India Private Ltd.

4 AC NRC CSR ITC

Krishnamurthy Vijayan holds a bachelor's degree in commerce from C.M. Dubey Post- Graduate College, Bilaspur and MA from Guru Ghasidas University, Bilaspur. He previously served as the MD & CEO of IDBI Asset Management Limited, MD of J P Morgan Asset Management India Private Limited, and CEO of JM Financial Asset Management Private Ltd.

Committee Indications

AC	Audit Committee
NRC	Nomination & Remuneration Committee
CSR	CSR Committee
ITC	IT Strategy Committee
RMC	Risk Management Committee
RBC	Resourcing and Business Committee
SRC	Stakeholder's Relationship Committee

Mona Kachhwaha
Independent Director

Suman Bollina
Non-Executive Director

7 SRC

Shailesh Mehta holds a bachelor's degree in mechanical engineering from IIT, Bombay, Master of science degree in operations research and a PhD in philosophy from Case Western Reserve University. He is also trustee emeritus at the California State University and has also been conferred with an honorary degree of Doctor of Humane Letters by the California State University. He serves as a partner at Granite Hill Capital Partners and is operating advisor at WestBridge Capital US Advisors, LLC. He serves on the boards of inter alia, Safari Industries (India) Limited, Manappuram Finance Limited, India Shelter Finance Corporation Limited and Vistaar Financial Services Private Ltd.

8 NRC

Sumir Chadha holds a bachelor's degree in computer science from Princeton University and a Master's degree in business administration from Harvard Business School. He is the co-founder of WestBridge Capital. He has several years of experience in the investment industry. He was also a director of Sequoia Capital India Advisors Pvt Ltd. He serves on the Board of India Shelter Financial Corporation Ltd, Star Health and Allied Insurance Company Limited, Mountain Managers Private Limited, Kuhoo Technology Services Private Limited and Kuhoo Finance Private Limited.

5 AC NRC ITC RMC

Mona Kachhwaha holds a post graduate diploma in business management from XLRI, Jamshedpur. She has completed the FICCI CCG Women on Corporate Boards Mentorship Program offered by FICCI Centre for Corporate Governance. She has multiple years of experience in the finance sector including her stint with Citibank N.A. and Caspian Advisors Private Ltd. She is also on the Board of Ujjivan Financial Services Limited and Impact Investors Council.

6 ITC RMC SRC

V.G. Kannan holds a bachelor's degree in business administration from Madurai Kamaraj University and has a Master's degree in Business Administration from University of Madras. He has over 38 years of experience in the BFSI sector. A credit, treasury, risk management expert in the banking sector, he has handled leadership positions with SBI, its subsidiaries & group companies as Managing Director of SBI. He is on the boards of AU Small Finance Bank Ltd, Ageas Federal Life Insurance Company Limited and OCM India Opportunities Arc Management Private Ltd.

9 ITC SRC

K.P. Balaraj holds a bachelor 's degree in business management from Brigham Young University, Hawaii where he was a valedictorian and a Master's degree in business administration from Harvard Business School. He was the co-founder and MD at WestBridge Capital India Advisors Private Ltd and has several years of experience in the investment industry. He is currently a partner at Waimea Bay Advisors LLP.

10

Suman Bollina holds a bachelor's degree in engineering from the BITS, Pilani and a global MBA degree from S.P. Jain Center of Management. He is the executive managing partner of Sri Santhi Corporation. He has over 10 years of experience in development of residential lay outs and design, construction and sale of apartments. He is also on the board of our Subsidiary, Aptus Finance India Private Limited.

HOW WE CREATE VALUE

Vision

To be an efficient, innovative, and admired housing finance company, focused on making a positive impact on the standard of living of our customers through appropriate housing finance solutions at an affordable cost and personalized service.

Mission

To be a leader in the affordable housing finance segment and make an impact in the lives of a million people by 2030.

Core Values

Our Core Values guide the decisions we make and the actions we take.

Accountability: We take responsibility for the financial, social, environmental and economic impacts of our decisions and actions and disclose our performance in a transparent manner. We honor the trust placed in us by the customers by taking care of their financial needs.

Professionalism: We consistently produce results of the highest quality and exhibit professional conduct and sound judgment in standards and service. We ensure to do the right thing by being transparent, honest and ethical in all we do. We deepen our relationship with the customers by providing remarkable service.

Team work: We are a highly skilled, dedicated, and diverse workforce that is empowered to achieve outstanding results. We operate with honesty, integrity, and the highest of ethical standards, without exception.

Unity: We believe that unity inspires stronger personal commitment and greater collective achievement.

Success: We believe that achieving complete customer satisfaction through service excellence is the key to our success. We focus on achieving results that add the best possible value for all our stakeholders.

Our Impact:

SUSTAINABLE DEVELOPMENT GOALS

Inputs/Six Capitals of Aptus

Financial

Strong balance sheet with consistent performance

Manufactured

208 Branches

3 Loan Products

Relationships

Investors

Banks & FIs

Regulatory bodies & Government

Society

Service Providers / Suppliers

People

Our employees

Intellectual

Repository of management processes

Customers

Customer from the low and middle income strata

What We Do To create Sustainable Value	Outcomes in FY22
Apart from our prudent credit history and risk monitoring mechanisms, we lay emphasis on improving cost efficiencies by monitoring and controlling our operating costs and we typically set up our branches in an economical manner. This has resulted in achieving industry benchmark profitability and consistent growth	AUM: ₹ 5,180 crores Gross Income: ₹ 840 crores PAT: ₹ 370 crores RoA: 8%
We reach out to our potential customers in 5 states through our branches and portfolio of three products consisting of home loans, loan against property and business loans	208 Branches and increase of 18 Branches from FY21. **Loan Disbursements FY22** Home Loans: ₹ 918 crores Non Housing Loans: ₹ 533 crores Business Loans: ₹ 190 crores
The Company has a swift and responsible investor interaction and grievance redressal mechanism managed by its secretarial and finance departments which functions under the supervision of the Board. The Company strictly follows all the regulatory and government policies.	Market Capitalization (as on March 31, 2022) ₹ 16,923 crores Taxes Paid: ₹ 110 crores CSR Expenditure: ₹ 4 crores
Apart from our Training & Development initiatives, our presence in the rural and semi - urban markets of India also provides employment opportunities in these regions since we primarily recruit our employees locally.	The company gives industry benchmark remuneration with ESOPs etc
Collective knowledge of the promoters, senior management and staff, IT enabled processes and the brand equity of APTUS.	Increased improvement in IT enabled processes leading to bettering the KPIs
We focus on the social impact of our business and seek to improve the standard of living of our customers in Tier 2/3 regions.	75% LIG Customers In which 72% are self employed and 40% in the total LIG are new to credit

Financial Capital

CONSISTENT GROWTH – BENCHMARK IN THE INDUSTRY

AUM

₹ **5180** crore

+27% YoY

Disbursement

₹ **1641** crore

+26% YoY

PAT

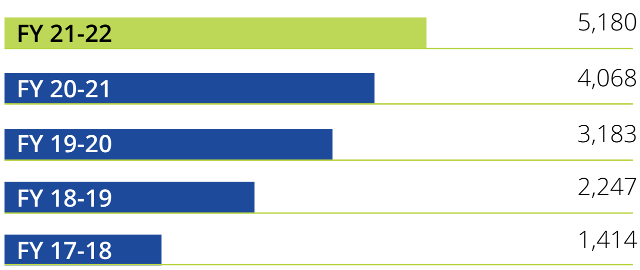
₹ **370** crore

+39% YoY

During the year FY2022 APTUS disbursed ₹ 1,641 crores registering a growth of 26% year on year. APTUS has built a strong branch network of 208 branches to deliver quality service to our customers. The Company is well capitalised with a net worth of over ₹ 2,900 crores. As on March 31, 2022, APTUS have maintained a sufficient on balance sheet liquidity of ₹ 846 crores including undrawn sanctions in the form of cash and cash equivalents.

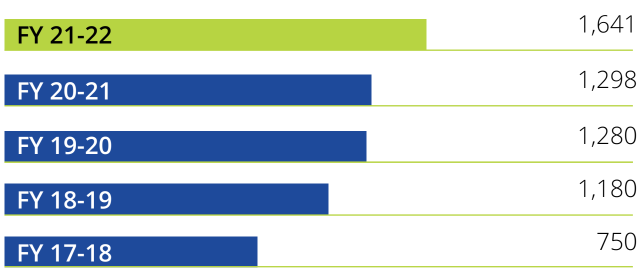
Assets Under Management

(₹ in crore)



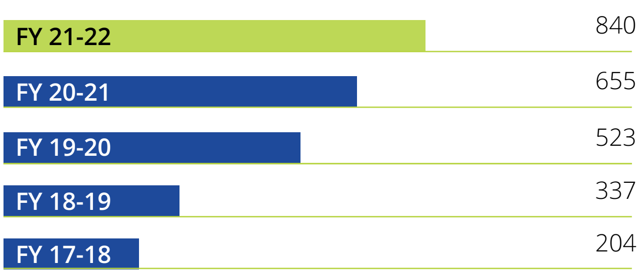
Disbursement

(₹ in crore)



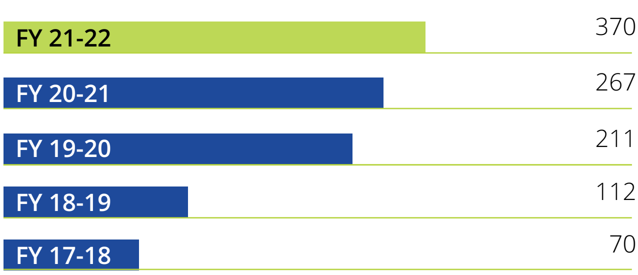
Gross Income

(₹ in crore)



Profit After Tax

(₹ in crore)



Return on Assets

(%)

FY 21-22	8.00
FY 20-21	7.40
FY 19-20	7.01
FY 18-19	6.12
FY 17-18	5.91

Shareholder's funds

(₹ in crore)

FY 21-22	2,916
FY 20-21	1,979
FY 19-20	1,709
FY 18-19	699
FY 17-18	585

Return on Net Worth

(%)

FY 21-22	14.45
FY 20-21	14.47
FY 19-20	15.80
FY 18-19	17.41
FY 17-18	12.07

Borrowings – Banks/FIs

(₹ in crore)

FY 21-22	2,721
FY 20-21	2,508
FY 19-20	2,015
FY 18-19	1,600
FY 17-18	840

Gross NPA

(%)

FY 21-22	1.19*
FY 20-21	0.70
FY 19-20	0.70
FY 18-19	0.40
FY 17-18	0.48

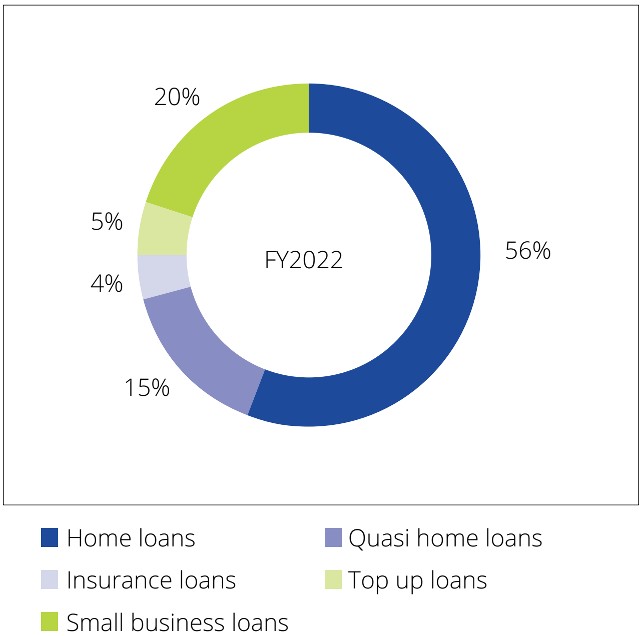
(*) NPA as per RBI circular dated 12 Nov 2021

Net NPA

(%)

FY 21-22	0.88
FY 20-21	0.38
FY 19-20	0.56
FY 18-19	0.32
FY 17-18	0.40

Loan Portfolio Mix



Manufactured Capital

FACILITATING LIG AND MIG CUSTOMERS

APTUS' manufactured capital includes its head office/corporate office, branches, its loan products and IT infrastructure and digital initiatives. For delivering seamless services to its customers APTUS' branch networks are IT/Digital enabled. Manufactured capitals enable the company to expand its reach and deliver its housing loans and other services across its markets.

How We Create Value Through our Branches

In alignment with the company's core purpose, the key objective of its branches are to facilitate customers in the low and middle income strata, mostly from the tier 2 & 3 cities to interact and access home loans and other products. Through its 208 branches APTUS covers 5 states.

State	Total Branches	AUM (%)
Tamil Nadu	81	48
Andhra Pradesh	73	31
Telangana	32	12
Karnataka	21	9
Odisha	1	-

To ensure the targeted customers in the middle and lower income strata are benefited, we provide loans with ticket size ranging between ₹ 5 lakhs and ₹ 25 lakhs and the average ticket size of our home loans, loans against property and business loans on the basis of sanctioned amounts was ₹ 7.2 lakhs, ₹ 7.1 lakhs and ₹ 6.2 lakhs, as of March 31, 2022.

Our branch presence in the rural and semi urban markets of India also provides employment opportunities in these regions since we primarily recruit our employees locally.

Developments in FY22:

During the year APTUS added 18 branches across 5 states bringing the total number of branches to 208. These new branches are opened in tier 2 and tier 3 cities and in small towns. With 208 number of branches, APTUS is the largest HFC in South India.

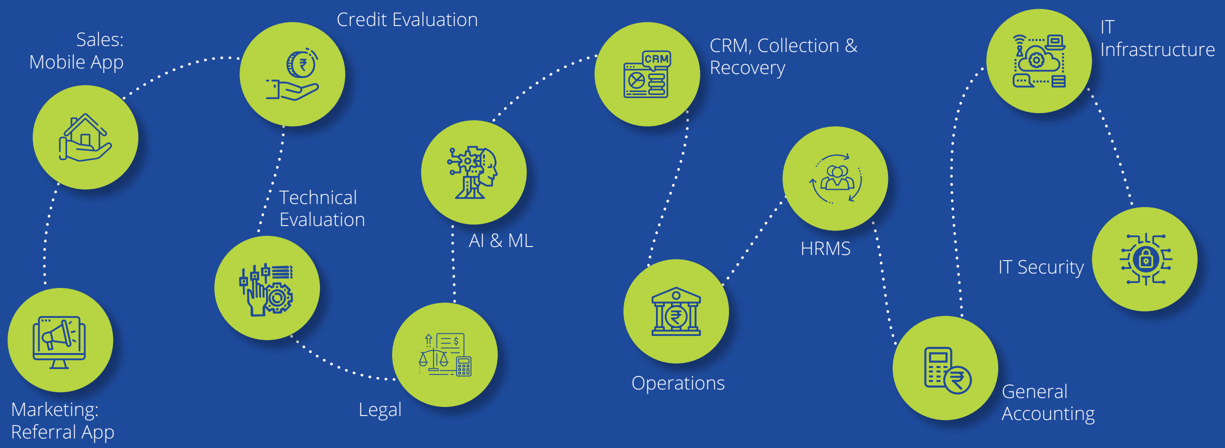
Manufactured Capital

IT & DIGITAL INITIATIVES

IT initiatives at APTUS is a key enabler for integration of various functions and thereby reduce risk and achieve growth. It also help in bringing in transparency in transaction and TAT. Information technology and digitalization initiatives at APTUS are aimed at providing tip of the finger access of our services information, data and analysis to our customers and employees.

Overview of IT/Digital Matrix

The IT/Digital map of APTUS encompasses mobile apps for lead generation, customer on boarding, credit evaluation, customer and property authentication, geo tagging of the property, collection, and recovery. Unique IT/Digital aspects of APUTS is its ability in complete virtualization of our branches, with a simple, robust and scalable design.



Marketing & Sales

APTUS Bandhu: APTUS Bandhu is an exclusive referral mobile app for APTUS partners from the construction sector. This app is aimed at generating potential customer leads through partners in the construction eco system.

(In numbers)

Total Partners	Leads Generated	Sanctioned	Disbursed
3974	6521	2534	2371

Sales APP: APTUS Sales App is being used by the sales team for enabling digital Customer on-boarding and for verification of KYC, bank account, capturing digital photo and digital signature. Sales app is integrated with our lending system to improve turn around time.

Credit & Technical Evaluation

Business & Residential Verification APP: To ensure authentic visual verification APTUS uses its BV/RV app which helps in live video verification of business and residence of customer by our employees.

Credit: APTUS Credit score card is integrated with the lending system to provide value to credit during evaluation. Machine learning combined with artificial intelligence helps in evaluating customer profiles through various data points.

Technical APP: Technical APP helps in procuring all required data for the physical property evaluation and geo tagging of the property through google maps. This app is integrated with lending application helping in faster evaluation and loan sanction.

Artificial Intelligence and Machine Learning:

The IT and digital backbone of APTUS is enabled by Machine Learning (ML) and Artificial Intelligence (AI). ML/AI initiatives helps in better evaluation of credit profiles.

Statistical regression model helps in accurate identification of true positives, true negatives, false positives and false negatives. Bounce prediction helps the CRM for making advance tele call to customers. ML also helps in predicting payment probabilities of different customer segments thus enabling better collection. ML/AI enabled legal recovery module helps in generating demand notices and in reminding legal team for better follow-up/recovery resulting in reduced NPAs.

Data visualization is done using business intelligence tool and artificial intelligence to provide key metrics to the management on the go. This helps in monitoring, tracking and taking necessary actions on strategic indicators which helps business achieve productivity and growth.

Robotics

APTUS has developed a inhouse RPA (Robotic process automation) as an initiative for capturing and automating repetitive work.

This is one of its kind among Indian FIs and Banks. 7 processes are automated. Cognitive inputs are given to reduce manual work and workload of the people.

Collection, Recovery & CRM

Collections APP: Aptus Collection app helps our team manage collections effectively and efficiently while providing transparency to customers through quick generation of receipts and messages. It also helps in increasing efficiency of the collection mechanism through proper allocation of overdue customers to APTUS team, tracking of collection progress and route optimization.

Recovery: Further the legal recovery system of the company consisting of the Arbitration and Sarfaesi models helps in generating demand notices and reminding legal teams on elapsed dates and tackling of NPA customers.

CRM: The company has a robust automated Customer Relation Management system which helps APTUS team to effortlessly connect with customers. Key features of the CRM are call transfer, in bound and out-bound call scheduling, issue resolution, tracking of customer service requests, collection and recovery.

Operations

Loan Origination/Management: APTUS lending software is an end to end software solution which provides functions such as access control, loan origination, loan management and financial report generation. It has controls and risk management to ensure integrity of the customer data and financial reports.

Operating module also includes legal document verification, tracking and retrieval.

IT Security

Aptus is ISO 27001:2013 certified to provide to safe and secure environment and protects data of the organization and its customers.

MANAGEMENT EXPERTISE AND PROPRIETARY PROCESSES

APTUS' Intellectual capital includes collective knowledge of its senior management, employee knowledge, expertise of our marquee shareholders, proprietary processes, business trainings and unique processes which gives competitive advantage to the company.

Market knowledge and APTUS customer assessment models

With our affordable housing loans, loan against property and business loans we primarily serve low and middle income self-employed customers in the rural and semi-urban markets of Tamil Nadu, Andhra Pradesh, Karnataka and Telangana. We target first time home buyers where the collateral is a self-occupied residential property. Since inception we have developed an in-depth understanding of the demographics, housing requirements and financial status of customer groups in these regions and methods to determine their credit worthiness.

Over years, we have studied and developed multiple credit assessment models. Some of our profiles are customized to regions and specific types of employment.

We update these profiles on a frequent basis for regional and local market specific developments and macro disruptions such as the COVID-19 pandemic. This has helped us reduce subjectivity in forecasting the future income of potential customers, thus enabling robust credit underwriting.

We believe that on account of our domain expertise to underwrite self-employed customers with limited income proofs, we have been able to effectively serve customers, grow our business and create a business model that is difficult to replicate.

Senior Management Skills

Our senior management including promoters have multiple years of experience in management and operations of financial sector. Majority of our senior and middle level staff have multiple years of experience in business development, credit evaluation, risk management, legal assessment, technical valuation, technology, finance and treasury and human resource management.

Information Technology

The company has a robust information technology backbone consisting of its enterprise IT infrastructure and digital initiatives for connecting with customers. Various credit evaluation, collection and recovery modules are co-created and customised with our IT vendors and is very unique to our customer profiles and business.

INCLUSION AND EMPOWERMENT

To fulfil our vision to be an efficient, innovative, and admired housing finance company we recognize that developing and maintaining a highly competitive human capital is most important. Aptus strongly believes in building a fair and transparent work culture. Aptus shall continue to endeavour to provide the best of working environments, one that encourages continuous learning, sharing ideas and knowledge.

Key HR Priorities

- Inclusion and empowerment
- Work life balance
- Organisation – individual goal alignment
- Training and Development
- Enhancing Leadership Skills
- Awards and Recognitions for enhancing performance

HR Highlights FY22

Automation of recruitment process, exit process & attendance tracking through HRMS portal has been implemented.

Through the HR app integrated with the HRMS portal employees are able to access information related to attendance, leave applications & other HR details.

During the year a whistle blower policy has been introduced in HRMS portal. Employees can now share confidential information directly with HR Department.

Training & Development (T&D)

In T&D the key role of HR is to design and organise workshops related to personal and behavioural skill development. Apart from this, in collaboration with the HODs various functional skill development programmes are also organised at the corporate office as well as for branches.

Diversity & Inclusion

The company with its majority of branches in semi urban and rural areas has majority of it is employees at the branch level from the non-urban areas.

Training Programmes in FY22

177

Number of Beneficiaries in FY22

255

Total Employees

2271

Employees Age (%)

CORPORATE SOCIAL RESPONSIBILITY

Beyond its socially oriented housing business model, APTUS has also been undertaking various social development activities under its CSR initiatives such as education, promoting healthcare, empowering women, contributing to environment sustainability and various other rural development initiatives.

All CSR activities are planned and monitored by the board constituted CSR committee. During FY 2021-22, the CSR activities of APTUS revolved around three distinct areas, viz. Education, Healthcare and Social Development.

₹ **418** Lakh

CSR Outlay in FY22

Education:

Financial Assistance for construction of classrooms, bathrooms and purchase of furniture for Vijnana Bharathi School of Bharateeya Vidya Kendram (BVK), Arakuvalley, Vizag.

Financial assistance for construction of classrooms including furniture at the Govt. Girls Higher Secondary School, Ayyapakkam, Chennai.

APTUS Impact: 1425 Students

CSR Outlay for Education in FY22: ₹ 47 Lakhs

Healthcare:

Financial support through Indian Red Cross Society for purchase of medical equipment and antistatic flooring for operation theatre and labour room in the Government Hospital, at Arilova, Vizag.

APTUS Impact: 1980+ patients in a year

Procured a van with therapy equipment for the programme called “Early Detection of Development Deficiency” in small children aged between 1 month to 3 years in low income colonies / slum areas, initiated by Varshini Illam Trust.

Expected APTUS impact: 6000 children in 3 years.

CSR Outlay for Healthcare in FY22: ₹ 78 Lakhs

Social Development:

Sponsored a genset for Soulfree Inspire Centre, a public charitable trust for its centre at Thiruvannamalai.

Contributed to the development of automated catering and food processing centre, including setting up of cold storage room at Anandam - a free home for senior citizens at Kallikuppam, Chennai started by Anandam Trust, a public charitable trust.

CSR Outlay for Social Development in FY22: ₹ 25 Lakhs

APTUS Impact: 105 Senior Citizens

In FY22 Contributed ₹ 268 lakhs to PM CARES FUND for fighting Covid-19

DIRECTORS' REPORT

Your directors have pleasure in presenting the Thirteenth Annual Report together with the audited financial statements of the company for the financial year ended March 31, 2022.

1. Financial Results

(₹ in crores)

Particulars	Consolidated Financial Results	
	For the financial year ended Mar 31, 2022	For the financial year ended Mar 31, 2021
Operating income	815	639
Other Income	25	19
Less: Expenditure including Depreciation	360	313
Profit Before Tax	480	345
Profit After Tax	370	267
Assets under Management	5,180	4,068

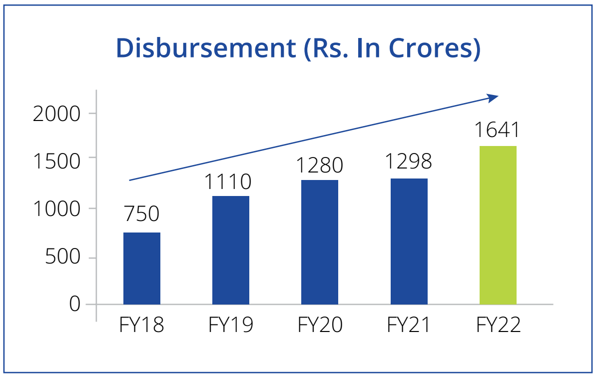
2. Initial Public Offering

During the year under review, your Company has successfully completed the Initial public offering of its equity shares comprising of fresh issue of shares and offer for sale. The ₹ 2,780 crore IPO, which was opened on August 10 to August 12, was subscribed 17.20 times. The category for qualified institutional buyers was subscribed 32.41 times, while those for non-institutional investors attracted 33.91 times subscription. The quota reserved for retail individual investors was subscribed 1.35 times. The Company has raised an amount of ₹ 500 crores through fresh issue of shares. The Equity Shares of the Company were successfully listed on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on August 24, 2021.

3. Operations:

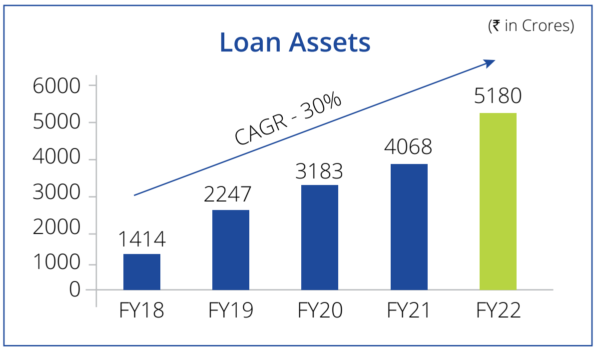
3.1 Sanctions and Disbursements

During the year under review, your Company sanctioned loans worth ₹ 1799 crores as compared with the sanctions of ₹ 1404 crores during the previous year. Your Company disbursed loans worth ₹ 1641 crores during the year under review with an increase of 26% as compared to the disbursements made during the previous year. Aptus continued its focus on Low and Middle Income families in Tier II and III cities and the disbursement of ₹ 1641 crores benefited more than 24,000 families.



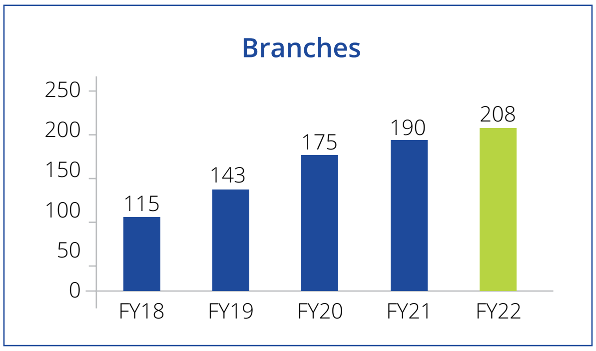
3.2 Loan Assets

The total Assets under Management of Aptus stood at ₹ 5180 crores as at March 31, 2022 as against ₹ 4068 crores as at March 31, 2021, thereby registering a growth of 27%.



3.3 Branch Expansion

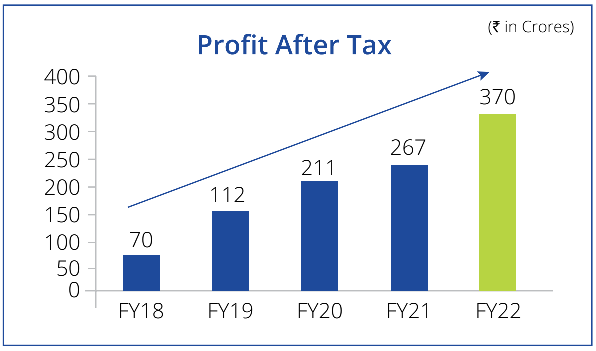
Aptus has a strong network of 208 branches across 5 Indian states. During the year under review, your Company expanded its distribution network in the states of Tamil Nadu, Andhra Pradesh and Telangana. Aptus has commenced its operations in the state of Odisha by opening its first branch in Brahmapur. The distribution network stood at 208 branches as at the end of March 31, 2022 as compared to 190 branches in the previous year.



3.4 Income, Profits and Net Worth

During the year under review, your Company's Gross Income grew by 28% to ₹ 840 crores as at March 31, 2022 as against ₹ 658 crores as at March 31, 2021. The

Profit before tax for the year ended March 31, 2022 stood at ₹ 480 crores with an increase of 39% over ₹ 345 crores in the corresponding period of the previous year. The Profit after Tax (PAT) stood at ₹ 370 crores for the year ended March 31, 2022 which was 39% higher over the PAT of ₹ 267 crores in the previous financial year. Net worth stood at ₹ 2,916 crores as at March 31, 2022.



3.5 Asset Quality

Your Company closed the financial year 2021 - 22 with a Gross NPA of 1.19%. These levels, one of the best in the industry, has been maintained by Aptus since inception. This would not have been possible but for the excellent systems and processes together with relevant IT enablement's in originating loan proposals from customers and strong adherence to laid down policies in terms of credit, legal, technical and collections. The above organization strengths coupled with very good quality of portfolio gives us confidence to aspire for more profitable and aggressive growth in the years to come.

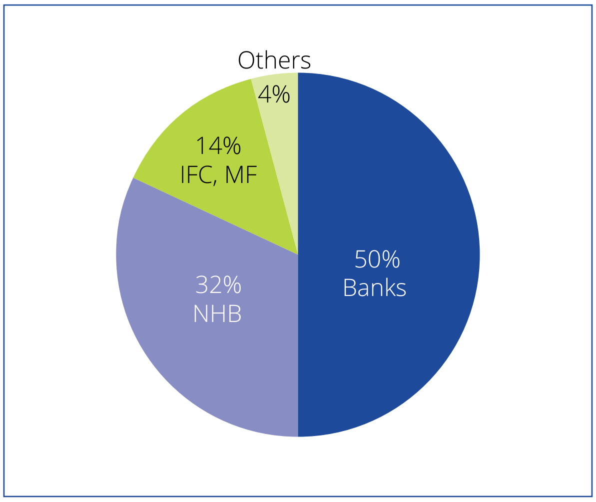
3.6 Resource Mobilisation

During the year 2021 - 22, resources were mobilized in the form of Term Loans, to the extent of ₹ 1,130 crores which was raised from various banks and NHB. All these loans were long term loans with tenor of 7 to 10 years. During the year, the funding from NHB was increased by ₹ 700 crores making the borrowings from NHB 32% of total borrowings as on 31 March 2022 as compared with 23% as on 31 March 2021.

Currently funding mix of Aptus comprises of Term Loans from Banks, NHB, Multilateral funding agencies like IFC and Mutual Funds. As on March 31, 2022, 50% of borrowings were from banks and 32% were from NHB and the balance 18% were from debt capital market, majority from DFIs like IFC and mutual funds.

Aptus understands that it is in the business of long term funding which are in the range of 10-15 years. With this in the back ground, Aptus' borrowing strategy has always been prudent to secure long term funding ranging between 5-7 years. There were no short tenor borrowings including commercial papers.

Further during the year 2021-22, high cost funding from various banks were negotiated / prepaid in order to reduce the cost of borrowings. This combined with borrowings (other than borrowings from NHB) that were raised at an interest rate of 7.00% to 7.50% during the year, helped us reduce the cost of borrowings to 7.74% as compared with 8.43% as on March 31, 2021.



3.7 Capital Adequacy Ratio

Capital Adequacy Ratio of Aptus stood at 85.61% as on March 31, 2022, as against the minimum requirement of 15% stipulated by Regulators.

4. Credit Rating

During the year 2021 - 22, the credit rating of your company was upgraded to AA- stable from A+ Stable by ICRA Limited. The rationale behind the rating action factors the company's strengthened capital profile and track record of maintaining a healthy profitability and asset quality.

The credit rating details of the Company as at March 31, 2022 are as follows:

Instrument	Rating Agency	Rating	Outlook
Bank Facilities	ICRA	[ICRA]AA-	Stable
Non-convertible Debentures	ICRA	[ICRA]AA-	Stable
Bank Facilities	CARE	CARE A+	Positive
Non-convertible Debentures	CARE	CARE A+	Positive

5. Deposits

Your Company is registered as a non-deposit taking Housing Finance Company with National Housing Bank and hence does not accept any deposits. The Company has not accepted any deposits from the public within the meaning of the provisions of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the financial year ended 31st March 2022. No amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2022.

6. Transfer to Special Reserves

As per Section 29C (i) of National Housing Bank Act, 1987, your Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. Accordingly, your Company has transferred ₹ 61.64 crores to special reserve in accordance with Section 29C(i) of National Housing Bank Act, 1987 read along with Section 36(1)(viii) of the Income Tax Act, 1961.

7. Dividend

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the Board of Directors of the Company have adopted a dividend distribution policy. The policy is available on the website of the Company at https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC_Dividend-Distribution-Policy.pdf.

The Board of Directors aim to grow the business lines of the Company and enhance the rate of return on investments of the shareholders. In order to finance the long-term growth plans of the Company that requires substantial resources, the Board of Directors did not recommend a dividend for the year under review

8. Share Capital

There has been no change in the authorized share capital of the Company during the financial year ended March 31, 2022.

During the year under review, the shareholders at their Extra-ordinary General Meeting held on May 06, 2021 approved the sub-division of one equity share of ₹ 10 each in to five equity shares of ₹ 2 each.

During the year under review, your Company has allotted 1,41,64,305 equity shares of ₹ 2/- each on August 18, 2021 pursuant to the Initial Public Offering (IPO). Further 13, 37, 500 equity shares of ₹ 2/- each were allotted on exercise of stock options granted to employees of the Company under ESOP 2015.

Consequent to this, the paid up share capital has increased to ₹ 99,38,36,190 comprising of 49,69,18,095 equity shares of ₹ 2/- each as on March 31, 2022 as against ₹ 96,28,32,580 comprising of 48,14,16,290 equity shares of ₹ 2/- each as on March 31, 2021.

The Company has fully utilized the net IPO proceeds during the year for the purpose of augmenting tier I capital. There has been no deviation in the utilization of IPO proceeds of the Company.

9. Employee Stock Options Schemes

ESOP 2021

Pursuant to the resolutions passed by the Nomination & Remuneration Committee and Board of Directors on November 12, 2020 and the resolution passed by the Shareholders on May 6, 2021, ESOP 2021 scheme was approved to create, offer, issue and allot in one or more tranches, stock options which are convertible into Equity Shares. The purpose of ESOP 2021 is to encourage ownership of the Equity Shares by the Company's employees on an ongoing basis. The aggregate number of Equity Shares issued under ESOP 2021, upon exercise, shall not exceed 1,00,00,000 Equity Shares of ₹ 2/- each at such price and on such terms and conditions as may be fixed or determined by the Board.

ESOP 2021 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the shareholders of the Company have ratified the scheme by postal ballot on December 10, 2021.

ESOP 2015

ESOP 2015 was approved by the Nomination & Remuneration committee and the Board of Directors at their meetings held on 12th May 2015 and by the shareholders at their meeting held on 7th August 2015 respectively.

ESOP 2015 was for a total of 90,00,000 Equity Shares of ₹ 2/- each, for eligible employees of the Company, as determined by the Nomination & Remuneration Committee. ESOP 2015 was amended in line with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the same was approved by the shareholders at the Extra-ordinary General Meeting held on May 06, 2021.

In terms of Regulation 14 of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the disclosures with respect to ESOP 2021 and ESOP 2015 have been provided on the website of the Company at www.aptusindia.com.

10. Awards and Recognition

Mr. P. Balaji, ED & CFO of the Company was one of the winners at FE CFO Awards 2022 in the small enterprises services category.

The Company is continuously improving on information security management system and during the year under review, your Company and its subsidiary received ISO/IEC 27001:2013 certification.

11. Directors

The following changes took place in the composition of Board of Directors during the financial year 2021-22:

(a) Ms. Mona Kachhwaha (DIN: 01856801) was appointed as an Independent Director by the Board for a term of five years effective May 5, 2021, and her appointment was approved by the shareholders at the Extra-ordinary General Meeting held on May 6, 2021.

(b) The appointment of Mr. V G Kannan (DIN: 03443982) as Independent Director was approved by the shareholders for a term of five years effective March 9, 2021, at the Extra-ordinary General Meeting held on May 6, 2021.

(c) Mr. Suman Bollina, Non-Executive Director (DIN: 07136443) retired by rotation at the twelfth Annual General Meeting held on September 30, 2021 and was re-appointed.

There were no other changes that took place in the composition of the Board of Directors between the financial year end and the date of this report.

Further, in accordance with the provisions of the Companies Act, 2013, Mr. Sumir Chadha, Nominee Director of the Company is liable to retire by rotation at the ensuing 13th Annual General Meeting of the Company and being eligible has offered himself for re-appointment.

12. Declaration from Independent Directors

The Independent Directors have submitted the Declaration of Independence, stating that they continue to fulfil the criteria of independence as required pursuant to section 149 of the Companies Act, 2013 and Regulations 16 of the Listing Regulations.

In the opinion of your Board of Directors, the Independent Directors fulfil the conditions specified in the Act and the rules made there under for appointment as Independent Directors including the integrity, expertise and experience and confirm that they are independent of the management.

13. Board Evaluation

The annual evaluation process of the Board, its committees and Individual Directors were conducted as per the provisions of the Companies Act, 2013 and the listing regulations. A structured exercise was carried out based on the criteria for evaluation forming part of the Policy on appointment, remuneration and evaluation of the Directors, Key Managerial Personnel and Senior Management and the inputs received from the Directors on the functioning and overall level of engagement of the Board and its committees on parameters such as composition of Board and committees, execution of specific duties, quality, quantity and timeliness of flow of information, deliberations at the meeting, independence of judgement, decision-making, management actions etc.

The policy on appointment, remuneration and evaluation of the Directors, Key Managerial Personnel and Senior Management is available on the website of the Company at https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC-Appointment-Remuneration-Evaluation-Policy.pdf

14. Board meetings held during the year

During the financial year ended March 31, 2022, the Board met eight times on May 5, 2021, May 12, 2021, June 24, 2021, July 26, 2021, August 2, 2021, August 13, 2021, October 29, 2021, and January 28, 2022. The maximum time gap between any two Board meetings did not exceed 120 days during the financial year under review.

15. Committees

Details on composition of various Committees of the Board and number of meetings of the Board and Committees are given in the Corporate Governance Report in **Annexure D.**

16. Compliance with secretarial standards on Board and General Meetings

The company has complied with all the provisions of secretarial standards issued by the Institute of Company Secretaries of India in respect of meetings of the board of directors and general meetings held during the year.

17. Key Managerial Personnel

As on March 31, 2022 Mr. M. Anandan, Chairman & Managing Director, Mr. P. Balaji, ED & Chief Financial Officer and Mr. Sanin Panicker, Company Secretary are the Key Managerial Personnel of the Company as per Sections 2(51) and 203 of the Companies Act, 2013. There were no changes in the office of Key Managerial Personnel (KMP) during the financial year 2021-22.

18. Corporate Governance Report

Your Company is committed to achieving the highest standards of Corporate Governance and it aspires to benchmark itself with the best practices in this regard. The Board regularly reviews the Management's reports on statutory and regulatory compliances.

A report on corporate governance as per the Listing Regulations is attached and is forming part of this report as **Annexure D.**

19. Management Discussion and Analysis

The Management Discussion and Analysis report is enclosed and is forming part of this report as **Annexure C.**

20. Auditors & Auditors' Report

Statutory Auditors

Pursuant to the guidelines issued by the Reserve Bank of India dated April 27, 2021 regarding appointment of Statutory Central Auditors (SCAs) / Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs), a Company cannot appoint an audit firm as Statutory Auditors for a continuous period of more than 3 years.

As per the above guidelines, M/s. S R Batliboi & Associates LLP, Chartered Accountants vide their letter dated October 22, 2021, informed that they are ineligible to continue as auditors of more than certain entities specified therein and rendered their resignation with effect from November 12, 2021.

Consequent to their resignation and pursuant to the RBI guidelines & Section 139 of the Companies Act, 2013, M/s T.R. Chadha & Co. LLP has been appointed as the Statutory Auditors of the Company for a period of three consecutive financial years viz 2021-22, 2022-23 and 2023-24 to hold office until the conclusion of the 15th Annual General Meeting, subject to their satisfaction of the eligibility criteria every year.

The Report of the Statutory Auditors to the members is annexed and forms part of the financial statements and the same does not contain any qualification, reservation or adverse remark on the financial statements prepared as per Section 133 of Companies Act, 2013 and notes on accounts annexed thereto. There were no frauds detected or reported by the Auditors under sub-section (12) of section 143 of the Companies Act, 2013 during the year.

Secretarial Auditor

M/s. S. Sandeep & Associates, Company Secretaries were appointed to conduct the secretarial audit of the Company for the financial year 2021 - 22, as required under Section 204 of the Companies Act, 2013 and rules made thereunder.

The secretarial audit report for the financial year ended March 31, 2022 forms part of Annual report as **Annexure F** to Board's Report and does not contain any qualifications, reservations or adverse remark.

The Company has complied with the Secretarial Standards issued by the Institute of Company secretaries of India on Board Meetings and Annual General Meetings.

21. Maintenance of cost records and cost audit

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 is not applicable for the business activities carried out by the company.

22. Internal Financial Controls

Your Company has an internal control system that would commensurate with the size, scale and complexity of its operations. The Company has robust policies and procedures which, inter alia, ensure integrity in conducting business, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors. The Audit Committee regularly reviews the adequacy and effectiveness of the internal financial systems and controls. Statutory Auditors, T.R. Chadha & Co. LLP have also reviewed the internal controls systems as existing in the Company and have given an unmodified opinion on the same.

23. Material Changes and Commitments

There are no material changes and commitments between March 31, 2022 and the date of this report having an adverse bearing on the financial position of the Company.

24. Annual Return

The Annual Return as required under section 92 and section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the Company's website at www.aptusindia.com.

25. Risk Management

Your Company has constituted a Risk Management Committee which is responsible for putting in place a risk management system, risk management policy and strategy to be followed by the Company.

The Key principles of Risk Management are as follows:

(a) The risk management shall provide reasonable assurance in protection of business value from uncertainties and consequent losses.

(b) All concerned process owners of the company shall be responsible for identifying & mitigating key risks in their respective domain.

(c) The occurrence of risk, progress of mitigation plan and its status will be monitored on periodic basis.

The Risk Management Committee along with the Asset Liability Management Committee reviews and monitors these risks at regular intervals.

Risk management process includes four activities: risk identification, risk assessment, risk mitigation, monitoring and reporting. Once risks are identified, it is necessary to prioritize them based on the impact, dependability on other functions, effectiveness of existing controls etc.

Internal audit shall review the risk register once a year and add any new material risk identified to the existing list. These will be taken up with respective functional head for its mitigation. Existing process of risk assessment of identified risks and its mitigation plan will be appraised to Board.

26. Human Resources

The Company believes that the people are its key assets and focuses on nurturing and developing human talent that delivers continued growth, customer delight and business leadership. Lots of importance is placed on recruiting quality staff and they are groomed to take on higher responsibilities. Further on the job training and induction is imparted to staff to have better understanding of the company, its culture and business. These initiatives coupled with adequate compensation levels including appropriate incentive schemes matched with the market and good employee welfare schemes like health and life insurance covers have helped us retain the manpower at these levels. The Company has introduced Employee Stock Option Plans, to attract, retain talent and to enable participation of the employees in the growth of the company.

Aptus staff strength as at March 31, 2022 was 2271.

27. Particulars of Employees

The disclosure with respect to remuneration as required under section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available on the Company's website. The statements prescribed under rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available for inspection by the Members at the Registered Office of the Company during the business hours on all working days of the Company up to the date of the forthcoming Annual General Meeting. If any member is interested in obtaining a copy, such member may send an e-mail to the company secretary in this regard.

28. Particulars of Contracts or Arrangements with Related parties

All contracts / arrangements / transactions entered into by the Company during the financial year with the related parties were on arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with promoters, directors, key managerial personnel or other designated persons, which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are placed on a quarterly basis before the Audit Committee and Board for their review. The policy on Related Party Transactions as approved by the Board is available on the website of the Company at https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC-RPT-policy.pdf

The details of the related party transactions for the financial year 2021-22 in Form AOC-2 is enclosed as **Annexure A** to this report.

29. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings / Outgo

The Company does not have any activity relating to conservation of energy and technology absorption and does not own any manufacturing facility. Hence the requirement of disclosure of particulars relating to conservation of energy and technology absorption in terms of Section 134 of the Companies Act, 2013 and the Rules framed thereunder is not applicable.

Your Company does not have any foreign currency earnings or expenditure during the financial year ended March 31, 2022.

30. Non-Convertible Debentures

The Non-Convertible Debentures of the Company are held in dematerialized form vide ISIN Nos. INE852O07014, INE852O07022, INE852O07030, INE852O07071, INE852O07097 and INE852O07105.

During the financial year, there were no such instances of any Non-Convertible Debentures which have not been claimed by the investors or not paid by your Company after the date on which the Non-Convertible Debentures became due for redemption.

The Non-Convertible Debentures of your Company are listed on BSE Ltd and your Company has paid the requisite listing fee to ensure continuous listing of its debt instruments.

31. Subsidiaries, Associates, Joint Ventures

Aptus Finance India Private Limited (AFIPL) is a wholly owned subsidiary of the Company incorporated on September 18, 2015. In accordance with the provisions of section 129 (3) of the Companies Act 2013, the Consolidated Financial Statements drawn up in accordance with the applicable accounting standards forms part of the Annual Report.

Statement containing salient features of the financial statements of the subsidiary, pursuant to first proviso to sub – section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in Form AOC – 1 forms part of the financial statements.

Since AFIPL is an unlisted Material Subsidiary of the Company, the Secretarial Audit Report of AFIPL is attached to this report as **Annexure G**.

The Company has adopted a policy on determining material subsidiaries and the same is published on the website of the Company (weblink: https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC_Policy-on-determining-Material-subsidiaries.pdf).

The Company does not have any associate or joint venture companies.

32. Particulars of Loans, Guarantees or Investments to Wholly Owned Subsidiary

The Company had granted loans and provided guarantees under Section 186 of the Companies Act, 2013 to AFIPL, details of which are given below:

Sr. No	Nature	Amount as at March 31, 2022 (₹ crores)	Date of Board Resolution	Purpose
1	Inter – Corporate Loan	5.00	June 24, 2021	Onward lending purpose
2	Inter Corporate Guarantee	279.30	June 24, 2021	For the borrowings availed by the wholly owned subsidiary

* For details refer to Note no. 34.2 in relation to related party transactions disclosed as per notes to the Standalone Financial Statements.

33. Disclosure of Significant & Material Orders passed by the Regulators or court or tribunal

During the financial year under review, there were no significant and material orders passed by the regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

34. Corporate Social Responsibility (CSR)

During FY 2021-22, the CSR activities of your Company revolved around three distinct areas, viz. Education, Healthcare and Social Development.

The Annual Report on CSR activities and expenditure, as required under section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is attached as **Annexure B** to this Report.

The CSR policy is available on the Company's website at https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC-CSR-Policy.pdf.

35. Business Responsibility Report (BRR)

In terms of Regulations 34(2)(f) of the Listing Regulations, the Business Responsibility Report (BRR) for the financial year ended March 31, 2022 is enclosed as **Annexure E**.

36. Whistle Blower Policy & Vigil Mechanism

The Company has established a whistle blower mechanism to provide an avenue for reporting concerns about unethical behavior or violation of the Company's code of conduct for the directors/employees by providing adequate safeguards against victimization of directors/employees who avail this mechanism. The Company has laid down a Whistle Blower policy which contains the process to be followed for dealing with complaints and also provides for direct access to the Chairman of the Audit Committee. The whistle blower policy and vigil mechanism is available on the website of the Company at https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC-Whistle-Blower-Vigil-Mechanism.pdf.

37. Policy on Sexual Harassment of Women at Workplace

The Company has in place a policy on prevention of sexual harassment in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaint Committee is in place to redress the complaints received regarding sexual harassment. All employees of the Company are covered under this policy. There were no complaints relating to sexual harassment pending at the beginning of the financial year. During the financial year 2021-22, no complaints were received by the Internal Complaints Committee.

38. Code for Prevention of Insider Trading

The board has adopted a code to regulate, monitor and report trading by insiders in securities of the company. The code inter alia requires pre-clearance for dealing in the securities of the company and prohibits the purchase or sale of securities of the company while in possession of unpublished price sensitive information in relation to the company and during the period when the trading window is closed. The board has further approved the code for practices and procedures for fair disclosure of unpublished price sensitive information and policy governing the procedure of inquiry in case of actual or suspected leak of unpublished price sensitive information. The code has also been hosted on the website of the company.

39. Directors' Responsibility Statement

The Board of Directors have instituted/put in place a framework of internal financial controls and compliance systems, which is reviewed by the management and the relevant board committees, including the audit committee and independently reviewed by the internal, statutory and secretarial auditors.

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors confirms that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures therefrom;

(ii) they have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company as at March 31, 2022 and the profit of the company for the year ended on that date;

(iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) they have prepared the annual accounts on a going concern basis;

(v) they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively during the year ended March 31,2022; and

(vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended March 31, 2022.

Acknowledgement

Your Directors wish to place on record their appreciation and sincerely acknowledge the contribution and support from shareholders, customers, debenture holders, debenture trustees, Central and State Governments, Bankers, Reserve Bank of India, National Housing Bank, Registrar of Companies, Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Registrar & Share Transfer Agents, Credit Rating Agencies and other Statutory and Regulatory Authorities for the kind cooperation and assistance provided to the Company. The Directors also extend their special appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all-round operational performance and also for their continued commitment, dedication and cooperation.

For and on behalf of the Board of Directors

M Anandan
Chairman& Managing Director
DIN: 00033633

Chennai
May 05, 2022

ANNEXURE – A
FORM NO. AOC - 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

1. Details of material contracts or arrangement or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name of the related party and nature of relationship	Mr. M Anandan, Promoter, Chairman and Managing Director	Aptus Finance India Private Limited, Wholly Owned Subsidiary Company
Nature of contracts/ arrangements/ transactions	Rent payable towards usage of premises owned by Mr. M Anandan	Shared support charges
Duration of the contracts/ arrangements/ transactions	3 years	Ongoing
Salient terms of the contracts or arrangements or transactions including the value, if any	1. Lease rent per month: ₹ 66,854/- 2. Security Deposit: Nil 3. Revision in lease rent: Escalation of 5% every year	The holding company would be providing / sharing its infrastructure and resources to / with the wholly owned subsidiary company. Hence it becomes necessary for the holding company to transfer / allocate costs / expenses appropriately and proportionately to the wholly owned subsidiary company to ensure that such transactions are done on an arm's length basis.
Justification for entering into such contracts/ arrangements/ transactions	The Company is utilizing the said premises for storage of records and the same is in ordinary course of business.	All the costs / expenses that are incurred by the wholly owned subsidiary company directly would be booked in the books of the subsidiary. However, the costs / expenses incurred by the holding company where a portion of the benefits / services are utilized / accrue by / to the wholly owned subsidiary company, such costs / expenses would need to be shared between the 2 entities. The same is in the ordinary course of business.
Date of approval by the Board	11/08/2020	24/06/2021
Amount paid as advance, if any	-	-
Date on which the special resolution was passed in general meeting as required under the first proviso to section 188	Not Applicable	Not Applicable

ANNEXURE – B
ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline on CSR Policy of the Company

Aptus is a growing company and is committed towards social welfare of the common people as it caters the housing needs of self-employed, informal segment of customers, belonging to low and middle income, primarily from semi urban and rural markets in tier 2 and 3 cities. Your Company has adopted a policy for Corporate Social Responsibility which has been published on the website of the Company.

As per the CSR policy, your Company shall seek to positively impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their wellbeing.

The Company will undertake its CSR activities either directly or through a Registered Trust or through a Registered Society or establish another company under Section 8 of the Companies Act, 2013 or even to collaborate with other entities. The implementation Schedule for CSR activities will be dependent on the availability of eligible projects.

Your company would be undertaking the CSR activities as listed in Schedule VII and Section 135 of the Companies Act, 2013 and the Rules framed thereunder. The CSR Committee will oversee the implementation and monitoring of all CSR projects/ programmes / Activities and periodic reports shall be provided for review to the Board as and when necessary.

2. Composition of the CSR Committee

S. No.	Name of Director	Designation / Nature of Directorship	No of meetings of CSR Committee held during the year	No of meetings of CSR Committee attended during the year
1	Mr Krishnamurthy Vijayan	Independent Director - Chairman	1	1
2	Mr KM Mohandass	Independent Director	1	1
3	Mr M Anandan	Chairman & Managing Director	1	1

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.aptusindia.com

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **Not Applicable**

6. Average net profit of the company as per section 135(5): ₹ 208.76 Crores

7.

(a)	Two percent of average net profit of the company as per section 135(5)	₹ 4.18 Crores
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
(c)	Amount required to be set off for the financial year, if any	Nil
(d)	Total CSR obligation for the financial year (7a + 7b - 7c)	₹ 4.18 Crores

8.

a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in crores)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount (₹ in crores)	Date of transfer	Name of the Fund	Amount (₹ in crores)	Date of transfer
2.00	0.50	April 20, 2022	PM CARES Fund	1.68	July 26, 2022

b. Details of CSR amount spent against ongoing projects for the financial year: ₹ 44,11,200

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Project Duration**	**Amount allocated for the project (in ₹)**	**Amount spent in the current FY (in ₹).**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6)**	**Mode of imple mentation-Direct (Yes/No)**	**Mode of implementation – Through implementing agency**	
				State.	**District.**						**Name**	**CSR registration number**
1.	Construction of Classrooms	Promoting Education	No	Andhra Pradesh	Visakhapatnam	2 years	26,31,800	19,66,800	6,65,000	Yes	NA	NA
2	Construction of Classrooms	Promoting Education	Yes	Tamil Nadu	Chennai	2 years	21,07,881	0	21,07,881	Yes	NA	NA
3	Early detection of development deficiency	Promoting health care	Yes	Tamil Nadu	Chennai, Tiruvallur and Kanchipuram	2 years	46,64,400	24,44,400	22,20,000	Yes	NA	NA
	TOTAL						**94,04,081**	**44,11,200**	**49,92,881**			

c. Details of CSR amount spent against other than ongoing projects for the financial year: ₹ **1, 56,06,662**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in ₹).**	**Mode of implementation-Direct (Yes/No)**	**Mode of implementation – Through implementing agency**	
				State.	**District.**			**Name**	**CSR registration number**
1.	Setting up of automated food processing centre and cold storage in Anandam Trust, a free home for senior citizens	Social Development	Yes	Tamil Nadu	Chennai	24,81,047	Yes	NA	NA
2.	Purchase of medical equipments and antistatic flooring for operation theatre, labour room in Government Hospital, Arilova	Promoting health care	No	Andhra Pradesh	Visakhapatnam	21,13,310	No	Indian Red Cross	CSR00029620
3.	Sponsorship of Genset for Soulfree Inspire Centre	Promoting health care	No	Tamil Nadu	Tiruvannamalai	10,12,305	Yes	NA	NA
4.	PM CARES Fund		No	NA	NA	1,00,00,000	Yes	NA	NA
	TOTAL					**1, 56,06,662**			

d. Amount spent in Administrative Overheads: **Nil**

e. Amount spent on Impact Assessment, if applicable: **Not Applicable**

f. Total amount spent for the Financial Year (8b + 8c + 8d + 8e): ₹ **2.00 crores**

g. Excess amount for set off if any: **Nil**

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

   (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – **Not Applicable**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **The Company was unable to identify suitable CSR initiatives in alignment with the initiatives already undertaken by the Company, the business of the Company and the areas in which it operates. The unspent CSR amount of ₹ 1.68 crores for FY 2021-22 has been transferred to PM CARES Fund as specified in Schedule VII of the Companies Act, 2013.**

ANNEXURE – C
MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Economy

Towards end of CY2020 and beginning of CY2021 global economy was showing signs of recovery. Yet the recurring Covid-19 waves led to lockdowns and travel restrictions leading to supply chain disruptions and subdued growth in CY2021. The emerging and low-income countries faced public health challenges when the highly transmissible second wave hit their economy. As per the IMF, advanced economies are bound to bounce back to almost pre-pandemic levels of growth. The developing economies are expected to lag by around 5% than pre-pandemic levels. The IMF's forward-looking projections for the year 2022 were unchanged at 4.9%.

However since then the global dynamics have changed. Global agencies and economic analysts were predicting a global recovery in the second part of 2022. However the war in Ukraine has triggered a costly geo political crisis. The economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. The disruption of oil prices on the world market is expected to lead to an increase in fuel prices and higher costs of food production. Since the beginning of the war fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest.

Revised growth estimate of IMF

IMF in January, 2022 had expected global growth to moderate from 5.9 in 2021 to 4.4 percent in 2022 but in April 2022 the forecast has been downwardly reversed to 3.6 percent in 2022 and 2023. Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 percent in advanced economies and 8.7 percent in emerging markets and developing economies—1.8 and 2.8 percentage points higher than projected last January.

War impact on India

Challenges: India is a large consumer of oil much of which is imported, the impact of higher oil prices is likely to be visible not only on trade deficit and currency but will also impact inflation and fiscal situation.

Rupee has come under pressure due to higher oil prices. Higher oil prices lead to burgeoning trade deficit and hence adversely impact the external stability leading to currency depreciation.

RBI's last policy meet which was held before the geo-political tensions, did not account for the impact of higher oil prices on inflation. RBI's estimates for inflation for FY23 at 4.5% looked too optimistic. Oil prices have inched up by 11.2% since 10 Feb 2022 (RBI policy meet) which is likely to push the inflation trajectory upwards.

Opportunities: The Western world's reduced dependence on Russia and China could open newer avenues for India.

Russia and Ukraine together have a 25% share in the global wheat market. Since the war the world is looking at India to fill the void in the global wheat demand.

Currently EU accounts for only 4% of India's total exports. According to a Forbes Report, EU is dependent on imports from Russia for 83 commodities and India has the competitive advantage in supplying these commodities to the world market, the analysis shows. These 83 commodities estimated to constitute 25% of India's exports. However most of the war triggered opportunities are temporary and could change on easing of the crises

Overview of Indian Economy

After the debilitating year due to Covid's wrath, high-frequency indicators of FY-21 of the Indian Economy pointed towards a comeback in FY22. Though GDP contracted by 7.3% for FY21, Advance estimates released by NSO expect to witness real GDP grow by 9.2 percent in FY22. High-Frequency indicators which include the Index of Industrial Production (IIP) grew at 17.4 percent (YoY) during April-November 2021 as compared to (-)15.3 percent last year same time, Core Industry indices followed a similar pattern. As the economy started to bounce back it was highlighted in the employment indicators that it surged to pre-pandemic levels during the last quarter of 2020-21. Mobility deviation exceeded the pre pandemic levels before the arrival of the Omicron wave. Purchasing Managers' Index-Manufacturing, a widely used growth indicator, has been in the expansionary zone since January 2021 with the exception of one month during the second wave. Increased tax collections, advance estimate of the economy growing at 8.9% in FY22, a healthy export scenario with USD 34 billion in February, 2022, increased foreign exchange reserves are some of the encouraging trends. It was also a good year for the IPO lead capital markets with over ₹ 1.38 lakh crore raised till February, 2022.

Agriculture is expected to grow by 3.9 percent in 2021-22 not wildly different from the previous year's growth of 3.6 percent. India's merchandise exports and imports rebounded strongly and surpassed pre-COVID levels during FY22. Services account for more than half of the Indian Economy and were the highest impacted sector, especially contact-sensitive activities. Subcomponents such as Finance/Real Estate and the Public Administration segments surpassed pre-COVID levels while segments like Travel, Trade, and Hotels are yet to fully recover. In spite of that, the Purchasing Managers' Index-Services since August 2021 indicates strong recovery. This sector is estimated to grow by 8.2 percent this financial year following last year's 8.4 percent contraction.

Fiscal stimulus and health response are the main reasons behind increased levels of fiscal deficit and government debt in 2020-21. However, Gross Tax Revenue registered strong performance compared to pre-pandemic levels of 2019-2020. In addition to this, gross monthly GST collections have crossed 1 lakh crore consistently since July 2021 which points that the Government will comfortably meet its targets for the year while maintaining the support, and ramping up capital expenditure which can be seen as supply and demand enhancing initiative. Two years of BoP surplus has allowed RBI to accumulate US$ 634 billion as on Dec'21 which is equivalent to 13.2 months of merchandise imports and is higher than the country's external debt. ₹ 89,066 crore was raised via 75 Initial Public Offering (IPO) issues in April-November 2021, which is much higher than in any year in the last decade. India's GDP is projected to grow in real terms by 8.0-8.5 percent in 2022-23 on the back of minimal economic disruption. This is comparable with ADB and World bank's projection of 8.7 per cent and 7.5 per cent respectively for 2022-23. IMF in its latest report projects India as the fastest growing major economy in the world

Rural Income

Item	Unit	H1 (Apr –Sept)			H2 (Oct – Feb)		
		2019-20	2020-21	2021-22	2019-20	2020-21	2021-22
Tractor sales	Number(in lakh)	3.6	4.0	4.4	3.2	4.1	3.3
Two-wheeler sales	Number(in lakh)	97.0	59.9	65.2	68.5	76.4	57.6
Fertiliser sales	Lakh tonnes	256.8	294.2	257.9	254.6	268.9	232.0
Demand for employment (MGNREGA)	Crore households	11.9	17.6	16.7	8.6	12.9	11.2
Agriculture and allied sector exports	USD billion	17.1	17.9	22.7	15.1	18.5	22.2
Agriculture credit growth	y-o-y	7.4	6.2	9.9	10.6	8.6	10.4
Rice stock to buffer norm	Ratio	2.0	1.8	2.6	6.6	6.7	7.8
Wheat stock to buffer norm	Ratio	1.4	1.6	1.7	2	2.1	1.7

Sources: Tractor Manufactures Association: SIAM, Ministry of Chemicals and Fertilizers: Ministry of Rural Development: CMIB: RBI and Food Corporation of India

Rural sector in India is continuing to be under the adverse impact of Covid especially the second wave and the resultant reverse migration. Though the situation is slowing improving, declining real wages, slow down in rural demand, spiraling inflation, high unemployment are few of the challenges to be surmounted.

Higher demand for the rural employment schemes in FY22 is considered as a weakness in the rural economy. Individuals employed under the MGNREGA reached 90 million in the first eight months of FY22 (112 million in FY21). Despite this demand the Union Budget allocated only ₹ 73,000 Cr toward the scheme for FY23. However the budgetary allocation of over 9.23 lakh crores towards agriculture and affordable housing and capital expenditure is expected to auger will for rural housing demand.

However studies by few capital market advisory firms shows that the decline in rural demand is not due to poor income but because of the tendency to preserve cash post covid. Going forward the rising agriculture output prices, supported by the merging global demand, IMD forecast of a normal southwest monsoon is expected to help in increasing the rural income. As per the Centre for Monitoring India Economy (CMIE) rural unemployment moderated to 7.29 in March after hitting an 8 month high of 8.35% in February, 2022.

Real Estate in India

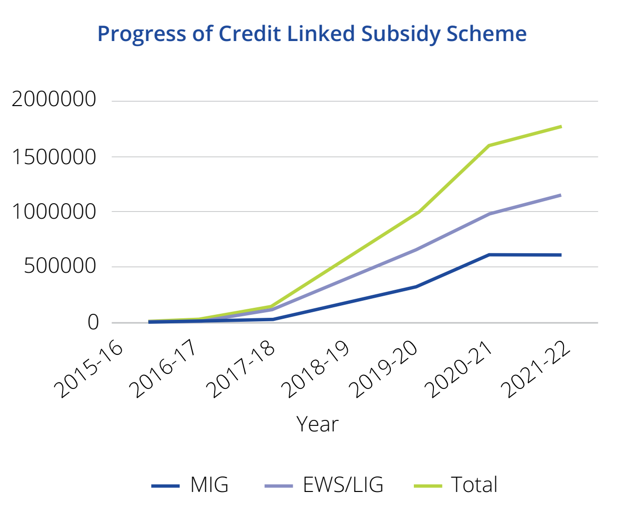
The real estate sector in India is expected to generate a healthy demand in FY23. Despite the pandemic, the sector has shown resilience as it faced a setback with the first wave of infections but the damage done by the second wave was not prominent and that has boosted the optimism in the market. Additionally, it was the second-best performing index last year as the real estate index was up by 75% over-performing the benchmark, Nifty 50. There were many policies announced by the govt. and the RBI to accommodate such growth by keeping interest rates at their historical low, temporary stamp cuts, and additional offers introduced by the builders to attract customers. The real Estate sector has been expected to reach USD 1 trillion in market size by 2030, up from US$ 200 billion in 2021, and contribute 13% to the country's GDP by 2025. Also, Indian real estate is expected to attract a substantial amount of FDI in the next two years with a USD 8 billion capital infusion by FY22.

Housing sector

The housing sector is one of the most in-demand sub-sector of real estate so it was the main contributor to the pickup in pace of the whole segment. As of Q3FY22, a total of 55,907 new housing units were sold in the eight micro-markets in India with 59% YoY growth. During the same time, new housing supply across the top eight cities were at ~65k units marking growth of 228% on a yearly basis. In a report by JLL, residential sales closed Q3FY22 with the growth of 65% from the last quarter. The residential sector is expected to grow significantly. The central government aims to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs.

Affordable Housing in India

As per Census 2011, 31% of India's population lived in urban areas, and as per the Report of the Technical Group (TG-12) on Estimation of Urban Housing Shortage (2012), there has been a huge mismatch between the demand and supply of urban housing in India. The economically weaker sections (EWS) and low-income group (LIG) accounted for 96 percent of the total housing shortage in India. Additionally, with the improving economic conditions and rising urbanization, there has been a surge in the need for affordable homes, especially in urban areas. Affordable housing refers to housing units for the Lower & Middle Income Group where the sale prices of this house would be determined by States/UTs with due consideration to the affordability of the targeted segment. The government stepped up to have an integrated approach to provide a conducive, productive environment and better living conditions to every household in urban India as the Ministry of Housing and Urban Affairs (MoHUA) launched the Pradhan Mantri Awas Yojana (PMAY). The Scheme's objective is to provide every eligible urban household with affordable housing along with basic amenities with the target of building 2 crores of houses by 31st March 2022. Under the Pradhan Mantri Awas Yojana, a subsidy of INR 2.67 lakh is provided by the government on the interest of a home loan for buying a house.



PMAY loan eligibility conditions for different Income levels are as follows:

Income Group	Annual Income (in Lakhs)	Minimum Eligible Loan Amount (in Lakhs)
Economically Weak Section (EWS)	<3	6
Lower Income Group (LIG)	3 – 6	6
Middle Income Group (MIG 1)	6 – 12	9
Middle Income Group (MIG 2)	12 – 18	12

The MIG component has been discontinued since 31 March 2021.

Overview about Aptus and its business

Aptus is a housing finance company that aims to support the underserved category of self-employed customers, belonging to lower and middle-class income families from semi-urban and rural markets in their housing finance needs. Aptus commenced its operation in 2010 and is in the 12th Year of operations with 208 branches and about 2270+ employees spanning across the southern part of India. The company has customized policies for lending, collection, developing systems and for recruiting their employees.

Housing is considered to be one of the essential needs of mankind, the demand for shelter grows in line with the increase in population and the standard of living. Most of the housing finance Institutions today cater to the needs of upper-middle and high-income customers which are a part of the formal segment and hence the availability of IT returns, salary certificates and income proofs makes the credit assessment relatively easy. But this creates a divide as there is a huge segment that is associated with the informal, low income, and middle-income segments which remains unserved and underserved. Thus, the aspirational first home to date remains a dream for most of the Indians from lower / middle-income backgrounds. This stratum is highly susceptible to the volatility of the economic environment which calls for a high level of empathy and awareness of the impact of the economic vicissitudes on their lifestyle. The lack of adequate documents makes the assessment of their income a challenging task and calls for an individualistic approach. The credit assessment needs to be unique and appropriate and suitable for each of these businesses. Thus, we appreciate their individualistic cases and offer appropriate and suitable housing finance solutions.

Strengths:

-*Superior Asset Quality:* Aptus has been has been able to maintain the asset quality through events like demonetization, liquidity crisis in the market and the Covid-19 pandemic. Robust risk management architecture from origination to collections, backed by Machine Learning and Artificial Intelligence helps in improving collections and reduce NPAs . In addition to this, prudent internal controls and underwriting policies also support such performance.

-Experienced Management backed by marquee investors: Our senior management including the promoters have multiple years of experience in management and operations of financial sector. Majority of our senior and middle level staff have multiple years of experience in business development, credit evaluation, risk management, legal assessment, technical valuation, technology, finance and treasury and human resource management.

Financial & Operational Performance

During the FY 2021-22, the disbursements of the Company increased to ₹ 1,641 crores, which includes Home Loans of ₹ 918 crores, Non-housing loans of ₹ 533 crores and Business Loans of ₹ 190 crores, recording a growth of 26% on y-o-y basis; AUM increased to ₹ 5,180 crores up by 27% on Y-o-Y basis and the spread on Net Interest Margin improved as it went up by 0.55% and now stands at 9.15%. After accounting in RBI's 12th Nov'2021 circular on Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances with stricter guidelines to classify an account as a Non-Performing Asset (NPA), GNPA stood at 1.19%. Aptus records a Return on Assets that is the best within the industry at 8.00%, this is despite reducing the lending rates by 50 basis points to share the efficiency of cost savings with the customers. Aptus got upgraded to AA minus from A plus from ICRA during the year which would aid to explore more lines of funding with lower cost of funds. Net Worth of the Company stood at ₹ 2916 crores indicating good capital adequacy in order to support future growth. The Profit after Tax (PAT) grew to ₹ 370 crores as against ₹ 267 crores reported in last year. The overall Provision Coverage Ratio (PCR) increased during the year. At the company level, it went up to 0.80% as of March 2022 from 0.41% in March 2021. In terms of the amount, the provision which was at around ₹ 17 crores in March 2021 has been taken up to ₹ 41 crores in March 2022. Additionally, Aptus is taking steps to improve its loan book quality as it currently stands at 9.91% in 30+ days past due (DPD) which were due to unusual external circumstances. Average home loan size is around ₹ 7.2 lakhs, average EMI is about ₹ 12,000 a month and loan to value (LTV) is only around 35% to 40%. So the customer understands that they stand to lose in case of the distress sale.

Key Financial Ratios (FY'22)

Return on Assets: 8.00%

Return on Equity: 14.45%

Operating expenses/Average loan book: 2.53%

Debt Equity Ratio: 0.85

Net profit Margin: 43.85%

Internal Control Systems

Your Company has an internal control system that would commensurate with the size, scale and complexity of its operations. The Company has robust policies and procedures which, inter alia, ensure integrity in conducting business, timely preparation of reliable financial information, accuracy and completeness in maintaining accounting records and prevention and detection of frauds and errors. The Audit Committee regularly reviews the adequacy and effectiveness of the internal financial systems and controls.

Risk and Risk Mitigation

Risk management forms an integral part of our business. We continue to improve our internal policies and implement them rigorously for the efficient functioning of our business. As a lending institution, we face financial and non-financial risks. We have established a robust risk management and audit framework to identify, assess, monitor and manage various types of internal and external risks. We conduct regular training of our staff members with respect to risk-related matters, as part of our risk management process. Our risk management framework is driven by our Board and its subcommittees including the Audit Committee, the Asset Liability Committee and the Risk Management Committee. We give due importance to prudent lending practices and have implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The major types of risk we face in our businesses, probability, impact and mitigation are as below.

Sl. No.	Risk	Description of the risk	Risk Mitigation
1.	Capital Risk	Inability to source debt/ equity capital	Raising funds on acceptable terms, at competitive rates and in a timely manner
2.	Liquidity Risk	Asset liability miss match, Capital Adequacy	Maintaining positive ALM through systematic planning of funding requirements, which is supervised by the Asset Liablity Management committee. Liquidity position is actively monitored to ensure that all borrower and lender-related financing requirements are met.
3.	Interest Rate Risk	Interest from lenders / banks on loans	Optimize our borrowing profile between short term and long term loans and ensure diversified resource raising options to minimize cost and maximize stability of funds.

Sl. No.	Risk	Description of the risk	Risk Mitigation
4.	Credit Risk	Inability to recover loans dues	Board approved credit policies set out procedures covering the measurement and management of credit risk. Credit sanction is done centrally through a delegation matrix and credit risk monitoring is done to identify and manage credit quality and concentration risks.
5.	Operational Risks	Human, systems errors and inadequate processes and controls	Staff education, effective segregation of duties, access, authorization and reconciliation procedures with oversight by internal audit function. Reports of the internal auditors as well as the action taken on the matters reported upon are discussed and reviewed at the Audit Committee meetings.
6.	Information Technology Risk	System Failure, Security Threats and Data security breaches	Maintaining and upgrading our information technology systems on a timely and cost-effective basis.
7.	Regulatory Risk	Changes in law, statutory regulations	Deployment of a comprehensive compliance management system across the company to manage compliance of all the applicable statutory regulations and creating awareness about regulatory changes across the respective functions.

Information Technology

Information technology acts as an enabler in our business and helps us in achieving growth, scale of operations, ease of use, customer focus and secure operations. Our lending software is an end to end software solution which provides us with functions such as access control, loan origination, loan management and financial report generation. It has controls and risk management to ensure integrity of the customer data and financial reports.

The integrated IT value chain within the company encompasses the following functional modules

Marketing and Sales: Consisting of a referral app for generating customer leads and a sales app for the enabling digital customer onboarding.

Business Residential Verification APP: Through this BV/RV app APTUS conducts live video verification of the residence or business location of the customer.

Credit: Credit score card integrated with the lending system helps in evaluating customer profiles through various data points.

Technical APP: This app helps in physical property evaluation and geo tagging of the property. This is integrated with the lending systems.

Collection, Recovery and CRM: APTUS has a robust CRM which helps in connecting with the customers. The collection app helps in having a seamless collection process.

Legal: The IT enabled legal system of the company assists in generating notices and tracking NPA customers.

Loan Operation: APTUS lending software is an end to end solution which provides functions like access control, loan origination, loan management and financial reports.

IT Security: APTUS has a certified safe and secure IT environment for ensuring data security and privacy

We also provide for cheque printing at our branches to ensure disbursement of loans to customers quickly.

Human Resources

As of March 31, 2022, we had 2271 employees. We recruit after conducting reference checks and our new employees undergo training. As part of our human resource initiatives, we have implemented several programs to engage with our employees. We conduct training programs on a periodic basis for our employees on lending operations, underwriting and due diligence, KYC and anti-money laundering norms, risk management, information technology, and grievance redressal. We also offer ESOPs to select employees and have good incentive systems for the field staff.

Outlook

Policy initiatives in India to provide housing for all especially affordable housing coupled with increasing rural incomes are the key drivers of housing loan business in the country for years to come. The demand drivers for affordable housing loans are strong enough to overcome most of the challenges while going forward.

ANNEXURE – D
REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ["Listing Regulations"]

The fundamental objective of "Good Corporate Governance and Ethics" is to ensure the commitment of an organization in managing the company in an ethical, legal and transparent manner in order to maximize the long-term value of the company for its stakeholders including shareholders, customers, employees and other partners. Your company is committed to good corporate governance in all its activities.

1. Company's Philosophy on Corporate Governance

Aptus believes in high standards of governance and adheres to good corporate practices and is constantly striving to improve them and adopt the best practices. Timely and accurate disclosure of information regarding the financial position of the company, its performance and ownership forms part of the corporate governance. The Company is committed to uphold the core values of integrity, passion, responsibility, quality and respect in dealing with all stakeholders of the Company.

The corporate governance philosophy of the company is driven by the following fundamental principles

- Fair and transparent business practices;
- Accountability for performance;
- Compliance of applicable statute;
- Transparent and timely disclosure of financial and management information;
- Effective management control and monitoring of executive performance by the Board;
- Adequate representation of Promoter, Executive and Independent Directors on the Board.

2. Board of Directors:

The Company has a very balanced and diverse Board of Directors. The Non-executive Directors including Independent Directors on the Board are well qualified and experienced. They actively take part in the Board and Committee Meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, governance, compliance etc. and play critical role on Strategic issues, which enhances the transparency and add value in the decision making process of the Board. The Company has also adopted a policy on Board diversity.

The company's day to day affairs are managed by the Managing Director and a competent management team, under the overall supervision of the Board.

As on March 31, 2022, the Board of Directors of the Company ("Board") had an optimum number of Executive, Non Executive Directors and Non Executive Independent Directors having expertise in the fields of business strategy, finance and business management. The Board has an unfettered and complete access to any information within the Company. Members of the Board have complete freedom to express their views on agenda items and can discuss any matter at the Meeting with the permission of the Chairperson.

Composition

The Board has been constituted in a manner as per regulation 17 of the Listing Regulations and the Companies Act, 2013 (the Act). The Board has a mix of Executive / Non-Executive and Independent Directors, including a woman independent director to ensure proper governance and management. The Board members have collective experience in diverse fields like banking and financial services, audit, finance, risk, compliance and technology. The directors are appointed based on their qualification and experience in various fields. None of the Directors other than Mr. M. Anandan and Suman Bollina are related to each other.

As at the end of the financial year, the Board is comprised of the following category of Directors

Category	No. of Directors
Non-executive Independent Directors including Independent Woman Director	5
Other Non-executive and Non-Independent Director	4
Executive Director (Chairman & MD)	1

Board Process and Meetings:

The Company adheres to the Secretarial Standards on the Board and Committee Meetings as prescribed by the Institute of Company Secretaries of India. The board is regularly briefed and updated on the key activities of the business and is provided with presentations on operations, quarterly financial statements, subsidiary performance, and other specific matters concerning the Company.

During the financial year ended March 31, 2022, eight (8) Board Meetings were held on May 5, 2021, May 12, 2021, June 24, 2021, July 26, 2021, August 2, 2021, August 13, 2021, October 29, 2021, and January 28, 2022. The gap between two meetings was not more than 120 days.

Particulars of the Directors' attendance in the Board Meetings held during the financial year ended March 31, 2022 and at the last Annual General Meeting are given below:

Name of the Director	Nature of Directorship	No. of Board meetings attended	Attendance at the last AGM
Mr. M Anandan (DIN: 00033633)	Chairman & Managing Director	8	Yes
Mr. K M Mohandass (DIN: 00707839)	Non - Executive Independent Director	8	Yes
Mr. S Krishnamurthy (DIN: 00066044)	Non - Executive Independent Director	8	Yes
Mr. Krishnamurthy Vijayan (DIN: 00589406)	Non - Executive Independent Director	7	Yes
Ms. Mona Kachhwaha (DIN: 01856801)	Non - Executive Independent Director	6	Yes
Mr. V G Kannan (DIN: 03443982)	Non - Executive Independent Director	7	Yes
Mr. Shailesh Mehta (DIN: 01633893)	Non - Executive Director	8	No
Mr. Suman Bollina (DIN: 07136443)	Non - Executive Director	7	Yes
Mr. Sumir Chadha (DIN: 00040789)	Non – Executive Nominee Director	6	No
Mr. K P Balaraj (DIN: 00163632)	Non – Executive Nominee Director	8	Yes

Mr. Shailesh Mehta and Mr. Sumir Chadha could not attend the last Annual General Meeting held on September 30, 2021 due to business exigencies.

Change in Board of Directors:

The following changes took place in the composition of Board of Directors during the year:

- Ms. Mona Kachhwaha (DIN: 01856801) was appointed as an Independent Director by the Board for a term of five years effective May 5, 2021, and her appointment was approved by the shareholders at the Extra-ordinary General Meeting held on May 6, 2021.
- Mr. V G Kannan (DIN: 03443982) was appointed as an Additional Independent Director by the Board of Directors with effect from March 9, 2021 and his appointment was approved by the shareholders for a term of five years effective March 9, 2021, at the Extra-ordinary General Meeting held on May 6, 2021.

Other Directorship

The number of directorships, membership and chairmanship held by each Director on the Board/ Committees of other listed Companies as on March 31, 2022 were as under:

Sl. No.	Name of the Director	No. of Directorships & Committee membership in other listed entities (excluding AVHFIL*)				Directorship in other listed entity	Category of Directorship
		Board		Committee**			
		Director	Chairman	Member	Chairman		
1.	Mr. M Anandan	-	-	-	-	-	-
2.	Mr. K M Mohandass	-	-	-	-	-	-
3.	Mr. S Krishnamurthy	-	-	-	-	-	-
4.	Mr. Krishnamurthy Vijayan	-	-	-	-	-	-
5.	Ms. Mona Kachhwaha	1	-	2	-	Ujjivan Financial Services Limited	Non-Executive Independent Director
6.	Mr. V G Kannan	1	-	1	-	AU Small Finance Bank	Non-Executive Independent Director
7.	Mr. Shailesh Mehta	2	-	1	1	1.Safari Industries Limited 2.Manappuram Finance Limited	Non-Executive Independent Director
8.	Mr. Sumir Chadha	1	-	-	-	Star Health and Allied Insurance Company Limited	Non-executive Nominee Director
9.	Mr. K P Balaraj	-	-	-	-	-	-
10.	Mr. Suman Bollina	-	-	-	-	-	-

* Aptus Value Housing Finance India Limited

** Represents Memberships/Chairmanship of Audit Committee and Stakeholders' Relationship Committee

Independent Directors:

Independent Directors are appointed for a specific term based on the recommendations of the Nomination and Remuneration Committee by the Board and the members at their respective meetings. Non independent Directors are appointed as per the provisions of the Act and SEBI (LODR) Regulations, 2015.

Your Company appointed Independent Directors who are renowned people having expertise/experience in their respective field/profession. None of the Independent Directors are Promoters or are related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

Ms. Mona Kachhwaha (DIN: 01856801) was appointed as an Independent Director by the Board for a term of five years effective May 5, 2021, and her appointment was approved by the shareholders at the Extra-ordinary General Meeting held on May 6, 2021.

Mr. V G Kannan (DIN: 03443982) was appointed as an Independent Director by the Board of Directors with effect from March 9, 2021, his appointment was approved by the shareholders for a term of five years effective March 9, 2021, at the Extra-ordinary General Meeting held on May 6, 2021.

Regulation 17 of the listing regulations requires the Board to have at least one-half of the total number of Directors as Independent Directors if the Company has an executive Chairperson. Aptus currently complies with this requirement with 50% Independent Directors on the Board. The terms and conditions of appointment of Independent Directors are available on the website of the Company at https://aptusindia.com/wp-content/uploads/2022/03/Terms-and-Conditions-for-appointment-of-Independent-Directors.pdf

Meeting of Independent Directors

In compliance with Regulation 25 (3) of the Listing Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was held on May 05, 2022 for FY 2021-22, without the presence of Non-Independent Directors and members of the management.

Declaration by Independent Directors

The Independent Directors have submitted declaration of independence, as required pursuant to sub-section (7) of Section 149 of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Act. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16 of the Listing Regulations and Section 149 of the Act and that they are independent of the management.

Code of Conduct:

Consistent with its values and beliefs, the company has formulated a Code of Conduct applicable to the Board and senior management. Further, the company has also adopted a Code of Conduct to regulate, monitor and report trading by insiders in the securities of the company.

Your Company has adopted a Code of Conduct for Independent Directors as per Schedule IV to the Companies Act, 2013. The Code aims at ensuring transparency and independence and at the same time to bring value to the company by providing input on strategy, business, and other matters including performance of monitoring functions.

The code of conduct for Directors and Senior Management Personnel is available on the website of the Company at https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC-Code-of-Conduct.pdf

Familiarisation Programme for Directors

The company has an ongoing familiarisation programme for all directors with regard to their roles, duties, rights, responsibilities in the company, nature of the industry in which the company operates, the business model of the company, etc. The programme is embedded in the regular meeting agenda where alongside the review of operations, information on the industry, competition and company strategy are presented on a quarterly basis.

By way of an introduction the company conducts a familiarisation program covering all the businesses, functions and regulations impacting the company to new directors. Additionally, the company's code of conduct which inter alia explains the values and beliefs of the company, functions, duties and responsibilities as a director of the company, including the duties of independent directors in terms of the Act is given to the director at the time of joining and on an annual basis. Further, there is a detailed quarterly discussion and presentation on review of operations of the company and the regulatory updates impacting the business which helps the director familiarise himself / herself with the company, its business and the regulatory framework in which the company operates.

The details of the familiarisation programme attended by Independent directors are available on the website of the company at https://aptusindia.com/wp-content/uploads/2022/07/Aptus-HFC_Familiarization-Programme-for-Independent-Directors.pdf

Core Skills/Expertise/Competencies of the Board:

The Board has identified the skills / expertise / competence, fundamental for the effective functioning of the Company. Following are the list of core skills / expertise / competencies identified by the board:

- Industry Experience
- Financial Expertise
- Strategy & Planning
- Leadership experience
- Governance, Compliance & Risk Advisory

Name of the Director	Core skills / expertise / competencies
Mr. M Anandan	Industry Experience, Financial Expertise, Strategy & Planning, Leadership experience, Governance, Compliance & Risk Advisory.
Mr. K M Mohandass	Financial Expertise, Strategy & Planning, Governance, Compliance & Risk Advisory.
Mr. S Krishnamurthy	Industry Experience, Financial Expertise, Strategy & Planning, Leadership experience, Governance, Compliance & Risk Advisory.
Mr. Krishnamurthy Vijayan	Industry Experience, Financial Expertise, Strategy & Planning and Leadership experience.
Ms. Mona Kachhwaha	Industry Experience, Financial Expertise, Strategy & Planning, Governance, Compliance & Risk Advisory.
Mr. V G Kannan	Industry Experience, Financial Expertise, Strategy & Planning, Leadership experience, Governance, Compliance & Risk Advisory.
Mr. Shailesh Mehta	Industry Experience, Financial Expertise, Strategy & Planning, Governance, Compliance & Risk Advisory.
Mr. Sumir Chadha	Industry Experience, Financial Expertise, Strategy & Planning and Leadership experience.
Mr. K P Balaraj	Industry Experience, Financial Expertise, Strategy & Planning and Leadership experience.
Mr. Suman Bollina	Industry Experience, Strategy & Planning and Leadership experience.

General Body Meetings

(i) Annual General Meeting (AGM):

The details of Annual General Meetings held in last 3 years along with the details of the Special Resolutions, as more particularly set out in the notices of the respective AGMs and passed by the members are as follows:

FINANCIAL YEAR /AGM	VENUE	DATE
2018-19/10th AGM	No. 8B, Doshi Towers, 8th Floor, No.205, Poonamallee High Road, Kilpauk, Chennai – 600 010.	Thursday, August 8, 2019
2019-20/11th AGM	No. 8B, Doshi Towers, 8th Floor, No.205, Poonamallee High Road, Kilpauk, Chennai – 600 010.	Tuesday, August 11,2020
2020-21/12th AGM	Video conferencing (VC)	Thursday, September 30,2021

(ii) Details of Special Resolutions Passed During the Last Three AGMs are Given Below:

DATE OF AGM	PARTICULARS
August 8,2019	1. Revision in remuneration payable to Mr. M. Anandan, CMD with effect from 1st April 2019. 2. To fix the borrowing limits of the Company not exceeding ₹ 3,000 crores pursuant to provisions of section 180(1)(c) of the Companies Act, 2013 3. To create charge/mortgage on the assets of the Company not exceeding ₹ 3,000 crores pursuant to provisions of section 180(1)(a) of the Companies Act, 2013 4. To issue Non-convertible Debentures aggregating up to ₹ 1,500 crores for a period of one year. 5. Re-Appointment of Mr. M Anandan as Chairman &Managing Director of the Company for a period of 5 years with effect from 24th December 2019.
August 11, 2020	1. Revision in remuneration payable to Mr. M. Anandan, CMD for the period 1st April 2020 to 30th September 2020. 2. Re-appointment of Mr. S Krishnamurthy as an Independent Director for a term of 5 years with effect from 4th March 2020. 3. Re-appointment of Mr. K M Mohandass as an Independent Director for a term of 5 years with effect from 4th March 2020. 4. Re-appointment of Mr. Krishnamurthy Vijayan as an Independent Director for a term of 5 years with effect from 4th March 2020. 5. To fix the borrowing limits of the Company not exceeding ₹ 3,500 crores pursuant to provisions of section 180(1)(c) of the Companies Act, 2013 6. To create charge/mortgage on the assets of the Company not exceeding ₹ 3,500 crores pursuant to provisions of section 180(1)(a) of the Companies Act, 2013 7. To issue Non-convertible Debentures aggregating up to ₹ 1,500 crores for a period of one year. 8. Adoption of the restated Articles of Association

DATE OF AGM	PARTICULARS
September 30,2021	1. Revision in remuneration payable to Mr. M. Anandan, CMD for the period 1st October 2020 to 31st March 2021 and from 01st April 2021 to 31st March 2022. 2. To fix the borrowing limits of the Company not exceeding ₹ 4,000 crores pursuant to provisions of section 180(1)(c) of the Companies Act, 2013 3. To create charge/mortgage on the assets of the Company not exceeding ₹ 4,000 crores pursuant to provisions of section 180(1)(a) of the Companies Act, 2013 4. To issue Non-convertible Debentures aggregating up to ₹ 1,500 crores for a period of one year.

(iii) Details of Resolutions Passed through Postal Ballot During the Financial Year 2020-21 and Details of the Voting Pattern:

Item No. 1: Appointment of M/s T.R. Chadha & Co. LLP as new Statutory Auditors of the Company (Ordinary Resolution)

Particulars	E-Voting		
	No. of members voted through e-voting system	No. of votes (Equity shares of ₹ 2/- each)	% of total number of valid votes cast
(a) Total e-votes	482	44,96,25,972	-
(b) Less: Invalid e-votes (as per register) (No. of shares including cases where less votes cast and abstained from voting)	3	486	-
(c) Net valid e-votes (as per register)	479	44,96,25,486	100%
(d) E-votes with assent for the resolution as a percentage of net valid e-votes	458	44,96,24,317	99.9997
(e) E-votes with dissent for the resolution as a percentage of net valid e-votes	23	1169	0.0003%

Item No. 2: Appointment of Nominee Directors (Special Resolution)

Particulars	E-Voting		
	No. of members voted through e-voting system	No. of votes (Equity shares of ₹ 2/- each)	% of total number of valid votes cast
(a) Total e-votes	482	44,96,25,972	-
(b) Less: Invalid e-votes (as per register) (No. of shares including cases where less votes cast and abstained from voting)	3	486	-
(c) Net valid e-votes (as per register)	479	44,96,25,486	100%
(d) E-votes with assent for the resolution as a percentage of net valid e-votes	396	41,67,54,966	92.6894%
(e) E-votes with dissent for the resolution as a percentage of net valid e-votes	86	3,28,70,520	7.3106%

Item No. 3: Ratification of Aptus Employee Stock Option Scheme, 2021 (Special Resolution)

Particulars	E-Voting		
	No. of members voted through e-voting system	No. of votes (Equity shares of ₹ 2/- each)	% of total number of valid votes cast
(a) Total e-votes	482	44,96,25,972	-
(b) Less: Invalid e-votes (as per register) (No. of shares including cases where less votes cast and abstained from voting)	12	3,83,50,801	-
(c) Net valid e-votes (as per register)	470	41,12,75,171	100%
(d) E-votes with assent for the resolution as a percentage of net valid e-votes	369	37,83,07,072	91.9839%
(e) E-votes with dissent for the resolution as a percentage of net valid e-votes	104	3,29,68,099	8.0161%

Person who conducted the Postal ballot exercise

Mr. S Sandeep, Managing Partner of M/s. S. Sandeep & Associates, Practicing Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Details of special resolution proposed to be passed through postal ballot

No Special Resolution is proposed to be passed through postal ballot on or before the ensuing Annual General Meeting.

Procedure for Postal ballot:

The postal ballot is conducted in accordance with the provisions specified in Section 110 and other applicable provisions, if any, of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The shareholders are provided the facility to vote through e-voting. As per the MCA Circulars, this Postal Ballot Notice is being sent only through electronic mode to those Members whose email addresses are registered with the Company or depository / depository participant. Shareholders holding equity shares as on the cut-off date cast their votes through e-voting during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutinizer submits his report to the Chairman and the results of voting by postal ballot are announced within 48 hours of conclusion of the voting period. The results are displayed on the website of the Company www.aptusindia.com and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, passed by the requisite majority, are deemed to be passed on the last date specified for e-voting.

Means of Communication

The quarterly and yearly audited/unaudited financial results of the Company were published in national daily newspapers and local newspapers viz. Business Standard (English) and in Makkal Kural (Tamil) respectively within 48 hours of conclusion of the Board Meetings at which respective financial results were approved. The financial results are placed on the Company's Website at www.aptusindia.com.

Further, the shareholding pattern and other intimations to stock exchanges from time to time are also displayed on the website of the Company. Details of investor / analysts calls, call transcripts, investor presentation and press news releases are also posted on the Company's Website.

3. Committees of the Board

3.1 Audit Committee

The Audit Committee has been constituted as required under Section 177 of the Act and Regulation 18 of the Listing Regulations.

3.2 Composition, Meetings and Attendance

The Audit Committee comprises of four Directors. The committee met four (4) times during the year on May 5, 2021, June 23, 2021, October 28, 2021 and January 27, 2022. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. K M Mohandass	Chairman	Non-executive Independent Director	4
Mr. S Krishnamurthy	Member	Non-executive Independent Director	4
Mr. Krishnamurthy Vijayan	Member	Non-executive Independent Director	4
Ms. Mona Kachhwaha	Member	Non-executive Independent Director	2

3.3 Terms of reference

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b. Recommendation to the board of directors of the Company (the "Board") for appointment, replacement, reappointment, remuneration and terms of appointment of secretarial, statutory and internal auditors of the Company;

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

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

i. Matters required to be included in the director's responsibility statement to be included in the Board's report, in terms of the Companies Act, 2013, as amended;

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

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

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

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

vi. Disclosure of any related party transactions; and

vii. Qualifications and modified opinion(s) in the draft audit report.

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

f. Examination of the financial statement and auditor's report thereon;

g. Monitoring the end use of funds raised through public offers and related matters;

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

i. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

j. Approval or any subsequent modification of transactions of the Company with related parties;

k. Scrutiny of inter-corporate loans and investments;

l. Valuation of undertakings or assets of the Company, wherever it is necessary;

m. Evaluation of internal financial controls and risk management systems;

n. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

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

p. Discussion with internal auditors of any significant findings and follow up thereon;

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

r. Discussion with statutory auditors, internal auditors, secretarial auditors and cost auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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

t. To review the functioning of the whistle blower mechanism;

u. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

v. Carrying out any other function as may be required / mandated by the Board from time to time and/ or mandated as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Companies Act, 2013, as amended (including Section 177), the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws;

w. Reviewing the utilization of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

The Audit Committee shall mandatorily review the following information:

(1) management discussion and analysis of financial condition and results of operations;

(2) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

(3) management letters / letters of internal control weaknesses issued by the statutory auditors;

(4) internal audit reports relating to internal control weaknesses;

(5) the appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee; and

(6) statement of deviations as and when becomes applicable:

- quarterly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

4.1 Nomination & Remuneration Committee

The Nomination & Remuneration Committee has been constituted a required under Section 178 of the Act and Regulation 19 of the Listing Regulations. The details of the composition of the Committee and attendance of the members were as follows:

4.2 Composition, Meetings and attendance

The Nomination & Remuneration Committee comprises of six Directors. The Committee met twice (2) during the year on May 5, 2021 and June 24, 2021 respectively.

Name of the Director	Position	Category	No. of meetings attended
Mr. S Krishnamurthy	Chairman	Non-executive Independent Director	2
Mr. K M Mohandass	Member	Non-executive Independent Director	2
Mr. Krishnamurthy Vijayan	Member	Non-executive Independent Director	2
Ms. Mona Kachhwaha#	Member	Non-executive Independent Director	-
Mr. Sumir Chadha	Member	Non-executive Nominee Director	2
Mr. M. Anandan	Member	Chairman & Managing Director	2

The Nomination & Remuneration Committee was re-constituted on 28th January 2022 and Ms. Mona Kachhwaha, Independent Director was inducted in the Committee as a member in place of Mr. Shailesh Mehta.

4.3 Terms of Reference

a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

(i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

(ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;

b) Formulating criteria for evaluation of performance of independent directors and the board of directors of the Company (the "Board");

c) Devising a policy on diversity of Board;

d) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

e) Extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

f) Recommending to the Board, all remuneration, in whatever form, payable to senior management.

g) Administering, monitoring and formulating detailed terms and conditions of the Aptus Employee Stock Option Scheme, 2021;

h) Carrying out any other function as may be required/ mandated by the Board from time to time and/ or mandated as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013, each as amended, the listing agreements to be entered into between the Company and the respective stock exchanges on which the equity shares of the Company are proposed to be listed and/or any other applicable laws; and

i) Performing such other functions as may be necessary or appropriate for the performance of its duties.

4.4. Performance Evaluation of Directors

Performance Evaluation of the Board as a whole, as well as that of its Committees, Independent Directors and Non-Independent Directors has carried out in accordance with the relevant provisions of the Act read with relevant rules made thereunder and SEBI LODR Regulations and in compliance of guidance note issued by SEBI under Circular no. SEBI/HO/ CFD/ CMD/ CIR/P/2017/004 dated Jan. 05, 2017.

The performance evaluation of Independent Directors was carried out by the entire Board excluding the Directors being evaluated. The performance evaluation criteria for Independent Directors included the criteria formulated by the NRC that inter alia includes Qualifications & Experience, Standard of Integrity, attendance in meetings, understanding of Company's business and value addition in Board Meetings. The Board has expressed its satisfaction with the evaluation process.

5.1 Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted as required under Section 135 of the Act.

5.2 Composition, Meetings and Attendance

The Committee met once during the year on June 23, 2021. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. Krishnamurthy Vijayan	Chairman	Non-executive Independent Director	1
Mr. K M Mohandass	Member	Non-executive Independent Director	1
Mr. M. Anandan	Member	Chairman & Managing Director	1

5.3 Terms of Reference

a) Formulation of a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company in areas or subjects specified in the Companies Act, 2013. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;

b) Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the three immediately preceding financial years or where the Company has not completed the period of three financial years since its incorporation, during such immediately preceding financial years;

c) Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company;

d) Monitoring the corporate social responsibility policy from time to time and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;

e) Identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

f) Identifying and appointing the corporate social responsibility team of the Company including corporate social responsibility manager, wherever required; and

g) Performing such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company or as may be required under applicable laws.

6.1 IT Strategy Committee

The IT Strategy Committee has been constituted in accordance with the Master Direction- Information Technology Framework for the NBFC Sector issued by the Reserve Bank of India dated June 8, 2017.

6.2 Composition, Meetings and Attendance

The Committee met two times during the year on June 24, 2021 and January 28, 2022. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. Krishnamurthy Vijayan	Chairman	Non-executive Independent Director	2
Mr. V G Kannan	Member	Non-executive Independent Director	1
Ms. Mona Kachhwaha	Member	Non-executive Independent Director	2
Mr. K.P. Balaraj	Member	Non-executive Nominee Director	2
Mr. M. Anandan	Member	Chairman & Managing Director	2

6.3 Terms of Reference

a) Advising senior management on IT policy, procedures, IT infrastructure

b) Review IT strategies, cyber security and any matter related to IT Governance.

c) Any matter as may be specified by the Board or as required by NHB/RBI guidelines / regulations from time to time.

7.1 Stakeholders Relationship Committee

The Stakeholders Relationship Committee has been constituted as required under Section 178 of the Act and Regulation 20 of the SEBI (LODR) Regulations, 2015.

7.2 Composition, Meetings and Attendance

The Committee met once during the year on January 28, 2022. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. Shailesh Mehta	Chairman	Non-executive Director	1
Mr. V G Kannan	Member	Non-executive Independent Director	-
Mr. K P Balaraj	Member	Non-executive Nominee Director	1

Mr. Sanin Panicker, Company Secretary and Compliance Officer of the Company acts as Secretary to the committee.

7.3 Terms of Reference

a) To resolve the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;

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

c) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent;

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

e) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act, 2013 or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, each as amended or by any other regulatory authority.

7.4 Details of shareholders complaints/queries received and resolved during the financial year:

Particulars	Number of Complaints/Queries
Number of complaints/queries received during the year	1,732
Number of complaints/queries redressed during the year	1,732
Number of complaints/queries pending at the end of the financial year	Nil

8.1 Resourcing & Business Committee

8.2 Composition, Meetings and Attendance

The Committee met four times during the year on May 20, 2021, December 09, 2021, December 29, 2021 and March 03, 2022. The details of the composition of the Committee and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. S Krishnamurthy	Chairman	Non-executive Independent Director	4
Mr. K M Mohandass	Member	Non-executive Independent Director	4
Mr. M Anandan	Member	Chairman & Managing Director	4

8.3 Terms of Reference

(a) Borrowing such sum or sums of moneys, availing all kinds and types of loans and credit facilities including debentures and other debt instruments, commercial paper, temporary loans from the company's bankers, from time to time, upto such sum / limit as may be fixed by the Board of Directors / Shareholders, for and on behalf of the Company, from its directors, shareholders, banks, NBFCs, financial institutions, companies, firms, bodies corporate, Co-operative Banks, investment institutions and their subsidiaries, or from any other person as may be permitted under applicable laws, whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and/or properties, whether movable including stocks, fixed assets, book debts and to create security over the assets and / or properties of the Company in relation to such borrowings and loan/ credit facilities, modification or satisfaction of the charge/ security created on the assets and/or properties of the Company from time to time.

(b) To mortgage / charge/ hypothecate all or any of the movable properties and assets of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to with the Lender(s), Debenture holders and providers of credit and debt facilities to secure the loans / borrowings / credit / debt facilities obtained or as may be obtained, or Debentures/Bonds and other instruments issued or to be issued by the Company to or in favour of the financial institutions, Non-Banking Financial Companies, Co-operative Banks, investment institutions and their subsidiaries, banks, mutual funds, trusts and other bodies corporate or trustees for the holders of debentures/bonds and/or other instruments.

(c) To establish current and other banking accounts with various banks upon such terms and conditions as may be agreed upon with the said bank and various other entities; to specify and change the authorized signatories and their transaction limits to the said banking accounts; to close current and other banking accounts.

(d) Any unsecured loans to be given by the Company other than staff loan advances to be approved by the Resourcing & Business Committee.

(e) Any secured loan to be given by the Company including Housing loans, loans against property, SME loans and other loans exceeding ₹ 1 crore to be approved by Resourcing & Business Committee.

(f) To consider and approve securitization arrangements and to authorize carrying out of all actions connected therewith.

(g) Issuance of Share/Debenture and other security certificates.

- Issuance of fresh Share/Debenture and other security certificates
- Issuance of duplicate Share/Debenture and other security certificates
- Issuance of certificates upon request of the Company on split/consolidation/replacement of old and duplicate certificates, transfer or transmission requests.

(h) To review, modify and approve investment policy of the Company from time to time

(i) To give any guarantee or provide security or authorize the issuance of any form of comfort letter in connection with all kinds and types of loans, credit facilities, debt facilities and financing facilities availed and / or to be availed by Aptus Finance India Private Limited ("Wholly-Owned Subsidiary") in accordance with the limit laid down by the Board of Directors.

(j) To authorize affixing the common seal of the Company in accordance with the manner laid down in the Articles of Association and to authorize taking the Common Seal out of the registered office of the Company.

(k) To exercise such other powers as may be vested by the Board from time to time.

9.1 Risk Management Committee

The Risk Management committee consists of the following Directors/Members.

Name of the Director/ Member	Position	Category
Mr. V G Kannan	Chairman	Non-executive Independent Director
Ms. Mona Kachhwaha	Member	Non-executive Independent Director
Mr. M Anandan	Member	Chairman & Managing Director
Mr. P. Balaji	Member	ED&CFO
Mr. G Subramaniam	Member	ED – Chief of Business & Risk

The committee met once during the financial year on April 26, 2021 with the presence of all members.

9.2 Terms of Reference

(a) To formulate a detailed risk management policy which shall include:

i. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

ii. Measures for risk mitigation including systems and processes for internal control of identified risks.

iii. Business continuity plan

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

(c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

10.1 Asset Liability Committee (ALCO)

Asset Liability Committee meets every month to review the areas falling within its terms of reference as given below. ALCO consists of the following members

Name of the Director	Position	Category
Mr. M Anandan	Chairman	Chairman & Managing Director
Mr. P. Balaji	Member	ED & CFO
Mr. G. Subramaniam	Member	ED – Chief of Business & Risk
Mr. C T Manoharan	Member	EVP – Business Development
Mr. V Krishnaswami	Member	VP – Information Technology

10.2 Terms of reference

a) Liquidity Risk Management

b) Management of Market (Interest Rate) Risk

c) Funding and Capital Planning

d) To determine Aptus Value Housing Finance Base Rate (AVHFBR)

e) Credit and Portfolio Risk Management

f) Setting credit norms for various lending products of the company

g) Operational and Process Risk Management

h) Laying down guidelines on KYC norms

i) To approve and revise the actual interest rates to be charged from customers for different products from time to time applying the interest rate model.

11. Remuneration of Directors

11.1 Sitting Fees

All directors except the Chairman & Managing Director and Nominee Directors are paid a sitting fee of ₹ 30,000 for attending every meeting of the Board and ₹ 20,000 for attending every meeting of the Audit Committee and Nomination and Remuneration Committee, and ₹ 15,000 for attending every meeting of other committees.

The details of sitting fees paid and shares held by them in the Company as at March 31, 2022 are as follows:

Name	Sitting Fees (₹ in lakhs)		Commission (₹ in Lakhs)	No. of equity shares held in the Company
	Board	Committees		
Mr. K M Mohandass*	2.40	1.95	7.5	1,25,100
Mr. S Krishnamurthy	2.40	3.00	7.5	Nil
Mr. Krishnamurthy Vijayan	2.10	1.65	7.5	Nil
Ms. Mona Kachhwaha	1.80	0.70	7.5	Nil
Mr. V G Kannan	2.10	0.15	7.5	Nil
Mr. Shailesh Mehta	2.40	0.55	7.5	Nil
Mr. Suman Bollina	2.10	NA	7.5	4,16,665
Ms. Sumir Chadha #	NA	NA	--	Nil
Mr. K P Balaraj #	NA	NA	--	Nil

* Equity shares are held by Mr. KM Mohandass as a registered holder on behalf of KM Mohandass HUF (beneficial owner). Mr. KM Mohandass is the Karta of the HUF.

Based on the requests received from the nominee directors of WestBridge Crossover Fund LLC, the commission and sitting fees payable to them have been waived.

11.2 Pecuniary relationship and/or transactions of the Non-Executive Directors with the listed entity:

During the year under review, there were no pecuniary relationships or transactions with the Non-Executive Directors of the Company, apart from remuneration paid to them by way of commission and sitting fees. The remuneration for non-executive directors consists of sitting fees and commission.

11.3 Criteria for making payment to Non-executive Directors

The criteria for payment of annual commission to non-executive directors is based on the performance of the Company as well as that of the individual non-executive director. The commission payable to non-executive directors was recommended by Nomination and Remuneration Committee and approved by the Board and is within the overall limits as approved by the shareholders of the Company. However, the Nominee Directors were not paid any remuneration in the financial year ended March 31, 2022. The criteria for making payments to non-executive Directors is published on the website of the Company and can be accessed at https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC-Appointment-Remuneration-Evaluation-Policy.pdf

11.4 Remuneration to Managing Director

The remuneration payable to Managing Director comprises of Salary, Allowances, Commission, other retirement benefits and perquisites as per the policy/ rules of the Company. The same is recommended by the Nomination and Remuneration Committee and approved by the Board and is within the overall limits approved by the Shareholders at the General Meeting.

The details of remuneration paid to Mr. M Anandan, Chairman & Managing Director for the financial year ended March 31, 2022 are as follows:

Particulars	Amount (₹ in lakhs)
Salary	600.00
Commission	400.00
Others	0.82
Total	1000.82

12. Other Disclosures

12.1 Related Party Transactions

All Related Party Transactions (RPTs) entered into by the Company during the year under review were on an arms' length basis and in the ordinary course of business. These RPTs did not attract provisions of Section 188 of the Act, and were also not material RPTs under Regulation 23 of the Listing Regulations.

12.2 Details of non-compliance, penalties imposed

There were no instances of penalties, strictures imposed on the company by stock exchange(s) or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

12.3 Establishment of vigil mechanism, whistleblower policy

The Company has laid down a Whistle Blower policy which contains the process to be followed for dealing with complaints and also provides for direct access to the Chairman of the Audit Committee. The whistle blower policy and vigil mechanism is available on the website of the Company at https://aptusindia.com/wp-content/ uploads/2022/02/Aptus-HFC-Whistle-Blower-Vigil- Mechanism.pdf..

12.4 Weblink of Corporate Policies

Particulars	Weblink
Policy for determining material subsidiaries	https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC_Policy-on-determining-Material-subsidiaries.pdf
Policy on Related Party Transactions	https://aptusindia.com/wp-content/uploads/2022/02/Aptus-HFC-RPT-policy.pdf

12.5 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

There were no complaints relating to sexual harassment pending at the beginning of the financial year. During the financial year 2021-22, no complaints were received by the Internal Complaints Committee.

12.6 Compliance with Accounting Standards

The Company has followed the Guidelines of Accounting Standards as laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements and notes to accounts of this Annual Report.

12.7 MD/CFO Certification

Pursuant to the provisions of Regulation 17(8) of the Listing Regulations, 2015, the Managing Director and Chief Financial Officer have issued a certificate to the board certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's Affairs. The said certificate is enclosed and is forming part of this report as **Annexure H.**

12.8 Code of Conduct

The Board has laid down a "Code of Conduct" for all the Board Members and the senior management of the company and the Code of Conduct has been posted on the website of the company. Annual declaration confirming compliance of the code is obtained from every person covered by the code of conduct. A declaration to this effect signed by Mr. M Anandan, Chairman and Managing Director (DIN: 00033633) is attached to this report as **Annexure I.**

12.9 Compliance certificate on Corporate Governance

The certificate on compliance of corporate governance norms from M/s S. Sandeep & Associates, Practicing Company Secretaries is annexed to the report as **Annexure J.**

12.10 Certificate from Practicing Company Secretary

A certificate issued by M/s. S. Sandeep & Associates, Practicing Company Secretaries confirming that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing as director of company by the SEBI/Ministry of Corporate Affairs or any such statutory authority is enclosed as **Annexure K**.

12.11 General Shareholder Information

A separate section on General Shareholder Information required under the Listing Regulations have been included in the Annual Report.

For and on behalf of the Board of Directors

M Anandan
Chairman& Managing Director
DIN: 00033633

Chennai
May 05, 2022

General Shareholder Information

Corporate Information:

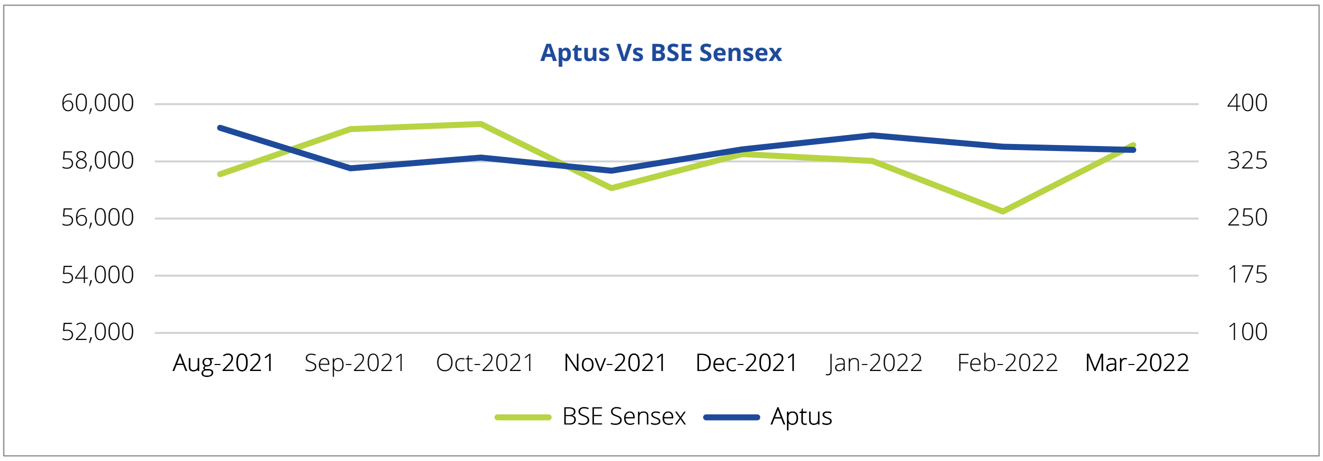
Corporate Identification Number	L65922TN2009PLC073881
Registered Office Address	No. 8B, Doshi Towers, 8th Floor, No: 205, Poonamallee High Road, Kilpauk, Chennai 600 010.
ISIN for Equity shares of the Company	INE852O01025
Date, Time and Venue of Annual General Meeting	Friday, 19th August 2022 at 11:00 a.m. (IST) The Annual General Meeting (AGM) will be held through video conference in compliance with the applicable guidelines and circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI)
Financial Year	April 01, 2021 to March 31, 2022
Dividend payment date	No dividend has been proposed
Name & Address of the Stock Exchanges	BSE Limited Phiroze JeeJeebhoy Towers, Dalal street, Mumbai - 400 001 National Stock Exchange of India Limited Exchange Plaza, Floor 5, Plot C/1, Bandra-Kurla Complex, Bandra (East), Mumbai-400051 Equity shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). Non-convertible Debentures issued by the Company are listed on the Wholesale Debt Market segment of BSE. The Company has paid the annual listing fees to both BSE and NSE.
Scrip code/Symbol	BSE: 543335 NSE: APTUS

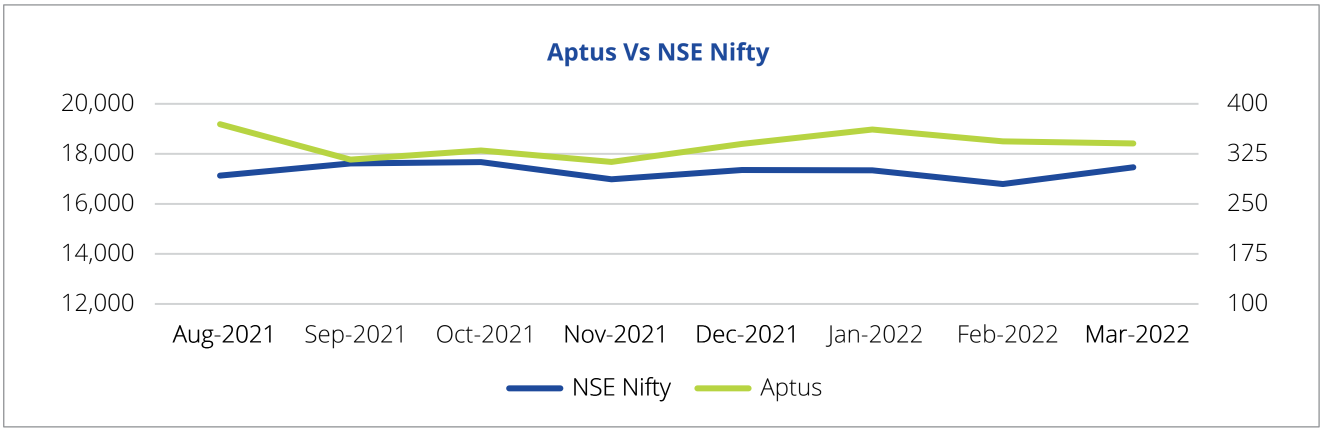
Stock price data:

Period	BSE			NSE		
	High (₹)	Low (₹)	No. of equity shares traded	High (₹)	Low (₹)	No. of equity shares traded
Aug-21	377.55	329.95	35,60,573	377.70	333.00	5,18,37,988
Sep-21	381.20	309.00	27,10,502	381.40	278.60	2,02,90,900
Oct-21	348.60	296.00	18,97,308	349.00	296.00	1,14,52,046
Nov-21	365.00	295.85	8,30,805	366.40	296.05	1,30,42,437
Dec-21	355.40	306.95	3,89,891	355.00	306.40	64,87,882
Jan-22	374.95	330.25	4,80,775	375.00	311.10	75,06,021
Feb-22	394.95	283.00	5,79,277	394.90	314.25	86,37,715
Mar-22	392.80	310.05	6,47,625	393.00	310.00	64,85,458

Equity shares of the Company were listed on BSE and NSE on August 24, 2021.

Performance in comparison to broad-based indices such as BSE Sensex and NSE Nifty





Registrar and Share Transfer Agent	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana - 500 032 Phone: 18003094001 E-mail: einward.ris@kfintech.com
Trustees for Debenture Holders	Axis Trustee Services Limited The Ruby, 2nd Floor, SW, 29, Senapati Bapat Marg, Dadar West, Mumbai- 400 028 Phone: + 91 022 6230 0451 Email: debenturetrustee@axistrustee.in
Dematerialisation of shares and liquidity	As of 31 March, 2022 99.99% of the company's shares were held in dematerialized form. The company's shares are regularly traded on BSE and NSE.
Share Transfer System	As mandated by SEBI, securities of the Company can be transferred /traded only in dematerialized form. Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialized form only. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

Address for Correspondence	The Company Secretary Aptus Value Housing Finance India Ltd No. 8B, Doshi Towers, 8th Floor, No: 205, Poonamallee High Road, Kilpauk, Chennai 600 010.
Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity;	The company has not issued any Global Depository Receipts or American Depository Receipts or any convertible instruments.
Commodity price risk or foreign exchange risk and hedging activities	The company has no exposure to commodity price risk and commodity hedging activities.
Plant locations	Not Applicable

Distribution of Shareholding

Sl. No.	Category (Shares)	No of Holders	% of Holders	No. of Shares	% of Shares
1.	1-5000	1,40,905	99.73	78,58,230	1.58
2.	5001- 10000	122	0.09	4,59,266	0.09
3.	10001- 20000	81	0.06	6,18,598	0.12
4.	20001- 30000	27	0.02	3,38,065	0.07
5.	30001- 40000	10	0.01	1,73,324	0.03
6.	40001- 50000	10	0.01	2,24,163	0.05
7.	50001- 100000	21	0.01	7,94,532	0.16
8.	100001& Above	104	0.07	48,64,51,917	97.89
	Total	**1,41,280**	**100.00**	**49,69,18,095**	**100.00**

Shareholding Pattern as on March 31, 2022:

Sl. No	Category	Total Shares	% Equity
1.	Promoters	12,45,97,490	25.07
2.	Foreign Promoter Bodies Corporates		
	a. Westbridge Crossover Fund, LLC	17,17,29,755	34.56
	b. JIH II, LLC	1,34,75,485	2.71
3.	Foreign Corporate Bodies	8,75,43,255	17.62
4.	Foreign Portfolio - Corp	5,66,31,591	11.40
5.	Resident Individuals	1,75,28,242	3.53
6.	Bodies Corporates	1,07,55,875	2.16
7.	Mutual Funds	70,38,503	1.42
8.	Alternative Investment Fund	65,51,760	1.32
9.	H U F	4,08,322	0.08
10.	Trusts	1,77,509	0.04
11.	Clearing Members	1,49,914	0.03
12.	Qualified Institutional Buyer	1,45,752	0.03
13.	Non Resident Indians	1,22,003	0.02
14.	Non Resident Indian Non Repatriable	56,936	0.01
15.	Promoter Trust	5,430	0.00
16.	NBFC	273	0.00
	Total:	**49,69,18,095**	**100.00**

Credit Rating

During the year 2021-22, the credit rating of your company was upgraded to AA- Stable from A+ Stable by ICRA Limited.

The credit rating details of the Company as at March 31, 2022 are as follows:

Instrument	Rating Agency	Rating	Outlook
Bank Facilities	ICRA	[ICRA]AA-	Stable
Non-convertible Debentures	ICRA	[ICRA]AA-	Stable
Bank Facilities	CARE	CARE A+	Positive
Non-convertible Debentures	CARE	CARE A+	Positive

Transfer of Unpaid/Unclaimed Dividend to Investor Education and Protection Fund

The Company has not declared any dividend for the year and also in the past and hence there was no requirement of transferring any unpaid/unclaimed dividend to Investor Education and Protection Fund.

Unclaimed Suspense Account

As on March 31, 2022, the Company does not have any equity shares lying in the unclaimed suspense account.

Details of non-acceptance of any recommendation of any committee of the board which is mandatorily required

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

There are no loans and advances in the nature of loans to firms/companies in which directors are interested.

Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year under review, the company has not raised funds through preferential allotment or qualified institutions placement as specified under 32 (7A) of the SEBI (LODR) Regulations, 2015.

Fee paid to Statutory Auditors

A consolidated fee of ₹ 54.45 lakhs was paid to the Statutory Auditors by the Company and its wholly owned subsidiary for FY 2021-22.

Compliance with mandatory Requirements and adoption of the non-mandatory Requirements of Corporate Governance

The Company has complied with all the mandatory requirements of Corporate Governance as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors

M Anandan
Chairman& Managing Director
DIN: 00033633

Chennai
May 05, 2022

ANNEXURE – E
BUSINESS RESPONSIBILITY REPORT (BRR)

1. Corporate Identity Number (CIN) of the Listed Entity: L65922TN2009PLC073881
2. Name of the Listed Entity: *Aptus Value Housing Finance India Limited*
3. Registered office address: *No. 8B, Doshi Towers, 8th Floor, No: 205, Poonamallee High Road, Kilpauk, Chennai 600 010, Tamil Nadu, India*
4. Website: www.aptusindia.com
5. E-mail: cs@aptusindia.com
6. Financial year reported: *FY 2021-22*
7. Sector(s) that the Company is engaged in (industrial activity code-wise)

NIC Code	Description
64910	Housing Finance Activities

8. List three key products/services that the Company manufactures/provides:

   The primary product offered by the Company are Home Loans for construction or purchase of houses/ flats and for house renovation/extension. In addition to home loans, the Company offers Loan against Property for refinancing of funds used for the purpose of construction/purchase of house.
9. Total number of locations where business activity is undertaken by the Company
   (a) Number of International Locations (Provide details of major 5): Nil
   (b) Number of National Locations: As on March 31, 2022, the Company had a distribution network of 208 branches spread across five Indian States.
10. Markets served by the Company: The Company serves local/state and national level markets with a special focus on rural and semi-urban areas of India.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital: ₹ 99.38 crores
2. Total Turnover: ₹ 840.21 crores
3. Total profit after taxes: 370.14 crores
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax: Refer CSR Report enclosed as Annexure B to the Director's Report
5. List of activities in which expenditure in 4 above has been incurred:- Refer CSR Report enclosed as Annexure B to the Director's Report

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

   The Company has one wholly owned Subsidiary – Aptus Finance India Private Limited.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

   BR initiatives of the parent company are generally followed by the subsidiary companies to the extent possible
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

   No

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of Director/Directors responsible for BR
   (a) Details of the Director/Director responsible for implementation of the BR policy/policies
      1. DIN Number : 00033633
      2. Name : M Anandan
      3. Designation : Chairman & Managing Director
   (b) Details of the BR head

No.	Particulars	Details
1	DIN Number	00033633
2	Name	M Anandan
3	Designation	Chairman & Managing Director
4	Phone Number	044 4565 0000

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for all the principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards?	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	https://aptusindia.com/policies/								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

*Confirms to National Standards.

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: Not Applicable.

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Company's business responsibility performance is reviewed by the Board of Directors on an annual basis. The Managing Director and senior management of the Company monitor various aspects of social, environmental, governance and economic responsibilities of the Company on a continuous basis.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The company is in its first-year post listing to publish the BR report as part of the Annual Report. The Annual report is available on the website of the Company at www.aptusindia.com

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - To conduct and govern themselves with ethics, transparency and accountability

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the group/joint ventures/ suppliers/contractors/NGOs/others?

APTUS doesn't have a specific policy document related to anti-corruption or anti bribery. However, the Code of conduct and ethics for the Board of Directors and senior management personnel of APTUS gives a detailed policy framework on the ethical conduct and integrity to be followed. It has adopted the following policies that extends to the company, its subsidiaries to ensure ethical, transparent and accountable conduct:

i. Fair Practice Code

ii. Grievance Redressal Policy

iii. Code of Conduct for the Board of Directors and the Senior Management Personnel

iv. Fit and Proper Criteria for Directors

v. Code of Conduct for Employees

vi. Whistle Blower & Vigil Mechanism policy

vii. Know your Customer (KYC) & Anti Money Laundering (AML) Policy

viii. Prevention of Insider Trading Policy

ix. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

PARTICULARS	RECEIVED	RESOLVED	PENDING
Customer complaints	347	347	Nil
Shareholder complaints	1,732	1,732	Nil
Complaints received under Whistler Blower Policy /Vigil mechanism	Nil	Nil	Nil
Complaints relating to sexual harassment	Nil	Nil	Nil

No stakeholder complaints were received by the Company during the financial year pertaining to bribery and corruption.

Principle 2 - To provide services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   (a) Serving the low and middle income groups:

   APTUS is primarily focused in serving the low and middle income self-employed customers in the rural and semi-urban markets of India. We offer customers home loans for the purchase and self-construction of residential property, home improvement and extension loans, loan against property and business loans. As an organization, we believe in the social impact of our business and operate a financially inclusive customer centric business model. We seek to improve the standard of living of our customers and include them into the financial mainstream. Our presence in the rural and semi urban markets of India also provides employment opportunities in these regions since we primarily recruit our employees locally.

   (b) Digital Initiatives:

   Information technology and digitalization initiatives at APTUS are aimed at providing tip of the finger access of our services, data and analysis to our customers and employees.

   The Company's website has a portal for online application of loans, calculating and paying EMIs, providing information and suggestions and submitting grievances. APTUS lending software is an end to end software solution which provides functions such as access control, loan origination, loan management and financial report generation. It has controls and risk management to ensure integrity of the customer data and financial reports.

   (c) Small Business Loans

   In the SME loans segment, we provide small business loans to individuals for business enhancement purposes. This product helps bank-excluded customers access essential capital to keep their business running, and provides support to the plethora of micro and small scale enterprises that are crucial to India's economy.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   This is not applicable since the Company is a Housing Finance Company

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?**

   This is not applicable since the Company is a Housing Finance Company.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   All branches of the Company procure stationery, supplies and other services required in the normal course of operations from local & small producers, including communities surrounding their place of work. Also, the Company lays emphasis on local hiring, especially since it operates largely in Tier II & Tier III cities, which helps to connect with customers better and also contribute to the employment in the local area.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste** (**separately as 10%)** ?

   Since the Company is a housing finance company, the key waste products are primarily paper and e-waste. The Company has put in place an environment-friendly system for management of its e-waste and paper waste.

Principle 3 - To promote the well-being of all employees

1. Please indicate the Total number of employees: 2271
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: Nil
3. Please indicate the Number of permanent women employees: 60
4. Please indicate the Number of permanent employees with disabilities: Nil

5. Do you have an employee association that is recognized by management: No
6. What percentage of your permanent employees is members of this recognized employee association: Not Applicable
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

No.	Category	No. of complaints filed during the year	No of complaints pending as on end of the financial year
1	Child labour/forced labour/involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
   (a) Permanent Employees: 21%
   (b) Permanent Women Employees: 20%
   (c) Casual/Temporary/Contractual Employees: Not applicable
   (d) Employees with Disabilities: Not applicable

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes, the Company and its employees strive to provide value-based services to the stakeholders.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Yes, Aptus focus on the social impact of its business and seek to improve the standard of living of its customers. Aptus' presence in the rural and semi urban markets of India also provides employment opportunities in these regions since the Company primarily recruit their employees locally. Many of the loans provided by the Company are under the affordable housing schemes promoted by the Government of India, such as the Pradhan Mantri Awas Yojana, which benefit the low and middle income groups in semi urban and rural areas. Aptus' customers are generally not served by the mainstream financial services sector and by providing them employment opportunities, the Company is fulfilling an important social objective of economic upliftment for these segments of the Indian society.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Other than the initiatives on improving accessibility to finance and creating employment opportunities as mentioned above, CSR initiatives undertaken by the Company are an extension of its socially inclusive business model. During the financial year under review, the CSR activities of the Company revolved around three distinct areas viz. Education, Healthcare and Social Development.

Principle 5 - Businesses should respect and promote human rights.

1. **Does the policy of the Company on human rights cover only the Company or extend to the group/ joint ventures/suppliers/ contractors/NGOs/ others?**

   Yes, the policy of the Company is applicable to the Company as well as its external Stakeholders.

   Code of Conduct of the Company respects and promotes human rights. The Company recognizes and respects the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, endeavour to promote the awareness and realization of human rights across their value chain and will not complicit with human rights abuses by a third party. No acts of the Company have resulted into violation of Human Rights of any stakeholders and all the practices of the Company have been based on the principles of justice and equity grounds.

   Aptus has adhered to laws and guidelines on human rights as per the Constitution of India, national laws and policies and treats all its stakeholders and customers with dignity, respect and due understanding.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   During the Financial Year, the Company had not received any complaint(s) on human right violation. For details of all Stakeholder Complaints, refer the response on Principle 1

Principle 6 - Businesses should respect, protect and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

   The applicability of the policy related to Principle 6 is for the company and its subsidiary.

   The Company is committed to put efforts towards renewable resources to avoid depletion of natural resources wherever possible, during the course of carrying on its day to day operations. The Company complies with all legal / regulatory requirements related to environment protection, management and sustainable development. Aptus is also on its journey towards digitalizing all its systems aiming at resource efficiency (paper conservation) at all its office branches

2. **Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.?**

   The financial services business of the Company does not require an intensive consumption of environmental resources. However, the Company is taking necessary steps for energy conservation and environment protection. Environment protection has been a key part of the Company's long-term CSR initiatives.

3. **Does the company identify and assess potential environmental risks? Yes/No**

   The Company being in the business of granting housing loans, encourages housing projects which are environmentally safe and secure. However, given the limited applicability, Aptus is fully aware of the direct and indirect environmental impacts of its operations and considers it as a major criterion, in all its decisions and acts responsibly while funding Housing projects. The Company only considers such projects for funding which have all the environmental clearances.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   Not Applicable

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N? If yes, please give hyperlink for web page etc.**

   The Information Technology initiatives of the Company to digitalise the business operations on a continuous basis helps in promoting conservation of valuable natural resources and green initiatives.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Since the company has been engaged in the business of extending housing loans, the above question is not applicable to the Company. However, the Company complies with requisite environmental regulations in respect of its premises and operations.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   The Company has not received any show cause/legal notices from CPCB/SPCB during the year under review.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   No

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   No, during the year the Company had not advocated/ lobbied through the above.

Principle 8 - Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Yes, the Company's initiatives for taking forward such programmes/initiatives are included in the CSR policy. The details of CSR projects implemented by the Company in the financial year under review is given in Annexure B of the Director's Report.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   The Company is directly involved in implementing CSR projects. The Company engages external NGOs and organisations for the areas in which it lacks expertize but the projects are supervised by in-house teams.

3. **Have you done any impact assessment of your initiative?**

   Yes, the impact assessment in done at periodic intervals. CSR Committee and the Board of Directors are appraised with the progress and updates of the CSR initiatives undertaken by the Company.

4. **What is your company's direct contribution to community development projects? Amount in INR and the details of the projects undertaken.**

   Please refer the Annual Report on Corporate Social Responsibility annexed as Annexure-B to the Directors' Report.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   The Company's CSR programs are developed by experienced professionals in consultation with the NGOs. The CSR Committee reviews the performance of all the CSR projects in the Committee Meetings.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/ consumer cases are pending as on the end of financial year?**

   During the year under review, the Company has received 347 customer complaints. There were no customer complaints pending at the end of the year. Hence 100% of the complaints received has been resolved.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws?**

   The Company is in the business of housing finance and hence this is not applicable. However all product related information is available on the website of the Company and on the notice board displayed at the branches.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

   No

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Customer satisfaction is one of the key focus areas at Aptus, and the company regularly takes their feedback to improve its systems and processes. Over the years, the customer satisfaction survey has yielded positive results.

ANNEXURE – F

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,

APTUS VALUE HOUSING FINANCE INDIA LIMITED
No 8B, Doshi Towers, 8th Floor, No.205, Poonamallee High Road, Kilpauk, Chennai -600 010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of M/s. APTUS VALUE HOUSING FINANCE INDIA LIMITED (CIN: L65922TN2009PLC073881) (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India on account of the outbreak of Covid-19 pandemic we hereby report that in our opinion, the Company has, during the audit, period covering the financial year ended on 31st March, 2022, generally complied with the statutory provisions listed hereunder, and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder as applicable to the Company;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as applicable to the Company.

(iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder as applicable to the extent of Foreign Direct Investment. The Company does not have any External Commercial Borrowings or Overseas Direct Investment.

(v) The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:

a) The Securities and Exchange Board of India (Registrars to an Issue and Transfer Agents) Regulations, 1993, regarding Companies Act and dealing with client to the extent of the securities issued;

b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015

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

e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), 2018;

f) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable;

g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 to the extent applicable;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable for the year under review;

i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not applicable for the year under review;

j) The Securities and Exchange Board of India (Issue and Listing of Non Convertible and Redeemable Preference Shares) Regulations, 2013; Not Applicable for the year under review;

Further we report that, based on the compliance mechanism established by the Company, which has been verified on test check basis, we are of the opinion that the Company has complied with the provisions of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021 read with Review of regulatory framework for Housing Finance Companies (HFCs) dated October 22, 2020 issued by Reserve Bank of India, National Housing Bank Act, 1987, Circulars, Master circulars, Notifications, Rules and Guidelines as prescribed for Housing Finance Companies;

Further, as a precautionary measure against “COVID 2019”, the audit process has been modified, wherein documents /records etc. were verified in electronic mode, and have relied on the representations received from the Company for its accuracy and authenticity.

We have also examined compliance with the applicable regulations and clauses of the following:

i. Listing agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ii. Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meetings issued by The Institute of Company Secretaries of India.

We further report that, during the period under review, the Company has, in our opinion complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

- the Board of Directors of the Company is duly constituted as on the date of this report, with proper balance of Executive, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as per the applicable provisions of the Act, and a proper system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through and there were no dissenting views of the members.
- The Company has obtained all necessary approvals under the various provisions of the Companies Act, 2013 to the extent applicable; and
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, 2013, Securities Exchange Board of India Act, 1992, The Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, Foreign Exchange Management Act, 1999 and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility for appointment, their independence, wherever applicable and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

We further report that based on the information received, records maintained and representation received, there are adequate systems and processes in the Company to commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period the Company has:

a. passed a special resolution under Section 180(1) (c) of the Act at the annual general meeting held on September 30, 2021 fixing the borrowing limits as Rs. 4000 crores.

b. passed a special resolution under Section 180(1) (a) of the Act at the annual general meeting held on September 30, 2021 permitting the Company for creating charge on its assets upto Rs. 4000 crores

c. passed a special resolution for private placement of debentures under Sections 42 and 71 of the Act at the annual general meeting held on September 30, 2021 up to a sum of Rs. 1500 crores.

d. passed a special resolution for the approval of proposal to amend the Aptus Employee Stock Option Scheme, 2015 at the extra-ordinary general meeting held on May 6, 2021.

e. passed a special resolution for the approval of proposal to approve and adopt the Aptus Employee Stock Option Scheme, 2021 at the extra-ordinary general meeting held on May 6, 2021.

f. passed a special resolution for the approval of proposal for sub-division of equity shares of the Company from one equity share of Rs. 10/- each into five equity shares of Rs. 2/- each at the extra-ordinary general meeting held on May 6, 2021.

g. passed a special resolution for the approval of proposal to make an Initial public offering of its equity shares of face value of Rs. 2 each (“Equity Shares”) for cash at a price of Rs. 353 per share, comprising of a fresh issue of up to Rs. 5000 million and an offer for sale of up to 6,45,90,695 Equity Shares at the extra-ordinary general meeting held on May 6, 2021.

h. passed an ordinary resolution for Appointment of M/s T.R. Chadha & Co. LLP as new Statutory Auditors of the Company vide postal ballot dated December 10, 2021; and

i. passed a special resolution for the ratification of Aptus Employee Stock Option Scheme, 2021 vide postal ballot dated December 10, 2021

j. passed a special resolution for appointment of nominee directors vide postal ballot dated December 10, 2021

For S Sandeep & Associates

Sd/-
S Sandeep
Managing Partner
FCS No.5853; COP No. 5987
UDIN: F005853D000265838
PR No.: 1116/2021

Place: Chennai
Date: 5th May 2022

ANNEXURE – G

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,

APTUS FINANCE INDIA PRIVATE LIMITED
No 8B, Doshi Towers 8th Floor, No.205, Poonamallee High Road, Kilpauk, Chennai -600 010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of M/s. APTUS FINANCE INDIA PRIVATE LIMITED (CIN: U74900TN2015PTC102252)

(hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India on account of the outbreak of Covid-19 pandemic we hereby report that in our opinion, the Company has, during the audit, period covering the financial year ended on March 31, 2022, generally complied with the statutory provisions listed hereunder, and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder as applicable to the Company;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as applicable to the Company.

iv. The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent as applicable to the Company. The Company does not have any Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment.

v. The following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:

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

   b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018;

   d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

vi. The Company has complied with the following laws to the extent applicable specifically to the Non-Banking Financial Company identified (NBFC):

(a) Reserve Bank of India Act, 1934, and the RBI Directions and Guidelines as applicable to NBFCs;

(b) The Prevention of Money Laundering Act, 2002

We have also examined compliance with the applicable regulations and clauses of the following:

i. Listing agreements entered into by the Company with the BSE Limited as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for listing of its Non-Convertible Debentures.

ii. Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meetings issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that, during the period under review, the Company has, in our opinion complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

- the Board of Directors of the Company is duly constituted as on the date of this report, with proper balance of Executive, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance as per the applicable provisions of the Act, and a proper system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through and there were no dissenting views of the members.
- The Company has obtained all necessary approvals under the various provisions of the Companies Act, 2013 to the extent applicable; and
- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act, 2013, Securities Exchange Board of India Act, 1992, The Securities Contracts (Regulation) Act, 1956, Depositories Act, 1996, Foreign Exchange Management Act, 1999 and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility for appointment, their independence, wherever applicable and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

We further report that based on the information received, records maintained and representation received, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period the Company has allotted:

a. passed a special resolution under Section 180(1) (c) of the Act at the fifth annual general meeting held on November 30, 2021 fixing the borrowing limits as ₹ 800 Crores.

b. passed a special resolution under Section 42 and 71 of the Act at the fifth annual general meeting held on November 30, 2021 for private placement of debentures up to a sum of ₹ 150 Crores.

For S Sandeep & Associates

Sd/-
S Sandeep
Managing Partner
FCS No.5853; COP No. 5987
UDIN: F005853D000265851
PR No. 1116/2021

Place: Chennai
Date: May 04, 2022

ANNEXURE – H

MD/CFO Certificate

We hereby certify that:

1) We have reviewed Audited Financial Statements and the Cash Flow Statement for the Financial Year ended 31st March 2022 and that to the best of our knowledge and belief:

   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

3) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

4) We have indicated to the auditors and the Audit Committee that there are no:

   a) significant changes in internal control over financial reporting during the year;

   b) significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and

   c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

On behalf of the Board of Directors
For Aptus Value Housing Finance India Limited

Place: Chennai	**Mr. M Anandan**	**Mr. P Balaji**
Date: May 05, 2022	Chairman & Managing Director	ED & Chief Financial Officer

ANNEXURE – I

Declaration on Code of Conduct

[Pursuant to Regulation 34(3) read with Schedule V (Part D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to confirm that the Board has laid down a Code of Conduct for all board members and senior management of the company. The Code of Conduct has also been posted on the website of the company. It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the Code of Conduct of the company for the year ended 31 March, 2022, as envisaged in schedule V under regulation 34 (3) of the Listing Regulations.

M Anandan
Chairman & Managing Director
DIN: 00033633

Place: Chennai
Date: May 05, 2022

ANNEXURE – J

Certificate from Company Secretary in Practice

Independent Company Secretary's certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

The Members,
APTUS VALUE HOUSING FINANCE INDIA LIMITED
No 8B, Doshi Towers, 8th Floor,
No.205, Poonamallee High Road, Kilpauk, Chennai - 600 010

We have examined documents, books, papers, minutes, forms and returns filed and other relevant records maintained by APTUS VALUE HOUSING FINANCE INDIA LIMITED, (CIN L65922TN2009PLC073881) having its Registered Office at No 8B, Doshi Towers, 8th Floor, No.205, Poonamallee High Road, Kilpauk, Chennai - 600 010, for the purpose of certifying compliance of the conditions of Corporate Governance under Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the financial year ended 31st March, 2022.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S Sandeep & Associates

S Sandeep
Managing Partner
FCS No.5853; COP No. 5987
UDIN: F005853D000553675
PR No.: 1116/2021

Place: Chennai
Date: May 05, 2022

ANNEXURE – K

Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
APTUS VALUE HOUSING FINANCE INDIA LIMITED
No 8B, Doshi Towers, 8th Floor,
No.205, Poonamallee High Road, Kilpauk, Chennai - 600 010

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of APTUS VALUE HOUSING FINANCE INDIA LIMITED (CIN: L65922TN2009PLC073881) having its Registered Office at No 8B, Doshi Towers, 8th Floor, No.205, Poonamallee High Road, Kilpauk, Chennai - 600 010 (hereinafter referred to as "The Company") as produced before us by the Company for the purpose of issuing this certificate, in accordance with Regulation 34 (3) read with Schedule V Part-C Sub clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and according to the verifications (including Director Identification Number (DIN) Status at the portal *www.mca.gov.in*) and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that none of the Directors as stated below on the Board of the Company as on 31st March 2022 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board India / Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	DIN	Name of the Director	Designation	Date of Appointment
1	00033633	Mr. M Anandan	Chairman & Managing Director	11-12-2009
2	00707839	Mr. K M Mohandass	Independent Director	11-12-2009
3	00066044	Mr. S Krishnamurthy	Independent Director	12-05-2010
4	00589406	Mr. Krishnamurthy Vijayan	Independent Director	14-11-2013
5	01856801	Ms. Mona Kachhwaha	Independent Director	30-05-2020
6	03443982	Mr. V G Kannan	Independent Director	09-03-2021
7	01633893	Mr. Shailesh Mehta	Non-Executive Director	24-12-2009
8	07136443	Mr. Suman Bollina	Non-Executive Director	27-03-2015
9	00163632	Mr. K P Balaraj	Nominee Director	25-11-2014
10	00040789	Mr. Sumir Chadha	Nominee Director	05-11-2019

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S Sandeep & Associates

S Sandeep
Managing Partner
FCS No.5853; COP No. 5987
UDIN: F005853D000553708
PR No.: 1116/2021

Place: Chennai
Date: May 05, 2022

INDEPENDENT AUDITORS' REPORT

To the Member of
Aptus Value Housing Finance India Limited

Report on the Audit of the Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone financial statements of Aptus Value Housing Finance India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit and other comprehensive income , the changes in equity and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 standalone financial statements.

3. Emphasis of Matter

We draw attention to Note 49 to the accompanying standalone financial statements, which describes the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on the ongoing and future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
Impairment on Financial Instruments based on Expected Credit Loss model	
Ind AS 109 Financial instruments requires the Company to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model. These judgement and estimates include: • Estimating the behavioral life of the product • Data inputs in relation to ECL model • Modification of assets in terms of restructuring • Determination of loan book segmentation based on homogeneity, probability of defaults, loss given defaults and exposure at default. • Management Overlay based on risk assessment and qualitative factors.	We have considered the Company's accounting policies for the impairment of financial instruments and their compliance with Ind AS 109 and the provisioning framework approved by the Board of Directors We have assessed the Company's policy with respective one-time restructuring offered to customers pursuant to the Resolution Framework 2.0 - Resolution of Covid-19 - related Stress and tested the implementation of such policy on a sample basis. We have evaluated the management response upon implementation of various RBI circulars and tested the implementation of requirements as per these circulars on sample basis. We have also performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. 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. We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status.

Key Audit Matters	Auditor's Response
• Compliance with RBI circulars and assess the level of credit impairment of financial instrument. • Disclosures as required by IND AS 109 and RBI Circular.	Tested a sample of performing (stage I) loans to assess whether any Significant Increase in Credit Risk indicators were present requiring them to be classified under higher stages. Assessing the management overlay provision arising from the effects of COVID-19 pandemic and also to calibrate the risks that are not yet fully captured by the existing model. We tested the arithmetical accuracy of computation of ECL provision performed by the Company. We assessed the disclosures included in the Ind-AS financial statements with respect to such allowance / estimate are in accordance with the requirements of Ind AS 109 and Ind AS 107 Financial Instruments: Disclosures and also as per RBI Guidelines.
IT Systems and Controls	
The Company's key financial accounting and reporting processes are highly dependent on information systems including automated controls in information systems, such that there exists a risk that, gaps in the IT control environment could result in the financial accounting and reporting records being misstated. The IT infrastructure is critical for effective and efficient functioning of the Company's business operations as well as for timely and accurate financial reporting. There have been certain enhancement/changes in the information technology (IT) infrastructure of the company for meeting the regulatory requirements in the current year. As the IT systems and processes continue to mature in view of the evolving business and regulatory landscape, changes in the technology environment have been carried out by the Company. IT general controls include user access management and change management across applications, networks, database, and operating systems. Due to the pervasive nature and complexity of the IT environment as well as its significance in relation to accurate and timely financial reporting we have identified this area a key audit matter.	Our audit procedures include assessment and identification of key IT applications, and further verifying, testing, and reviewing the design and operating effectiveness of the IT system on the basis of reports /returns and other financial and non-financial information generated from the system on a test check basis. Our audit procedures included: • Obtained an understanding of the IT control environment, IT policies during the audit period. • We tested the design and operating effectiveness of the Company's IT access controls over the key information systems, including changes made to the IT landscape during the audit period, that are critical to financial reporting. • Testing IT general controls related to User and Application controls, Change Management Controls and Data backup. Where we identified the need to perform additional procedures, we performed alternative procedures.

5. Other Information

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 standalone financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The above information is not made available to us as at the date of this Auditor's report. We have nothing to report in this regard.

6. Management's Responsibility for the standalone financial statements

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

In preparing the standalone financial statements, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

7. Auditor's Responsibilities for the audit of the standalone financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 standalone 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 standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. Other Matter

The standalone financial statement also includes figures of the Company for the year ended March 31, 2021, audited by the predecessor firm of statutory auditor S.R. Batliboi & Associates LLP vide its report dated June 24, 2021, in which the predecessor auditor has expressed an unmodified opinion. Accordingly, we do not express any conclusion on aforesaid standalone financial statement for the said year and have relied upon the said reports for the purpose of our report on this standalone financial statement.

A. Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

II. As required by section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, amended;

e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statement.

III. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations as at March 31, 2022, on its financial position in its standalone financial statements - Refer Note 28.2 of standalone financial statements;

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

d) (i) The Management has represented that, to the best of its (knowledge and belief, no funds (which are material either individually or in 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, 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, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

e) As stated in Note 20.2.5 to the standalone financial statements, the company has not declared or paid any dividend during the year and hence, the related reporting requirements under sub-clause (f) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

IV. With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, as amended:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Registration No.
006711N/N500028

Sheshu Samudrala
Partner
Membership No. 235031
UDIN: 22235031AILLRH2734

Place: Chennai
Date: May 05, 2022

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;

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (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 has maintained proper records showing full particulars of intangible assets;

(b) The Company has a program of physical verification of these Property, Plant and Equipment which in our opinion, reasonable having regard to the size of the Company and the nature of its assets. For the assets where physical verification exercise was completed, no material discrepancies were noticed on such verification;

(c) The title deeds of the immovable properties disclosed in the standalone financial statements included under property, plant and equipment are held in the name of the Company;

(d) The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year;

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder;

ii (a) The Company is a service company primarily engaged in lending business. Accordingly, it does not hold any inventories. Thus, the provision of clause 3(ii)(a) of the Order is not applicable to the Company;

(b) The Company has been sanctioned working capital limit in excess of Rs.5 crore in aggregate during the year from banks or financial institutions on the basis of security of current assets and the quarterly returns/statements filed by the company with such Banks and Financial institutions are in agreement with the books of accounts of the Company;

iii. The Company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, and the details are mentioned in the following table

Amount Rs.in Lakhs

Particulars	Investment	Guarantee or security to Banks on behalf of Subsidiary	Loans	advances in the nature of loans
The Aggregate amount during the year				
Subsidiary	Nil	18,500.00	14,800.00	Nil
Balance outstanding as at balance sheet date in respect of above cases				
Subsidiary	15,048.00	27,929.95	500.00	Nil

(a) Since the Company is principally engaged in providing loans reporting under clause 3(iii)(a) of the Order is not applicable;

(b) In our opinion, the terms and conditions of the loans granted during the year are prima facie not prejudicial to the Company's interest;

(c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have been regular as per stipulation except for certain cases, the summary of which are as disclosed by the management in Note 35.6.4 of notes of the standalone financial statements.

For the purpose of the above disclosure, the company has considered the Reserve Bank of India circular DOR.No.BP.BC/3/21.04.048/2020-21dated August 06, 2020 on Resolution Framework for COVID-19 related stress and RBI circular DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 (as amended time to time) wherein moratorium is to be granted to customers in relation to repayment of dues, due to which the repayment schedule of such customers have been revised to that extent;

(d) In respect of loans granted by the Company, the overdue amount remaining outstanding as at the balance sheet date is as reported in Note 35.6.4 of notes of the standalone financial statements. The total amount in stage III amounts to Rs.5,065.53 lakhs with respect to 634 Borrowers. The Company has generally taken reasonable steps in its normal course of business for recovery of overdue principal and interest in respect of such loans;

(e) As Company is principally engaged in providing loans, hence the reporting under clause 3(iii)(e) of the Order is not applicable;

(f) 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.

iv The Company has not granted any loans, made investments, or provided guarantees and securities which attract the provisions of section 185 and section 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company;

v The Company has not accepted any deposits or amounts which are deemed to be deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Rules framed there under apply. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company;

vi The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the services rendered by the Company. Accordingly, the provision of clause 3(vi) of the Order is not applicable to the Company;

vii (a) The amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income tax, cess and other applicable statutory dues have generally been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, value added tax, duty of customs and duty of excise;

There were no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income tax, cess and other applicable statutory dues which were in arrears as at March 31, 2022, for a period of more than six months from the date they become payable;

(b) There are no statutory dues referred to in sub-clause (a) above, which have not been deposited on account of disputes as on March 31, 2022.

viii There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

ix (a) The Company has not defaulted in the repayment of loans or other borrowings to or in the payment of interest thereon to any lender, during the year;

(b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender;

(c) Term loans availed by the Company during the year have been generally applied for the purpose for which they were obtained other than temporary deployment in fixed deposit pending application.;

(d) According to the information and explanations given to us, and the procedures performed by us, and on overall examination of standalone financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The company have one subsidiary. According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary.

x (a) The Company has raised moneys during the year by way of initial public offer of Equity Shares and as disclosed by the management in Note 19 (c.) funds were applied for the purpose of augmenting tier I capital.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable;

xi (a) We report that no fraud by the company or fraud on the Company has been noticed or reported during the year nor have we been informed of any such case by the management;

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year;

xii The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable;

xiii In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act, 2013 with respect to all applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;

xiv (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business;

(b) We have considered the internal audit reports issued to the Company for the period under audit;

xv During the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi (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;

(c) The Company is not a core investment company and hence reporting under clause (xvi)(c) of the Order is not applicable;

(d) According to the information and explanations given to us, the group does not have any core investment company as a part of the group;

xvii The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year;

xviii As per RBI circular no. RBI/2021-22/25 Ref No. DoS. CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 the Statutory Auditors have resigned upon ineligibility to continue as auditors of more than certain entities specified therein as per the requirement of the said circular. There has not been any issues, concerns or objections raised by the outgoing auditors, based on our communication with outgoing auditor as required under ICAI Code of Ethics;

xix According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone 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 company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;

xx (a) According to the information and explanation given to us, in respect of other than ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the said financial year in compliance with second proviso to subsection (5) of section 135 of the said Act.

In respect of other than ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e., six months from the expiry of the financial year as permitted under the second proviso to section 135(5) of the Act, has not elapsed till the date of our report.

(b) In respect of ongoing projects, as disclosed by the management in Note 38(i), the Company has transferred unspent Corporate Social Responsibility (CSR) amount to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

xxi According to the information and explanations given to us, and based on the CARO report issued by the auditors of the subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the subsidiary auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Registration No.
006711N/N500028

Sheshu Samudrala
Partner
Membership No. 235031
UDIN: 22235031AILLRH2734

Place: Chennai
Date: May 05, 2022

ANNEXURE – B

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF APTUS VALUE HOUSING FINANCE INDIA LIMITED

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Aptus Value Housing Finance India Limited** ("the Company") as of March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI 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 with reference to standalone financial statements, both applicable to an audit of Internal Financial controls with reference to standalone financial statements. 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 with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Registration No.
006711N/N500028

Sheshu Samudrala
Partner
Membership No. 235031
UDIN: 22235031AILLRH2734

Place: Chennai
Date: May 05, 2022

STANDALONE FINANCIAL STATEMENTS

STANDALONE BALANCE SHEET
AS AT MARCH 31, 2022

Rs. in lakhs

Particulars			Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS					
1	**Financial Assets**				
	(a)	Cash and cash equivalents	4	39,612.30	40,757.50
	(b)	Bank balances other than (a) above	5	3,510.33	969.45
	(c)	Loans	6	4,41,054.74	3,43,135.00
	(d)	Investments	7	25,451.25	20,466.06
	(e)	Other financial assets	8	1,944.23	990.74
	TOTAL FINANCIAL ASSETS			**5,11,572.85**	**4,06,318.75**
2	**Non-Financial Assets**				
	(a)	Deferred tax assets (net)	9	2,046.76	1,490.01
	(b)	Property, plant and equipment	10A	339.75	248.17
	(c)	Intangible assets	10B	61.65	26.78
	(d)	Right-of-use assets	10C	795.12	680.69
	(e)	Other non-financial assets	11	80.06	160.14
	(f)	Assets held for sale	12	156.54	-
	TOTAL NON-FINANCIAL ASSETS			**3,479.88**	**2,605.79**
	TOTAL ASSETS			**5,15,052.73**	**4,08,924.54**
	LIABILITIES AND EQUITY				
	LIABILITIES				
1	**Financial Liabilities**				
	(a)	Payables			
		Trade payables			
		(i) total outstanding dues of micro enterprises and small enterprises	29A	-	-
		(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	29B	494.24	140.91
	(b)	Debt securities	13	38,211.45	38,144.13
	(c)	Borrowings (other than debt securities)	14	1,95,680.54	1,78,592.76
	(d)	Lease liabilities	44	780.13	709.05
	(e)	Other financial liabilities	15	2,165.24	1,298.89
	TOTAL FINANCIAL LIABILITIES			**2,37,331.60**	**2,18,885.74**
2	**Non-Financial Liabilities**				
	(a)	Current tax liabilities (Net)	16	344.13	343.30
	(b)	Provisions	17	403.08	330.18
	(c)	Other non-financial liabilities	18	384.36	255.71
	TOTAL NON-FINANCIAL LIABILITIES			**1,131.57**	**929.19**
3	**EQUITY**				
	(a)	Equity share capital	19	9,938.36	9,493.33
	(b)	Other equity	20	2,66,651.20	1,79,616.28
	TOTAL EQUITY			**2,76,589.56**	**1,89,109.61**
	TOTAL LIABILITIES AND EQUITY			**5,15,052.73**	**4,08,924.54**
	Significant accounting policies		**2 & 3**		

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

STATEMENT OF STANDALONE PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2022

Rs. in lakhs

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Revenue from operations**			
	(a) Interest Income	21A	65,934.21	52,408.40
	(b) Net gain on fair value changes	21B	532.81	75.22
	(c) Fees and commission income	21C	1,429.81	982.54
	Total Revenue from operations		**67,896.83**	**53,466.16**
2	**Other income**	22	2,391.27	1,688.07
3	**Total Income (1+2)**		**70,288.10**	**55,154.23**
4	**Expenses**			
	(a) Finance costs	23	17,919.56	18,208.21
	(b) Employee benefits expense	24	7,405.57	6,540.66
	(c) Depreciation and amortisation expense	10D	661.19	567.08
	(d) Impairment on financial instruments	25	2,933.61	493.62
	(e) Other expenses	26	1,729.73	1,460.25
	Total expenses		**30,649.66**	**27,269.82**
5	**Profit before tax (3-4)**		**39,638.44**	**27,884.41**
6	**Tax expense**	**27**		
	- Current tax		9,371.41	6,524.32
	- Adjustment of tax relating to earlier years		-	(28.74)
	- Deferred tax	9	(555.83)	(396.65)
	Total tax expense		**8,815.58**	**6,098.93**
7	**Profit for the year (5-6)**		**30,822.86**	**21,785.48**
8	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain / (loss) on defined benefit plan	31.2	(3.75)	(15.04)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.94	3.79
	Other Comprehensive Income, net of income tax		(2.81)	(11.25)
9	**Total Comprehensive Income for the year (7+8)**		**30,820.05**	**21,774.23**
10	**Earnings per share (Equity shares, par value Rs.2 each - also refer note 19(b)) :**			
	(a) Basic (in Rs.)	36	6.28	4.54
	(b) Diluted (in Rs.)	36	6.25	4.53
	Significant accounting policies	**2 & 3**		
	The accompanying notes form an integral part of the standalone financial statements.			

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

STANDALONE STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2022

1. Equity Share capital

Rs. in lakhs

Particulars	Amount
Balance as at April 1, 2020	**9,451.33**
Changes in equity share capital during the year	
(a) Fresh issue of equity shares	-
(b) Issue of equity shares under employee stock option plan (Refer Note 41)	42.00
Balance as at March 31, 2021	**9,493.33**
Changes in equity share capital during the year	
(a) Fresh issuance of equity shares pursuant to initial public offerings ('IPO') during the year (Refer note 19(c))	283.29
(b) Partly paid shares called up (Refer note 19(b))	135.00
(c) Issue of equity shares under employee stock option plan (Refer Note 41)	26.74
Balance as at March 31, 2022	**9,938.36**

2. Other Equity

Rs. in lakhs

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Securities Premium	Employee Stock Option Reserve	Statutory Reserve	Special Reserve	Impairment reserve	Retained Earnings	Remeasurement gain / (loss) on defined benefit plan	
Balance as at April 1, 2020	1,15,856.61	173.81	1,058.38	9,705.26	-	30,748.34	(19.22)	1,57,523.18
Profit (loss) for the year (net of tax)	-	-	-	-	-	21,785.48	-	21,785.48
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(11.25)	(11.25)
Premium on ESOP exercised during the year	314.25	-	-	-	-	-	-	314.25
Share based payments to employees during the year	-	4.62	-	-	-	-	-	4.62
Appropriations to Reserves	-	-	826.82	3,528.03	610.36	(4,965.21)	-	-
Transfer to securities premium on ESOP exercised during the year	105.57	(105.57)	-	-	-	-	-	-
Balance as at March 31, 2021	**1,16,276.43**	**72.86**	**1,885.20**	**13,233.29**	**610.36**	**47,568.61**	**(30.47)**	**1,79,616.28**
Profit (loss) for the year (net of tax)	-	-	-	-	-	30,822.86	-	30,822.86
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	(2.81)	(2.81)
Premium on fresh issuance of equity shares pursuant to initial public offerings ('IPO') during the year	49,716.71	-	-	-	-	-	-	49,716.71
Share issue expenses pursuant to initial public offerings ('IPO') during the year	(1,874.49)	-	-	-	-	-	-	(1,874.49)
Premium on partly paid equity share converted into fully paid equity shares during the year	7,740.45	-	-	-	-	-	-	7,740.45
Premium on ESOP exercised during the year	194.50	-	-	-	-	-	-	194.50
Share based payments to employees during the year	-	437.70	-	-	-	-	-	437.70
Appropriations to Reserves	-	-	1,100.02	5,063.99	-	(6,164.01)	-	-
Transfer to securities premium on ESOP exercised during the year	72.86	(72.86)	-	-	-	-	-	-
Balance as at March 31, 2022	**1,72,126.46**	**437.70**	**2,985.22**	**18,297.28**	**610.36**	**72,227.46**	**(33.28)**	**2,66,651.20**

Notes:

Refer Note 20.2 for description of nature and purpose of each reserve.

Significant accounting policies (Note 2 & 3)

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

STATEMENT OF STANDALONE CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2022

Rs. in lakhs

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
Cash flows from operating activities				
Profit before tax		39,638.44		27,884.41
Adjustments for:				
Finance costs	17,919.56		18,208.21	
Interest on fixed deposits with Banks	(1,026.15)		(1,439.21)	
Net gain on changes in fair value	(532.81)		(75.22)	
Depreciation and amortisation expense	661.19		567.08	
Impairment on Financial Instruments	2,933.61		493.62	
Financial guarantee commission	(53.55)		(38.25)	
Share based payments to employees	437.70		4.62	
		20,339.55		17,720.85
Operating profit before working capital changes		59,977.99		45,605.26
Movements in working capital:				
(Increase) / Decrease in Loans	(1,01,206.77)		(69,565.75)	
(Increase) / Decrease in Other financial assets	(833.62)		(726.68)	
(Increase) / Decrease in Other non-financial assets	67.80		(18.89)	
Increase / (Decrease) in Trade payables	353.33		97.16	
Increase / (Decrease) in Other financial liabilities	824.68		697.53	
Increase / (Decrease) in Provisions	72.18		67.21	
Increase / (Decrease) in Other non-financial liabilities	128.65	(1,00,593.75)	87.16	(69,362.26)
Cash flow from / (used in) operations		(40,615.76)		(23,757.00)
Finance cost paid		(17,568.05)		(18,361.22)
Direct Taxes paid		(9,370.60)		(6,678.96)
Net cash flow from / (used in) operating activities (A)		**(67,554.41)**		**(48,797.18)**
Cash flows from investing activities				
Purchase of property, plant and equipments and intangible assets	(365.24)		(140.24)	
Sale of Fixed Assets	27.50		-	
Deposits placed with / (withdrawn from) banks, net	(2,462.64)		10,614.53	
Interest received on bank deposits	947.91		1,515.67	
Purchases of Investments	(1,02,591.15)		(22,252.28)	
Redemption of Investments	97,742.83		17,000.41	
Income received from investments	491.17		51.88	
Net cash flow from / (used in) investing activities (B)		**(6,209.62)**		**6,789.97**
Cash flows from financing activities				
Proceeds from issue of equity shares (including securities premium)	58,096.69		356.25	
Share issue expenses	(1,874.49)		-	
Repayment of debt securities	(0.00)		(22,500.00)	
Proceeds from borrowings (other than debt securities)	1,04,500.00		97,213.00	
Repayment of borrowings (other than debt securities)	(87,627.95)		(40,067.71)	
Payment of lease liabilities	(406.95)		(342.72)	
Interest paid on lease liabilities	(68.48)		(72.01)	
Net cash flow from financing activities (C)		**72,618.83**		**34,586.81**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**(1,145.20)**		**(7,420.40)**
Cash and cash equivalents at the beginning of the year		40,757.50		48,177.90
Cash and cash equivalents at the end of the year (Refer Note 4)		**39,612.30**		**40,757.50**
Components of cash and cash equivalents	**As at March 31, 2022**		**As at March 31, 2021**	
Cash on hand		256.88		156.28
Balances with banks - In current accounts		4,208.80		29,498.36
Balances with banks - In deposit accounts - Original maturity less than 3 months		35,146.62		11,102.86
Total cash and cash equivalents		**39,612.30**		**40,757.50**
Significant accounting policies (2 & 3)				
The accompanying notes form an integral part of the standalone financial statements.				

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

1. Corporate Information

Aptus Value Housing Finance India Limited ("the Company") was incorporated on December 11, 2009 with the primary objective of carrying on the business of providing long term housing finance to meet the housing needs of the low and middle-income segment in the country. The Company with CIN: L65922TN2009PLC073881, is a Public Limited Company domiciled in India. The Registered Office of the Company is located at No. 8B, Doshi Towers, 8th Floor, No: 205, Poonamallee High Road, Kilpauk, Chennai 600010, Tamil Nadu. The Company is also engaged in providing loans for non-housing finance activities in the form of Loan Against Properties ("LAP").

The Company received the certificate of registration from the National Housing Bank ("NHB") on May 31, 2010 to commence the business of Housing Finance without accepting public deposits. The certificate of commencement of business was received from the Registrar of Companies on June 25, 2010.

The Company has a wholly owned subsidiary, Aptus Finance India Private Limited, which is a Non- Banking Finance Company registered with Reserve Bank of India ("RBI") and engaged in the business providing finance in the form of loan against immovable properties.

2. Significant accounting policies

A. Basis of preparation and presentation

The standalone financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS") on the historical cost basis except for certain financial assets and liabilities measured at fair value at the end of each reporting period, as explained in the accounting policies below, the relevant provisions of the Companies Act, 2013 (the "Act") and the guidelines issued by the RBI/NHB, to the extent applicable.

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 the 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".

Amounts in the standalone financial statements are presented in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Act, except when otherwise indicated.

B. Presentation of standalone financial statements

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 40.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in the normal course of business, event of default or insolvency or bankruptcy of the Company and/or its counterparties.

2.1 Financial Instruments

2.1.1 Financial instruments – initial recognition

2.1.1.1 Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Company (as per the terms of the agreement with the borrowers). The Company recognises debt securities and borrowings when funds reach the Company.

2.1.1.2 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at Fair value through profit and loss ("FVTPL"), transaction costs are added to, or subtracted from, this amount.

2.1.1.3 Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either amortised cost or FVTPL or Fair Value through Other Comprehensive Income ("FVOCI").

2.1.2 Financial assets and liabilities

2.1.2.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Company measures bank balances, loans, and other financial investments at amortised cost if the financial asset is held within a business model with the objective to hold financial assets in order 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 ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

2.1.2.1.1 Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity'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 those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

2.1.2.1.2 The SPPI test

As a second step of its classification process the Company assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

2.1.2.2 Financial assets or financial liabilities held for trading

The Company classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit making. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes. Interest and dividend income or expense is recorded in net gain on fair value changes according to the terms of the contract, or when the right to payment has been established.

2.1.2.3 Equity instruments at FVOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in Other Comprehensive Income ("OCI"). Equity instruments at FVOCI are not subject to an impairment assessment.

2.1.2.4 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Company's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

2.1.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

2.1.4 Derecognition of financial assets and liabilities

2.1.4.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes unless they are deemed to pass through OCI. When assessing whether or not to derecognise a loan to a customer, amongst others, the Company considers the following factors: Change in counterparty. If the modification is such that the instrument would no longer meet the SPPI criterion. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

2.1.4.2 Derecognition of financial assets other than due to substantial modification

A financial asset is derecognised when the rights to receive cash flows from the financial asset have expired. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

A transfer only qualifies for derecognition if either, the Company has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. Control is considered 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 and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

In case when transfer of a part of financial asset qualifies for derecognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is derecognised as a gain or loss on decrease of such financial asset.

2.1.4.3 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially 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.

Offsetting of financial instruments

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

2.1.5 Impairment of financial assets

2.1.5.1 Overview of the ECL principles

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3:

Loans considered credit-impaired. The Company records an allowance for the LTECLs.

Staging rules set have been applied to the product categories to bucket them into either Stage 1, Stage 2 or Stage 3.

Stages	Days past dues	ECL
Stage 1	Up to 30 days	12 month ECL
Stage 2	31 up to 90 days	Lifetime ECL
Stage 3	90 days and above	Lifetime ECL

In addition to days past due, the Company also considers other qualitative factors in determining significant increase in credit risks since origination.

2.1.5.2 The calculation of ECLs

The Company calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The key elements of the ECL are summarised below:

PD:

The *Probability of Default* is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD:

The *Exposure at Default* is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

LGD:

The *Loss Given Default* is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value

The mechanics of the ECL method are summarised below:

Stage 1:

The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Significant increase in credit risk

The Company monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12mECLs.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment including forward-looking information.

Stage 3:

For loans considered credit-impaired, the Company recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and a back-stop if amounts are overdue for 90 days or more.

Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

Forward looking information

In its ECL models, the Company relies on a broad range of forward-looking information as economic inputs. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments.

Estimates and associated assumptions applied in preparing the financial statements, especially for the expected credit loss on advances, are based on historical experience and other emerging/ forward looking factors including those arising on account of the COVID-19 pandemic. The Company has used early indicators of moratorium and delayed payment metrics observed along with an estimation of potential stress on probability of defaults and exposure at default due to COVID-19 situation in developing the estimates and assumptions to assess the expected credit loss on loans.

2.1.5.3 Write-off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is 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 subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

2.1.6 Financial Guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

2.2 Recognition of Interest Income

2.2.1 The effective interest rate method

Interest income is recorded using the effective interest rate ("EIR") method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

2.2.2 Interest Income

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

2.2.3 Fees and commission Income

Fees and commission Income include fees other than those that are an integral part of EIR. The fees included in this part of the Company's statement of profit or loss include among other things fees charged for servicing a loan including cheque bounce charges, field visit charges, pre-closure charges etc when there is no uncertainty on ultimate collection.

2.2.4 Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

2.3 Leases

The Company's Right-of-Use ("ROU") assets consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a 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 of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and low value leases. The Company applies the short-term lease recognition exemption to its short-term leases of buildings (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 payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

2.4 Employee benefits

Post-employment benefits and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, 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. Remeasurement of actuarial gains and losses is reflected immediately 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 retained earnings and is not reclassified to profit or loss. Past service costs are recognised in profit or loss on the earlier of:

(i) The date of the plan amendment or curtailment, and

(ii) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate 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);
- interest expense; and
- remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of leave encashment and other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date. The Company records the leave encashment liability based on actuarial valuation computed using projected unit credit method.

Share-based payments

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Company are measured at the fair value of the equity instruments granted.

For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Company and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in Employee Stock Options Reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

2.5 Taxes

Income tax expense represents the sum of the current tax and deferred tax.

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. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

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. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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 re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

2.6 Property, plant and equipment ("PP&E") and intangible assets

PP&E is stated at cost excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates. Depreciation on the following categories of PP&E (other than Freehold Land) has been provided on the straight-line method, the useful lives of which have been assessed as under, based on technical assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Particulars	Estimated Life	Life as per Schedule II
Office Equipment	3 years	5 years
Servers (under office equipment)	3 years	6 years
Furniture and Fixtures	3 years	10 years
Vehicles	3 years	8 years
Leasehold improvements	Primary lease period or 3 years, whichever is lower	Not applicable

Freehold Land is not depreciated, but is subjected to impairment assessment. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Intangible Assets

The Company's intangible assets represent computer software.

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any, and are amortised over their estimated useful life on the straight-line basis over a 3-year period or the license period whichever is lower.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition 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.

2.7 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken in to account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.8 Provisions

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.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

2.9 Assets held for Sale

Assets acquired by the Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. These assets are recognised on obtaining physical possession of the assets which are in the nature of residential properties. In accordance with Ind AS 105, the assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

2.10 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

2.10.1 Cash and cash equivalents

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

2.11 Earnings per share ("EPS")

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate (Refer Note 19(b)). Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

2.12 Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Company's performance based on an analysis of various performance indicators by business segments and geographic segments.

As per the requirements of Ind AS 108 'Operating Segments', based on evaluation of financial information for allocation of resources and assessing performance, the Company has identified a single segment, viz. "providing long term housing finance, loans against property and refinance loans". Accordingly, there are no separate reportable segments as per Ind AS 108.

2.13 Determination of Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- **Level 1 financial instruments –**Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- **Level 2 financial instruments–**Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.
- **Level 3 financial instruments –**Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

3A Significant accounting judgements, 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 period

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

3A 1. De-recognition of Financial instruments

The Company enters into securitisation transactions where financial assets are transferred to a structured entity for a consideration. The financial assets transferred qualify for derecognition only when substantial risk and rewards are transferred.

This assessment includes judgements reflecting all relevant evidence including the past performance of the assets transferred and credit risk that the Company has been exposed to. Based on this assessment, the Company believes that the credit enhancement provided pursuant to the transfer of financial assets under securitisation are higher than the loss incurred on the similar portfolios of the Company hence it has been concluded that securitisation transactions entered by the Company does not qualify for de-recognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

3A 2. 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 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 considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Fair value note in accounting policy.

3A 3. 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 estimates include:

- 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 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 temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

3A 4. Provisions and other contingent liabilities

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 judgement is required to conclude on these estimates.

Recent Accounting Development

On March 23, 2022, the ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

- Ind AS 101- First time adoption of Ind AS
- Ind AS 103- Business Combination
- Ind AS 109- Financial Instrument
- Ind AS 16- Property, Plant and Equipment
- Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets
- Ind AS 41-Agriculture

Application of above standards are not expected to have any significant impact on the company's financial statement.

4 Cash and cash equivalents

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	256.88	156.28
Balances with banks - In current accounts	4,208.80	29,498.36
Balances with banks - In deposit accounts - Original maturity less than 3 months	35,146.62	11,102.86
	39,612.30	**40,757.50**

5 Bank Balances other than cash and cash equivalents

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
In deposit accounts - Original maturity more than 3 months	2,713.93	108.29
Fixed deposit earmarked *	796.40	861.16
	3,510.33	**969.45**

* Fixed deposit earmarked for securitisation of INR 233.89 lakhs (March 31, 2021: INR 298.66 lakhs) and guarantee for NHB Refinance of INR 562.50 lakhs (March 31, 2021: INR 562.50 lakhs)

6 Loans

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Term Loans carried at amortised cost	4,44,534.60	3,44,428.15
Total Term loans (gross)	**4,44,534.60**	**3,44,428.15**
Less: Impairment loss allowance	(3,479.86)	(1,293.15)
Total Term loans (net)	**4,41,054.74**	**3,43,135.00**

Notes:

(i) All term loans are originated in India

(ii) Term Loans include an amount of Rs. 500.00 lakhs (March 31, 2021 - Rs. 1,800.00 lakhs) given to Subsidiary. The loan is secured by book debts of Subsidiary.

(iii) Term Loans (other than (ii) above) are secured by deposit of original title deeds of immovable properties with the Company and/or registered mortgage of title deeds.

(iv) The Company has securitised certain term loans and managed servicing of such loan accounts. The balance outstanding in the pool, as at the reporting date is Rs. Nil (March 31, 2021: Rs. 55.54 lakhs). The carrying value of these assets have been de-recognised in the books of the Company.

(v) There are no outstanding loan to Public Institution.

(vi) Term loans do not include any loans given to employees of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

6.1 Summary of changes in the gross carrying amount and the corresponding ECL allowances in relation to term loans:

6.1.1 Reconciliation of gross carrying amount is given below:

Rs. In Lakhs

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross Carrying amount opening balance	3,07,871.63	34,088.46	2,468.06	3,44,428.15	1,88,878.69	80,942.04	5,041.67	2,74,862.40
New assets originated / Increase in existing assets	1,59,487.79	474.09	185.63	1,60,147.51	1,15,205.05	-	-	1,15,205.05
Exposure de-recognised / matured / repaid / bad debts written off	(53,191.56)	(5,388.44)	(1,461.05)	(60,041.05)	(38,476.46)	(6,338.08)	(824.76)	(45,639.30)
Transfer to Stage 1	9,536.42	(9,252.46)	(283.96)	-	61,839.66	(61,467.50)	(372.16)	-
Transfer to Stage 2	(19,741.09)	19,776.62	(35.53)	-	(19,225.55)	21,297.43	(2,071.88)	-
Transfer to Stage 3	(1,561.18)	(2,631.20)	4,192.38	-	(349.76)	(345.43)	695.19	-
Gross carrying amount closing balance	**4,02,402.01**	**37,067.07**	**5,065.53**	**4,44,534.61**	**3,07,871.63**	**34,088.46**	**2,468.06**	**3,44,428.15**

Note:

The contractual amount outstanding on loans (including interest) that have been written off during the financial year, but were still subject to recovery activities was Rs. 891.59 lakhs (Rs. Nil for March 31, 2021).

The Company, in the normal course collects the dues by cheques / mandates and where there is a default, the Company generally takes reasonable steps such as issuance of demand notice and initiates arbitration or in the alternative proceeds under SARFAESI Act, where the immovable property is offered as a collateral security for recovery of overdue principal and interest in respect of such loans.

6.1.2 Reconciliation of ECL on term loans is given below:

Rs. In Lakhs

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	394.96	205.07	693.12	1,293.15	121.56	91.42	582.04	795.02
New assets originated / Increase in existing assets	946.25	769.44	1,182.10	2,897.79	203.50	60.23	403.73	667.46
Exposure de-recognised / matured / repaid	(92.22)	(57.41)	(561.45)	(711.08)	(12.07)	(6.67)	(205.46)	(224.20)
Transfer to Stage 1	111.96	(38.58)	(73.38)	-	87.20	(69.74)	(17.46)	-
Transfer to Stage 2	(28.55)	31.37	(2.82)	-	(13.46)	140.74	(127.28)	-
Transfer to Stage 3	(2.20)	(44.13)	46.33	-	(0.24)	(0.38)	0.62	-
Impact on account of exposures transferred during the year between stages	-	-	-	-	8.47	(10.53)	56.93	54.87
ECL allowance - closing balance	**1,330.20**	**865.76**	**1,283.90**	**3,479.86**	**394.96**	**205.07**	**693.12**	**1,293.15**

7 Investments

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
At fair value through profit and loss		
Quoted: Investment in Mutual Funds	10,165.19	5,275.22
At amortised cost		
Investment in Subsidiary 10,08,00,000 Equity shares (March 31, 2021 - 10,08,00,000 Equity shares) of Face Value Rs. 10 each fully paid up"	15,286.06	15,190.84
	25,451.25	**20,466.06**

The investment in subsidiary includes fair value of the corporate guarantee given to Aptus Finance India Private Limited amounting to Rs. 238.07 lakhs (March 31, 2021 - Rs. 142.84 lakhs).

8 Other Financial assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Considered Good, Unsecured - At Amortised Cost		
Security deposits	548.93	264.08
Loans and advances to employees	0.60	0.28
Accrued Income	1,394.70	118.60
Receivable on securitised assets	-	5.08
Ex-gratia receivable	-	602.70
	1,944.23	**990.74**

9 Deferred tax assets (Net)

Rs. in lakhs

Components of deferred tax asset / (liability)	As at April 01, 2021	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2022
<u>Tax effect of items constituting deferred tax assets:</u>				
Provision for leave encashment, gratuity and other employee benefits	81.36	18.17	0.94	100.47
Impairment Loss Allowance	392.35	617.74	-	1,010.09
Difference between written down value of PPE and intangible assets as per books and as per Section 32 of Income-tax Act, 1961	127.18	(1.65)	-	125.53
Deferred processing fee relating to loans	1,372.34	(68.02)	-	1,304.32
Others	13.42	(1.60)	-	11.82
Tax effect of items constituting deferred tax assets	**1,986.65**	**564.64**	**0.94**	**2,552.23**

Rs. in lakhs

Components of deferred tax asset / (liability)	As at April 01, 2021	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2022
Tax effect of items constituting deferred tax (liabilities):				
On Provision for doubtful advances allowed under section 36(1)(viia) of Income-tax Act, 1961	(221.09)	(62.86)	-	(283.95)
Deferred processing fee relating to debt securities and borrowings other than debt securities	(275.55)	54.05	-	(221.52)
Tax effect of items constituting deferred tax (liabilities)	**(496.64)**	**(8.81)**	**-**	**(505.47)**
Net deferred tax assets / (liabilities)	**1,490.01**	**555.83**	**0.94**	**2,046.76**

Rs. in lakhs

Components of deferred tax asset / (liability)	As at April 01, 2020	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2021
Tax effect of items constituting deferred tax assets:				
Provision for leave encashment, gratuity and other employee benefits	60.66	16.91	3.79	81.36
Impairment Loss Allowance	232.26	160.09	-	392.35
Difference between written down value of PPE and intangible assets as per books and as per Section 32 of Income-tax Act, 1961	114.44	12.74	-	127.18
Deferred processing fee relating to loans	1,022.03	350.30	-	1,372.34
Others	10.98	2.43	-	13.42
Tax effect of items constituting deferred tax assets	**1,440.37**	**542.47**	**3.79**	**1,986.65**
Tax effect of items constituting deferred tax (liabilities):				
On Special Reserve created under section 36(1)(viii) of the Income-tax Act, 1961	-	-	-	-
On Provision for doubtful advances allowed under section 36(1)(viia) of Income-tax Act, 1961	(120.25)	(100.84)	-	(221.09)
Deferred processing fee relating to debt securities and borrowings other than debt securities	(230.57)	(44.98)	-	(275.55)
Tax effect of items constituting deferred tax (liabilities)	**(350.82)**	**(145.82)**	**-**	**(496.64)**
Net deferred tax assets / (liabilities)	**1,089.55**	**396.65**	**3.79**	**1,490.01**

10

10A Property, plant and equipment

Rs. in lakhs

Particulars		As at March 31, 2022	As at March 31, 2021
Carrying amounts of :			
a)	Freehold Land	64.57	64.57
b)	Leasehold improvements	24.49	49.73
c)	Furniture and fixtures	14.24	13.40
d)	Vehicles	121.93	-
e)	Office Equipments	114.52	120.47
		339.75	**248.17**

Rs. in lakhs

Particulars	Freehold Land	Leasehold improvements	Furniture and fixtures	Vehicles	Office Equipments	Total
Gross Carrying Value						
Balance at April 1, 2020	64.57	237.08	96.18	60.45	440.55	898.83
Additions during the year	-	21.65	10.32	-	61.05	93.02
Balance at March 31, 2021	**64.57**	**258.73**	**106.50**	**60.45**	**501.60**	**991.85**
Additions during the year	-	9.50	25.26	137.93	95.02	267.71
Disposals	-	-	-	(61.85)	-	(61.85)
Balance at March 31, 2022	**64.57**	**268.23**	**131.76**	**136.53**	**596.62**	**1,197.71**
Accumulated depreciation						
Balance at April 1, 2020	-	164.79	75.05	60.27	272.00	572.11
Depreciation expense for the year	-	44.21	18.05	0.18	109.13	171.57
Balance at March 31, 2021	**-**	**209.00**	**93.10**	**60.45**	**381.13**	**743.68**
Depreciation expense for the year	-	34.74	24.43	16.00	100.97	176.13
Elimination on disposals of assets	-	-	-	(61.85)	-	(61.85)
Balance at March 31, 2022	**-**	**243.74**	**117.53**	**14.60**	**482.10**	**857.96**
Net book value						
Balance at March 31, 2022	**64.57**	**24.49**	**14.24**	**121.93**	**114.52**	**339.75**
Balance at March 31, 2021	**64.57**	**49.73**	**13.40**	**-**	**120.47**	**248.17**

Note:

(i) Freehold Land with a carrying value of Rs. 64.57 lakhs (March 31, 2021 - Rs. 64.57 lakhs) has been hypothecated to secure Non-convertible debentures issued by the Company.

10B Intangible assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amounts of :		
a) Computer software	61.65	26.78
	61.65	**26.78**

Rs. in lakhs

Particulars	Computer software	Total
Gross Carrying Value		
Balance at April 1, 2020	292.33	292.33
Additions during the year	34.57	34.57
Balance at March 31, 2021	**326.90**	**326.90**
Additions during the year	82.32	82.32
Balance at March 31, 2022	**409.22**	**409.22**
Accumulated amortisation		
Balance at April 1, 2020	256.98	256.98
Amortisation expense for the year	43.14	43.14
Balance at March 31, 2021	**300.12**	**300.12**
Amortisation expense for the year	47.45	47.45
Balance at March 31, 2022	**347.57**	**347.57**
Net book value		
Balance at March 31, 2022	**61.65**	**61.65**
Balance at March 31, 2021	**26.78**	**26.78**

10C Right-of-use assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amounts of :		
a) Leased buildings (Refer Note 44)	795.12	680.69
	795.12	**680.69**

Rs. in lakhs

Particulars	Leased buildings	Total
Gross Carrying Value		
Balance at April 1, 2020	926.42	926.42
Additions during the year	385.41	385.41
Balance at March 31, 2021	**1,311.83**	**1,311.83**
Additions during the year	552.05	552.05
Balance at March 31, 2022	**1,863.88**	**1,863.88**
Accumulated depreciation		
Balance at April 1, 2020	278.77	278.77
Depreciation expense for the year	352.37	352.37
Balance at March 31, 2021	**631.14**	**631.14**
Depreciation expense for the year	437.61	437.61
Balance at March 31, 2022	**1,068.75**	**1,068.75**
Net book value		
Balance at March 31, 2022	**795.12**	**795.12**
Balance at March 31, 2021	**680.69**	**680.69**

10D Depreciation and Amortisation expense

Rs. in lakhs

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, plant and equipment	10A	176.13	171.57
Amortisation on intangible assets	10B	47.45	43.14
Depreciation on right-of-use assets	10C	437.61	352.37
Total		**661.19**	**567.08**

11 Other non-financial assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Considered Good, Unsecured		
Capital advances	8.57	20.85
Prepaid expenses	60.38	45.09
Other advances	11.11	94.20
	80.06	160.14

12 Assets held for sale

Particulars	As at March 31, 2022	As at March 31, 2021
Gross Carrying amount	208.72	-
Less: ECL Provisions	(52.18)	-
Net Carrying amount	156.54	-

13 Debt Securities

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Redeemable Non-Convertible Debentures - At Amortised cost (Within India)	38,211.45	38,144.13
	38,211.45	**38,144.13**

(a) Details of Secured Redeemable Non-Convertible Debentures ("NCDs") - Redeemable at par:

No of Debentures	Rate of Interest	Due date of redemption	Face Value	Balance Outstanding	
				As at March 31, 2022	As at March 31, 2021
			Rs.	Rs. in lakhs	Rs. in lakhs
33,20,000	10.00%	May 15, 2023	100	3,435.18	3,424.85
33,20,000	9.35%	May 15, 2023	100	3,426.27	3,415.34
33,30,000	9.80%	May 15, 2023	100	3,441.75	3,430.29
5,000	10.00%	June 20, 2025	100,000	4,985.83	4,981.44
12,500	10.00%	August 20, 2025	100,000	12,462.74	12,451.75
1,01,00,000	10.36%	November 3, 2025	100	10,459.68	10,440.46
				38,211.45	**38,144.13**

(i) Redeemable Non-Convertible Debentures are secured by hypothecation of specified term loans amounting to Rs. 44,398.06 as at March 31, 2022 (As at March 31, 2021 - Rs. 44,814.28 lakhs) and specified immovable property amounting to Rs. 64.57 lakhs as at March 31, 2022 (March 31, 2021 - Rs. 64.57 lakhs).

(ii) The Company has not defaulted in the repayment of borrowings and interest during any of the years presented.

(iii) NCDs are repayable as bullet payments on the due date of redemption.

14 Borrowings (Other than Debt Securities)

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Secured - At Amortised cost (Within India)		
Term loans		
Scheduled banks	1,02,153.46	1,14,695.40
Other Financial Institutions	87,602.46	57,720.37
Securitisation Loans	933.48	2,676.99
Working Capital Loans	4,991.14	3,500.00
	1,95,680.54	**1,78,592.76**

(a) Terms of repayment and tenure of term loans are as follows:

Rs. in lakhs

Rate of Interest	Tenure	Balance Outstanding	
		As at March 31, 2022	As at March 31, 2021
5.05%	1 year	7,500.00	3,209.80
6.00%-7.00%	5-7 years	1,930.01	1,778.87
7.00%-8.00%		25,978.77	44,850.02
8.00%-9.00%		44,549.33	16,461.65
9.00%-10.00%		-	207.89
5.85%-6.00%	7-10 years	-	41,980.43
6.00%-7.00%		74,535.59	2,826.00
7.00%-8.00%		-	330.63
8.00%-9.00%		29,653.70	41,685.93
9.00%-10.00%		-	11,782.72
6.90%-7.00%	> 10 years	5,566.88	7,152.23
8.00%-9.00%		-	149.60
Total		**189,755.92**	**172,415.77**

(b) Terms of repayment and tenure of securitisation loans are as follows:

Rs. in lakhs

Rate of Interest	Tenure	Balance Outstanding	
		As at March 31, 2022	As at March 31, 2021
10.00%-11.00%	5- 7 years	933.48	2,676.99
Total		**933.48**	**2,676.99**

(i) Term loans from scheduled banks and other financial institutions are secured by hypothecation of specified term loans amounting to Rs. 2,23,502.26 lakhs as at March 31, 2022 (March 31, 2021 - Rs. 2,09,368.66 lakhs).

(ii) The Company has not defaulted in the repayment of borrowings and interest during any of the years presented.

(iii) Term Loans from other financial institution (National Housing Bank) aggregating to Rs. Nil (March 31, 2021 - Rs. 9,295.50 lakhs) has been guaranteed by the promoter Mr. M Anandan.

(iv) Working Capital loans have been availed at Interest rate of 7.15%-8.80% p.a and are secured by hypothecation of specified term loans amounting to Rs. 7,716.17 lakhs as at March 31, 2022 (March 31, 2021 - Rs. 4,029.25 lakhs).

(v) The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

(vi) The Company has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/ statements are in agreement with books of accounts.

15 Other financial liabilities

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
At Amortised Cost		
Advances from customers	79.70	38.02
Remittances Payable - Securitised Assets	-	22.31
Accrued employee benefits	831.50	568.25
Financial guarantee liability	119.38	77.70
Other payables	1,134.66	592.61
	2,165.24	**1,298.89**

16 Current tax liabilities (Net)

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax (net) (Refer note (i) below)	344.13	343.30
	344.13	**343.30**
(i) Net of advance tax of	27,771.99	18,401.42

17 Provisions

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer Note 31)		
Provision for gratuity	183.15	164.24
Provision for leave encashment	216.04	159.02
Provisions for Undrawn commitments	3.89	6.92
	403.08	**330.18**

17.1 Loan commitment

17.1.1 An analysis of changes in the gross carrying amount is as follows

Rs. In lakhs | Rs. In lakhs

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure	10,270.28	78.72	4.00	10,353.00	3,493.69	1,555.84	1.00	5,050.53
New exposure	8,849.81	8.00		8,857.81	10,128.97	-	-	10,128.97
Exposure derecognised or matured/lapsed (excluding write off)	(10,074.88)	(235.04)	(43.09)	(10,353.01)	(4,491.29)	(334.21)	(1.00)	(4,826.50)
Transfers to Stage 1	33.51	(33.51)	-	-	1,324.34	(1,324.34)	-	-
Transfers to Stage 2	(194.33)	194.33	-	-	(185.43)	185.43	-	-
Transfers to Stage 3	(34.59)	(4.50)	39.09	-	-	(4.00)	4.00	-
Gross carrying amount closing balance	**8,849.80**	**8.00**	**-**	**8,857.80**	**10,270.28**	**78.72**	**4.00**	**10,353.00**

17.1.2 Reconciliation of ECL balance is given below:

Rs. In lakhs | Rs. In lakhs

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure	5.68	0.91	0.33	6.92	1.34	10.03	0.05	11.42
New exposure	3.66	0.23		3.89	5.63	-	-	5.63
Exposure derecognised or matured/lapsed (excluding write off)	(5.76)	(0.68)	(0.48)	(6.92)	(9.51)	(0.88)	0.26	(10.13)
Transfers to Stage 1	0.50	(0.50)	-	-	8.45	(8.45)	-	-
Transfers to Stage 2	(0.34)	0.34		-	(0.23)	0.23	-	-
Transfers to Stage 3	(0.09)	(0.06)	0.15	-	-	(0.02)	0.02	-
Gross carrying amount closing balance	**3.65**	**0.24**	**-**	**3.89**	**5.68**	**0.91**	**0.33**	**6.92**

18 Other non-financial liabilities

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues	306.72	218.07
Deferred Income	77.64	37.64
	384.36	**255.71**

19 Equity Share capital

Rs. in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
(i) Authorised share capital				
Equity shares of Rs. 2 each	53,00,00,000	10,600.00	53,00,00,000	10,600.00
(ii) Issued and Subscribed share capital				
Equity shares of Rs. 2 each - Fully paid-up	49,69,18,095	9,938.36	47,39,16,290	9,478.33
Equity shares of Rs. 2 each - Partly paid-up	-	-	75,00,000	15.00
	49,69,18,095	**9,938.36**	**48,14,16,290**	**9,493.33**

Notes:

a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening Balance	Fresh issue	Conversion of partly paid into fully paid (Note (c))	ESOP	Closing Balance
Equity shares					
Year ended March 31, 2022					
- Number of shares	48,14,16,290	1,41,64,305	75,00,000	13,37,500	49,69,18,095
- Amount (Rs. in lakhs)	9,493	283.29	135.00	26.74	9,938.36
Year ended March 31, 2021					
- Number of shares	47,93,16,290	-	-	21,00,000	48,14,16,290
- Amount (Rs. in lakhs)	9,451.33	-	-	42.00	9,493.33

(b) The Partly Paid-up Shares were made fully paid up on May 5, 2021, pursuant to a resolution of the board of directors of our Company dated May 5, 2021 for the first and final call for the balance amount of Rs. 525.03 per equity share of face value of Rs. 10 each being made on the Partly Paid-up Shares. Further, please note that pursuant to a resolution of the board of directors of our Company passed in their meeting held on May 5, 2021 and a resolution of the shareholders of our Company passed in their extraordinary general meeting held on May 6, 2021, each fully paid up equity share of our Company of face value Rs. 10 was split into 5 Equity Shares of face value Rs. 2 each, and accordingly, 9,62,83,258 equity shares of our Company of face value Rs. 10 each were split into 48,14,16,290 Equity Shares of face value Rs. 2 each.

(c) The Company had completed an Initial Public Offer ("IPO") of 7,87,55,000 equity shares of face value of Rs 2 each, at an issue price of Rs 353 per equity share, comprising of offer for sale of 6,45,90,695 equity shares by selling shareholders and fresh issue of 1,41,64,305 shares by the Company. The equity shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 24th August 2021.

The details of utilisation of the net IPO proceeds of Rs.47,978.96 lakhs (net of share issue expenses of Rs.2,021.03 lakhs inclusive of GST), is as follows;

(Rs. In Lakhs)

Objects of the issue	IPO Proceeds (net)	Utilisation during the year	Un-utilisation balance as at March 31, 2022
Augmenting tier I Capital	47,978.96	47,978.96	-

(d) During the current year, the Company has allotted 11,50,000 and 1,87,500 equity shares to eligible employees under Employee Stock Option Scheme 2015 at exercise price of INR 15 and INR 26 per equity share respectively.

(e) Terms/rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 2 each. Each holder is entitled to one vote per equity share. Dividends proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Class of shares / Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
M Anandan	9,61,64,165	19.35%	9,61,64,165	19.98%
Padma Anandan	2,25,00,000	4.53%	2,50,00,000	5.19%
Westbridge Cross Over Fund LLC	17,17,29,755	34.56%	17,17,29,755	35.67%
JIH II LLC	1,34,75,485	2.71%	4,18,54,620	8.69%

Note: There are no shares held by Holding / Ultimate holding company and / or their subsidiaries / associates.

(g) Details of shareholding of Promoters

Name of the promoter	As at March 31, 2022			As at March 31, 2021		
	No of shares	% of total shares	% change during the current year	No of shares	% of total shares	% change during the current year
M Anandan	9,61,64,165	19.35%	0.63%	9,61,64,165	19.98%	0.08%
Padma Anandan	2,25,00,000	4.53%	0.66%	2,50,00,000	5.19%	(0.03)%
Westbridge Cross Over Fund LLC	17,17,29,755	34.56%	1.11%	17,17,29,755	35.67%	(0.16)%
Total	**29,03,93,920**	**58.44%**	**2.40%**	**29,28,93,920**	**60.84%**	**(0.11)%**

(h) Shares reserved for issue under options:

Refer Note 41 for details of shares reserved for issue under options.

20 Other Equity

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	1,72,126.46	1,16,276.43
Employee Stock Options Reserve	437.70	72.86
Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987	2,985.22	1,885.20
Special Reserve under 36(1)(viii) of Income-tax Act, 1961	18,297.28	13,233.29
Impairment Reserve	610.36	610.36
Retained earnings	72,227.46	47,568.61
Remeasurement gain / (loss) on defined benefit plan	(33.28)	(30.47)
	2,66,651.20	**1,79,616.28**

20.1 Movement in Other Equity

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Securities premium (Refer Note 20.2.1)		
Balance at the beginning of the year	1,16,276.43	1,15,856.61
Add : Premium on ESOP exercised during the year	194.50	314.25
Add : Premium on fresh issuance of equity shares pursuant to initial public offerings ('IPO') during the year	49,716.71	-
Add : Premium on partly paid equity share converted into fully paid equity shares during the year	7,740.45	-
Add : Transfer from Employee Stock Options Reserve on ESOP exercised during the year	72.86	105.57
Less : Share issue expenses pursuant to initial public offerings ('IPO') during the year	(1,874.49)	-
Balance at the end of the year	**1,72,126.46**	**1,16,276.43**
(b) Employee Stock Options Reserve (Refer Note 20.2.2 & Note 41)		
Balance at the beginning of the year	72.86	173.81
Add: Share based payments to employees during the year	437.70	4.62
Less: Transfer to Securities Premium on options exercised during the year	(72.86)	(105.57)
Balance at the end of the year	**437.70**	**72.86**
(c) Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987 (Refer Note 20.2.3)		
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of NHB Act, 1987	1,885.20	1,058.38
b) Amount of special reserve u/s 36(1)(viii) of Income-tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	13,233.29	9,705.26
Addition/Appropriation/withdrawal during the year		
Add: a) Amount transferred u/s 29C of NHB Act, 1987	1,100.02	826.82
b) Amount of special reserve u/s 36(1)(viii) of Income-tax Act, 1961 taken into account for the purposes of Statutory reserve u/s 29C of the NHB Act, 1987	5,063.99	3,528.03

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from special reserve u/s 36(1)(viii) of Income-tax Act, 1961 taken into account for the purposes of provision u/s 29 C of NHB Act 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of NHB Act, 1987	2,985.22	1,885.20
b) Amount of special reserve u/s 36(1)(viii) of Income-tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	18,297.28	13,233.29
	21,282.50	**15,118.49**
(d) Impairment Reserve (Refer Note 20.2.4 & Note 42)		
Balance at the beginning of the year	610.36	-
Add: Transfer from retained earnings during the year	-	610.36
Balance at the end of the year	**610.36**	**610.36**
(e) Retained Earnings (Refer Note 20.2.5)		
Balance at the beginning of the year	47,568.61	30,748.34
Add: Profit for the year	30,822.86	21,785.48
Less: Transfer to Special reserve u/s 36(1)(viii) of Income-tax Act, 1961 (Refer Note 20.2.3)	(5,063.99)	(3,528.03)
Less: Transfer to Special reserve u/s 29C of the NHB Act, 1987 (Refer Note 20.2.3)	(1,100.02)	(826.82)
Less: Transfer to Impairment reserve (Refer Note 20.2.4)	-	(610.36)
Balance at the end of the year	**72,227.46**	**47,568.61**
(f) Remeasurement gain / (loss) on defined benefit plan		
Balance at the beginning of the year	(30.47)	(19.22)
Other Comprehensive Income for the year	(2.81)	(11.25)
Balance at the end of the year	(33.28)	(30.47)
Total	**2,66,651.20**	**1,79,616.28**

20.2 Nature and purpose of reserves:

20.2.1 Securities premium

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013. During the year ended March 31, 2022, Securities premium was utilised to the extent of Rs. 1,874.49 lakhs on account of expenses incurred for the issue of Equity shares, in line with Section 52 of the Companies Act 2013.

20.2.2 Employee Stock Options Reserve

The amount represents reserve created to the extent of granted options based on the Employees Stock Option Schemes. Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service. Also refer note 40.

20.2.3 Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987

As per Section 29C(1) of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit after tax every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer. During the year ended March 31, 2022, the company has transferred Rs. 5,063.99 lakhs (March 31, 2021 - Rs. 3,528.03 lakhs) in terms of section 36(1)(viii) to the Special Reserve.

The Company has transferred an amount of Rs. 1,100.02 lakhs during the year ended March 31, 2022 (March 31, 2021 - Rs. 826.82 lakhs) to Statutory Reserve u/s 29C of the National Housing Bank Act, 1987. Total amount clearly earmarked for the purposes of Statutory Reserve u/s 29C is Rs. 21,282.50 lakhs (March 31, 2021 - Rs. 15,118.49 lakhs) out of which Rs. 2,985.22 lakhs (March 31, 2021 - Rs. 1,885.20 lakhs) is distinctly identifiable above and the balance of Rs. 18,297.28 lakhs (March 31, 2021 - Rs. 13,233.29 lakhs) is included in the Special Reserve created u/s 36(1)(viii) of the Income-tax Act, 1961.

The Company has resolved not to make withdrawals from the Special reserve created under Section 36(1)(viii) of the Income-tax Act, 1961.

20.2.4 Impairment Reserve

In terms of the requirement as per RBI notification no. RBI/2020-21/100 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February 2021, Housing Finance Companies (HFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). Accordingly, the Company has transferred such shortfall amount to Impairment Reserve. No withdrawal from the reserve is permitted without prior permission from the Department of Supervision, RBI.

20.2.5 Retained earnings

Retained earnings are the profits that the Company has earned till date less any transfer to statutory reserves, general reserves and dividend distributed to shareholders.

No final dividend has been proposed during the year and further no interim dividend is declared and paid by the Company during the year.

21 Revenue from operations

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Interest Income		
On financials assets measured at amortised cost		
Interest on term loans	64,908.06	50,969.19
Interest on fixed deposits with Banks	1,026.15	1,439.21
	65,934.21	**52,408.40**
(B) Net gain on fair value changes		
Investment in mutual funds measured at FVTPL - trading portfolio		
Realised	491.17	51.88
Unrealised	41.64	23.34
	532.81	**75.22**
(C) Fees and commission Income	**1,429.81**	**982.54**
	67,896.83	**53,466.16**

22 Other income

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Charges for Marketing / Display	2,267.25	1,641.60
Other Non Operating Income	124.02	46.47
	2,391.27	**1,688.07**

23 Finance costs

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on Financial liabilities measured at amortised cost		
- Debt Securities	3,828.99	5,726.56
- Borrowings (Other than Debt Securities)	14,013.57	12,402.02
- Others	77.00	79.63
	17,919.56	**18,208.21**

24 Employee benefits expense

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Bonus and Commission	7,047.36	6,696.84
Share based payments to employees (Refer Note 41)	437.70	4.62
Contributions to provident and other funds (Refer Note 31.1)	610.26	491.30
Gratuity expense (Refer Note 31.2)	34.04	30.46
Staff welfare expenses	236.95	170.29
	8,366.31	**7,393.51**
Less: Expenses recovered from subsidiary (Refer Note 30)	(960.74)	(852.85)
	7,405.57	**6,540.66**

25 Impairment on Financial Instruments

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expected Credit Loss Expense		
- On terms loans measured at amortised cost	2,457.48	498.12
- On undrawn commitment at amortised cost	(3.03)	(4.50)
Bad Debts Write off	479.16	-
	2,933.61	**493.62**

26 Other expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs and maintenance		
- Computers	24.73	22.77
- Others	0.84	4.17
Insurance	5.43	7.09

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Information Technology expenses	55.77	49.04
Rates and taxes	202.34	192.58
Communication costs	123.11	112.17
Travelling and conveyance	284.75	213.22
Office expenses	96.27	99.22
Printing and stationery	52.17	49.24
Commission to Directors	52.50	52.50
Sitting fees to non-whole time directors	23.40	8.70
Charges paid to rating agencies	61.13	75.46
Electricity Charges	28.39	26.74
Bank charges	67.44	33.13
Advertisement and publicity	21.62	7.59
Legal and professional charges	151.75	140.28
Auditor's fees and expenses (Refer Note 26.2)	46.70	41.85
Corporate Social Responsibility Expenditure (Refer Note 38)	417.54	302.56
Miscellaneous expenses	13.85	21.94
	1,729.73	**1,460.25**

26.1 The above expenses are net of expenses recovered from Subsidiary amounting to Rs. 438.60 lakhs (March 31, 2021 - Rs. 172.15 lakhs).

26.2 Details of Auditor's fees and expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Audit fee	25.00	22.00
Tax audit fee	3.00	1.00
Limited Review	10.00	6.00
Others	8.45	12.60
Reimbursement of expenses	0.25	0.25
	46.70	**41.85**

27 Tax expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax expense	9,371.41	6,524.32
Tax relating to previous years	-	(28.74)
Deferred tax charge / (credit)	(555.83)	(396.65)
	8,815.58	**6,098.93**

Reconciliation of Effective tax rate

The income tax expense for the year can be reconciled to the accounting profit/ (loss) as follows:

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Profit before tax	39,638.44	27,884.41
(B) Enacted tax rates in India (including surcharge and cess)	25.17%	25.17%
(C) Income tax on profit before tax based on the enacted rate	9,976.20	7,017.95
(D) Other than temporary differences		
- Effect of inadmissible expenses	139.45	116.10
- Effect of admissible deductions	(1,442.96)	(1,010.16)
- Others	142.89	3.78
(E) Income tax expense recognised in Profit and Loss	**8,815.58**	**6,127.67**

The income tax rate used for the above reconciliations are the corporate tax rate payable by the Company in India on taxable profits under the Income-tax Act, 1961.

The Company had elected to exercise the option of a lower tax rate provided under Section 115BAA of the Income tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2022 and March 31, 2021 basis the rate provided in the said section.

28.1 Contingent liabilities as per Ind AS 37 and commitments

i) Matters wherein management has concluded the Company's liability to be probable have accordingly been provided for in the books. Also refer note 17.

ii) Matters wherein management has concluded the Company's liability to be possible have accordingly been disclosed under Note 28.2 Contingent liabilities below.

iii) Matters wherein management is confident of succeeding in these litigations and have concluded the Company's liability to be remote. This is based on the relevant facts of judicial precedents and as advised by legal counsel which involves various legal proceedings and claims, in different stages of process.

28.2 Contingent Liabilities

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Corporate undertakings for securitisation of receivables for which the outflow would arise in the event of a shortfall, if any, in the cashflows of the pool of the securitised receivables. (Refer note (i) below)	-	55.54

Note:

(i) In respect of these undertakings, management does not believe, based on currently available information, that the maximum outflow that could arise, will have a material adverse effect on the Company's financial condition. This securitisation deal is closed during the FY2021-22.

The Company does not have any pending litigations which would impact its financial position.

28.3 Commitments

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans sanctioned to Borrowers pending disbursement	13,997.00	14,255.26
	13,997.00	**14,255.26**

29A Micro, Small and Medium Enterprises

Based on the extent of information available with the Management, there are no transactions with Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) during the year ended March 31, 2022 and March 31, 2021. This has been relied upon by the Auditors.

29B Trade Payable Ageing details;

Rs. in lakhs

31-Mar-22	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed - MSME	-	-	-	-	-
(ii) Undisputed - Others	494.24	-	-	-	494.21
(iii) Disputed Dues - MSME	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-
Total	**494.24**	**-**	**-**	**-**	**494.21**

Rs. in lakhs

31-Mar-21	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed - MSME	-	-	-	-	140.91
(ii) Undisputed - Others	140.91	-	-	-	-
(iii) Disputed Dues - MSME	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-
Total	**140.91**	**-**	**-**	**-**	**140.91**

30 Sharing of Costs

The Company and its subsidiary share certain costs / service charges. These costs have been recovered by the Company from its subsidiary on a basis mutually agreed by both the entities, which has been relied upon by the Auditors.

Disclosures under Accounting Standards

31 Employee benefit plans

31.1 Defined contribution plans

The Company makes Provident Fund contributions for qualifying employees to the Regional Provident Fund Commissioner. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 469.04 lakhs (March 31, 2021 - Rs. 369.19 lakhs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to the scheme by the Company are at rates specified in the rules of the scheme.

31.2 Defined benefit plans

The Company provides for gratuity, a defined benefit plan (the "gratuity plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee's last drawn salary and years of employment with the Company. The Company does not have a funded gratuity scheme for its employees.

The Company is exposed to various risks in providing the above gratuity benefit such as: interest rate risk, longetivity risk and salary risk.

Interest risk: A decrease in the bond interest rate will increase the plan liability.

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

Salary escalation risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Gratuity provision has been made based on the actuarial valuation done as at the year end using the Projected Unit Credit method. The details of actuarial valuation as provided by the Independent Actuary is as follows:

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Change in defined benefit obligations during the year		
Present value of obligation as at beginning of the year	**164.24**	**126.64**
Current service cost	31.07	23.99
Interest cost	7.31	6.47
Benefits paid	(23.22)	(7.90)
Actuarial (gains) / losses	3.75	15.04
Present value of obligation at end of the year	**183.15**	**164.24**
Change in Fair value of assets during the year		
Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actual Company Contributions	-	-
Actuarial (gains) / losses	-	-
Plan Assets at the end of the year	-	-
Liability recognized in the Balance Sheet		
Present value of obligation	183.15	164.24
Fair value of Plan Assets	-	-
Net Liability recognized in the Balance Sheet	**183.15**	**164.24**

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenses Recognised in the Statement of Profit and Loss:		
Current service cost	31.07	23.99
Net Interest on Net Defined Benefit Obligations	7.31	6.47
Past service cost	-	-
Expenses recognized in the statement of profit and loss	**38.38**	**30.46**
Amount Recognized for the current year in the Statement of Other Comprehensive Income [OCI]		
Actuarial (gain)/loss on Plan Obligations	3.75	15.04
Difference between Actual Return and Interest Income on Plan Assets-(gain)/loss	-	-
Amount recognized in OCI for the current year	**3.75**	**15.04**

Actual return on Plan Assets

The key assumptions used in the actuarial valuation as provided by independent actuary are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate	5.15%	4.79%
Future Salary Increase	5.00%	5.00%
Attrition rate	8% to 46%	8% to 46%
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

Notes:

1. The estimate of the future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.
3. Experience adjustments

Sensitivity analysis

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

The following table summarizes the impact on defined benefit obligation arising due to increase / decrease in key actuarial assumptions by 50 basis points:

As at March 31, 2022

Defined Benefit Obligation	Discount rate	Salary increase rate
Impact of decrease	3.33	(3.47)
Impact of increase	(3.20)	3.58

As at March 31, 2021

Defined Benefit Obligation	Discount rate	Salary increase rate
Impact of decrease	3.15	(3.25)
Impact of increase	(3.03)	3.35

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of-the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Additional disclosures required under Ind AS 19

Particulars	As at March 31, 2022	As at March 31, 2021
Average Duration of Defined Benefit Obligations (in years)	4.60	4.60
Projected undiscounted expected benefit outgo (mid year cash flows) (in Rs. lakhs)		
Year 1	48.04	41.70
Year 2	29.68	23.24
Year 3	27.51	24.25
Year 4	21.13	21.60
Year 5	17.28	16.07
Year 6 to 10	61.60	56.86
Expected Benefit Payments for the next annual reporting year (Rs. In lakhs)	48.04	41.70

31.3 Leave encashment

The key assumptions used in the actuarial valuation as provided by independent actuary are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate	5.15%	4.79%
Future Salary Increase	5.00%	5.00%

31.4 The date on which the Code on Social Security, 2020 (the "Code') relating to employee benefits shall become effective is yet to be notified and the related rules are yet to be finalized. The Company will evaluate the code and its rules, assess the impact, if any, and account for the same when they become effective.

32 Segment Reporting:

The Chairman and Managing Director of the Company takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be Chief Operating Decision Maker ("CODM")

The Company operates under the principal business segment viz. ""providing long term housing finance, loans against property and refinance loans"". CODM views and monitors the operating results of its single business segment for the purpose of making decisions about resource allocation and performance assessment. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the consolidated financial statements. The Company's operations are predominantly confined in India.

33 Earnings and Expenditure in foreign currency - Rs. Nil (March 31, 2021: Rs. Nil)

34 Related party transactions

34.1 Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. M Anandan, Chairman & Managing Director
	Mr. P Balaji, ED & Chief Financial Officer
	Mr. Sanin Panicker, Company Secretary (from August 11, 2020)
	Ms. Jyoti Suresh Munot, Company Secretary (up to August 10, 2020)
Directors	Mr. Shailesh J Mehta, Non-executive Director
	Mr. K M Mohandass, Independent Director
	Mr. S Krishnamurthy, Independent Director
	Mr. Krishnamurthy Vijayan, Independent Director
	Mr. K P Balaraj, Nominee Director
	Mr. Suman Bollina, Non-executive Director
	Mr. Sumir Chadha, Nominee Director
	Ms. Mona Kachhwaha, Independent Director (from May 05, 2021)
	Mr. V G Kannan, Independent Director (from March 09, 2021)
Individuals having Significant Influence	Mr. M Anandan, Chairman & Managing Director
Entities having Significant Influence	Westbridge Cross Over Fund LLC
Subsidiary	Aptus Finance India Private Limited

Note: Related party relationships are as identified by the Management and relied upon by the Auditors.

34.2 Details of related party transactions for the year

Rs. in lakhs

Transactions during the year	Names of related parties	For the year ended March 31, 2022	For the year ended March 31, 2021
Remuneration *	Mr. M Anandan		
	- Salary	600.00	400.20
	- Commission	400.00	200.00
	- Others	0.82	0.92
Director commission and sitting fee	Mr. Shailesh J Mehta		
	- Commission	7.50	7.50
	- Sitting fee	2.95	1.20
Director commission and sitting fee	Mr. K M Mohandass		
	- Commission	7.50	7.50
	- Sitting fee	4.35	2.70
Director commission and sitting fee	Mr. S Krishnamurthy		
	- Commission	7.50	7.50
	- Sitting fee	5.40	2.70
Director commission and sitting fee	Mr. Krishnamurthy Vijayan		
	- Commission	7.50	7.50
	- Sitting fee	3.75	1.00
Director commission and sitting fee	Mr. Suman Bollina		
	- Commission	7.50	7.50

Rs. in lakhs

Transactions during the year	Names of related parties	For the year ended March 31, 2022	For the year ended March 31, 2021
	- Sitting fee	2.10	0.60
Director commission and sitting fee	Ms. Mona Kachhwaha		
	- Commission	7.50	7.50
	- Sitting fee	2.50	0.50
Director commission and sitting fee	Mr. V G Kannan		
	- Commission	7.50	7.50
	- Sitting fee	2.25	-

Details of related party transactions for the year

Rs. in lakhs

Transactions during the year	Names of related parties	For the year ended March 31, 2022	For the year ended March 31, 2021
Remuneration *	Mr. P Balaji		
	- Salary	116.62	95.79
Remuneration *	Mr. Sanin Panicker		
	- Salary	12.32	9.10
Remuneration *	Ms. Jyoti Suresh Munot		
	- Salary	-	0.59
Rent paid	Mr. M Anandan	8.02	7.64
Proceeds from conversion of partly paid-up shares into fully paid-up shares	Mr. M Anandan	7,875.45	-
Support cost recovered	Aptus Finance India Private Limited	1,300.15	1,025.00
Investment during the year #	Aptus Finance India Private Limited	95.23	52.55
Loans given during the year	Aptus Finance India Private Limited	14,800.00	9,000.00
Loans repaid during the year	Aptus Finance India Private Limited	16,100.00	12,300.00
Corporate guarantee given for Borrowings taken by the Subsidiary	Aptus Finance India Private Limited	18,500.00	11,500.00
Interest Income on Loan to Subsidiary	Aptus Finance India Private Limited	558.44	504.62
Commission on Financial Guarantee	Aptus Finance India Private Limited	53.55	38.25

Rs. in lakhs

Balances as at year end	Names of related parties	As at March 31, 2022	As at March 31, 2021
Personal guarantee given for Borrowings taken by the Company	Mr. M Anandan	-	9,295.50
Investment#	Aptus Finance India Private Limited	15,286.06	15,190.84
Loans outstanding	Aptus Finance India Private Limited	500.00	1,800.00
Corporate guarantee given for Borrowings taken by the Subsidiary and outstanding	Aptus Finance India Private Limited	27,929.95	21,675.40

Note:

* As the future liabilities of gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to key managerial personnel is not separately ascertainable and therefore not included above.

Includes Investment in subsidiary arising out of financial guarantee obligations.

35 Financial Instruments

35.1 Capital management

The Company actively manages its capital to meet regulatory norms and current and future business needs, considering the risks in its businesses, expectations of rating agencies, shareholders and investors, and the available options of raising capital. Its capital management framework is administered by the risk committee of Company. During the current year, there has been no change in objectives, policies or processes for managing capital.

The Company is subject to the capital adequacy requirements of the National Housing Bank ('NHB') / Reserve Bank of India ('RBI'). As per the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, the Company is required to maintain a minimum ratio of total capital to risk adjusted assets as determined by a specified formula, at least half of which must be Tier 1 capital, which is generally shareholders' equity.

The Company has complied with all regulatory requirements related to regulatory capital and capital adequacy ratios as prescribed by NHB / RBI.

The company sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities.

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

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Tier I Capital	2,73,188.20	1,86,138.43
Tier II Capital	711.87	(376.22)
Total Capital	**2,73,900.07**	**1,85,762.21**
Risk Weighted assets	**3,19,928.65**	**2,52,280.98**
Capital Adequacy Ratio	85.61%	73.63%
Tier I Capital %	85.39%	73.78%
Tier II Capital %	0.22%	-0.15%

Note: As of March 31, 2021, Tier II Capital includes general provisions and loss reserves on Stage I assets of Rs. 394.95 Lakhs reduced by first loss credit enahancement of Rs. 771.70 Lakhs on securitized assets, resulting in negative Tier II Capital of Rs. 376.22 Lakhs.

Below is the further break up of the Tier I and Tier II Capital as at March 31, 2022 and March 31, 2021:

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Tier I Capital :		
Paid up Equity share capital	9,938.36	9,493.33
Special Reserve (Section 36(1)(viii) Income Tax Act, 1961	18,297.28	13,233.29
Statutory Reserve Us.29C of the NHB Act, 1987	2,985.22	1,885.20
Share premium	1,72,126.46	1,16,276.43
Credit balance in Profit and Loss Account	72,194.18	47,538.14
ESOP Reserve	437.70	-
Deferred Revenue Expenditure	(60.38)	-
Deferred Tax Assets	(2,046.76)	(1,490.01)
Other Intangible Assets	(61.65)	(26.78)
50% of First loss guarantee given on securitised assets	(622.21)	(771.17)
Net Tier I Capital	**2,73,188.20**	**1,86,138.43**
Tier II Capital :		
General provisions and loss reserves (including provisions for standard assets)	1,334.08	394.95
50% of First loss guarantee given on securitised assets	(622.21)	(771.17)
Net Tier II Capital	**711.87**	**(376.22)**
Total Capital	**2,73,900.07**	**1,85,762.21**

35.2 Categories of Financial Instruments

Rs. in lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Measured at			Measured at		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Cash and Cash equivalents	-	-	39,612.30	-	-	40,757.50
Bank Balance other than cash and cash equivalents	-	-	3,510.33	-	-	969.45
Loans	-	-	4,41,054.74	-	-	3,43,135.00
Investments	10,165.19	-	15,286.06	5,275.22	-	15,190.84
Other Financial assets	-	-	1,944.23	-	-	990.74
Total Financial Assets	**10,165.19**	**-**	**5,01,407.66**	**5,275.22**	**-**	**4,01,043.53**
Financial liabilities						
Debt securities	-	-	38,211.45	-	-	38,144.13
Borrowings (other than debt securities)	-	-	1,95,680.54	-	-	1,78,592.76
Trade payables	-	-	494.24	-	-	140.91
Lease liabilities			780.13			709.05
Other financial liabilities	-	-	2,165.24	-	-	1,298.89
Total Financial liabilities	**-**	**-**	**2,37,331.60**	**-**	**-**	**2,18,885.74**

35.3 Fair Value Measurements

Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value disclosure are required in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

(a) Fair Value of financial instruments recognised and measured at fair value

Rs. in lakhs

Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2022				
Financial assets				
Investments	10,165.19	-	-	10,165.19

Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2021				
Financial assets				
Investments	5,275.22	-	-	5,275.22

(b) Fair value of financial instruments not measured at fair value

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables and other financial liabilities without a specific maturity. Such amounts have been classified as Level 3 except for cash and cash equivalents and bank balances other than cash and cash equivalents which have been classified as Level 1.

Loans

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Where such information is not available, the Company uses historical experience and other information used in its collective impairment models.

Fair values of lending portfolios are calculated using a portfolio-based approach. The Company then calculates and extrapolates the fair value to the entire portfolio, using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults

Debt securities & Borrowings other than debt securities

The fair values of Debt Securities and Borrowings other than Debt securities are estimated by discounted cash flow models that incorporate interest cost estimates considering all significant characteristics of the borrowing. They are classified as Level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

Rs. in lakhs

Particulars	As at March 31, 2022					As at March 31, 2021				
	Carrying Value	Fair Value hierarchy				Carrying Value	Fair Value hierarchy			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Financial assets										
Cash and cash equivalents	39,612.30	39,612.30	-	-	39,612.30	40,757.50	40,757.50	-	-	40,757.50
Bank Balance other than cash and cash equivalents	3,510.33	3,510.33	-	-	3,510.33	969.45	969.45	-	-	969.45
Loans	4,41,054.74	-	-	4,44,465.85	4,44,465.85	3,43,135.00	-	-	3,50,607.67	3,50,607.67
Investments	25,451.25	10,165.19	-	15,286.06	25,451.25	20,466.06	5,275.22	-	15,190.84	20,466.06
Other Financial assets	1,944.23	-	-	1,944.23	1,944.23	990.74	-	-	990.74	990.74
Total Financial Assets	**5,11,572.85**	**53,287.82**	**-**	**4,61,696.14**	**5,14,983.96**	**4,06,318.75**	**47,002.17**	**-**	**3,66,789.25**	**4,13,791.42**
Financial liabilities										
Trade Payables	494.24	-	-	494.24	494.24	140.91	-	-	140.91	140.91
Debt Securities	38,211.45	-	-	37,811.63	37,811.63	38,144.13	-	-	37,811.63	37,811.63
Borrowings (Other than Debt Securities)	1,95,680.54	-	-	1,95,217.51	1,95,217.51	1,78,592.76	-	-	1,80,115.74	1,80,115.74
Lease Liabilities	780.13	-	-	780.13	780.13	709.05	-	-	709.05	709.05
Other financial liabilities	2,165.24	-	-	2,165.24	2,165.24	1,298.89	-	-	1,298.89	1,298.89
Total Financial Liabilities	**2,37,331.60**	**-**	**-**	**2,36,468.75**	**2,36,468.75**	**2,18,885.74**	**-**	**-**	**2,20,076.22**	**2,20,076.22**

35.4 Market risk management

Market Risk is the risk of loss in on-balance sheet and off-balance sheet positions arising from movements in market place, in particular, changes in interest rates, exchange rates and equity. In line with the regulatory requirements, the Company has in place a Board approved Market Risk Management and Asset Liability Management ("ALM") policy in place. The Policy provides the framework for assessing market risk, in particular, tracking of events happening in market place, changes in policies / guidelines of government and regulators, exchange rate movement, equity market movements, money market movements etc.

35.5 Interest rate risk management

Interest rate risk is managed through ALM policy framed by the Company. The ALM policy is administered through the ALCO (Asset Liability Management Committee) which monitors the following on a monthly basis:

- Borrowing cost of the Company as on a particular date
- Interest rate scenario existing in the market
- Gap in cash flows at the prevalent interest rates
- Effect of Interest rate changes on the Gap in the cash flows
- Fixing appropriate interest rate to be charged to the customer based on the above factors

Interest rate sensitivity analysis

The sensitivity analysis has been determined for borrowings where interest rates are variable, assuming the amount outstanding at the end of the reporting year was outstanding for the whole year. A 50 basis points increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Rs. in lakhs

Sensitivity analysis as at March 31, 2022	Carrying value	Fair value	Sensitivity to fair value	
			0.50% increase	0.50% decrease
Loans	4,41,054.74	4,44,465.85	4,37,262.79	4,51,873.04
Debt Securities	38,211.45	37,811.63	37,149.71	37,791.62
Borrowings (Other than Debt Securities)	1,95,680.54	1,95,217.51	1,92,646.11	1,97,866.09

Sensitivity analysis as at March 31, 2021	Carrying value	Fair value	Sensitivity to fair value	
			0.50% increase	0.50% decrease
Loans	3,43,135.00	3,50,607.67	3,44,607.25	3,56,789.33
Debt Securities	38,144.13	37,811.63	37,346.44	38,284.12
Borrowings (Other than Debt Securities)	1,78,592.76	1,80,115.74	1,77,771.68	1,82,503.35

35.6 Credit risk

Credit risk in the Company arises due to default by customers on their contractual obligations which results to financial losses. Credit Risk is a major risk in the Company and the Company's asset base comprises loans for affordable housing and loans against property. Credit Risk in the Company stems from outright default due to inability or unwillingness of a customer to meet commitments in relation to lending, settlement and other financial transactions. The essence of credit risk assessment in the Company pivots around the early assessment of stress, either in a portfolio or an account, and taking appropriate measures.

35.6.1 Credit risk management

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 Credit Risk Management Committee in the Company for the review of the policies, process and products on an ongoing basis, with approval secured from the Board as and when required. There is a robust Credit Risk Management set-up in the Company at various levels.

1. 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.
2. The credit sanction is done through a delegation matrix where credit sanctioning powers are defined for respective levels.
3. Portfolio analysis and reporting is used to identify and manage credit quality and concentration risks.
4. 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.

35.6.2 Significant increase in credit risk

The Company monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Company measures the loss allowance based on lifetime rather than Stage 1 (12-month) Expected Credit Loss (ECL). Pending the adoption of scoring models to assess the change in credit status at an account level and at portfolio level, the Company has adopted SICR (Significant Increase in Credit risk) criteria based on Days Past Due (DPD). The following table lists the staging criteria used in the Company: Staging Criterion

Stage-1: 0 up to 30 days past due

Stage-2: 31 up to 90 days past due

Stage-3: 90 and above days past due

Stage 2 follows the rebuttable presumption stated in Ind AS 109, that credit risk has increased significantly since initial recognition no later than when contractual payments are more than 30 days past due.

The Company also considers other qualitative factors and repayment history and considers guidance issued by the Institute of Chartered accountants of India (ICAI) for staging of advances to which moratorium benefit has been extended under the COVID regulatory package issued by RBI and as approved by the Board.

35.6.3 Measurement of ECL

The key inputs used for measuring ECL on term loans issued by the Company are:

Probability of default (PD): The PD is an estimate of the likelihood of default over a given time horizon (12 Month). It is estimated as at a point in time. To compute Expected Credit Loss (ECL) the portfolio is segregated into 3 stages viz. Stage 1, Stage 2 and Stage 3 on the basis of Days Past Dues. The Company uses 12 month PD for the stage 1 borrowers and lifetime PD for stage 2 and 3 to compute the ECL.

Loss given default (LGD): LGD is an estimation of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from eligible collateral.

Exposure at default (EAD): EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date including expected drawdowns on committed facilities.

Probability of Default

To arrive at Probability of Default, 'Vintage Analysis' was done considering monthly defaults of borrower since origination.

The analysis considered Monthly Default Rates starting from inception until the end of observation period i.e. March 2021 to calculate default rates for each vintage month. Cumulative PD was calculated from the marginal PDs for each vintage month. Simple Average and Weighted Average PD was computed for each Month on Book (MOB) period starting from MOB 0 until MOB "n" (end of observation period). The Company has used Simple average to eliminate the bias that can be possible due to weighted average effect.

Loss Given Default

LGD was calculated using First time NPA (FTN) date and recovery data for each of these FTN dates. FTN date was taken from inception until the latest period. For each pool, recovery data was mapped to the subsequent months until current period from the respective default month i.e. recovery data was retrieved and plotted against the flow of month i.e. Months on Book MOB 0, MOB 1, MOB 2, MOB 3 till MOB (n) against each default month. Considering time value of money, recoveries in each month was discounted to arrive at the value as of FTN date. Average

Interest Rates charged for each disbursement year was used as the Effective Interest Rates (EIR) for the loans.

Marginal Recovery rates was computed for each month as Discounted Recovery amount for a given month divided by the total outstanding amount for the given FTN date. Cumulative recovery rates were computed for each FTN date and LGD for corresponding FTN date was computed by using the formula (1- Recovery Rate). Weighted average LGD was computed for the entire observation period, weights being the total outstanding amount for each FTN date.

Exposure at Default :

EAD is the total outstanding balance at the reporting date including principal and accrued interests at the reporting date. EAD calculation for all portfolios is as under:

Stage 1 Assets:

• [(The total outstanding balance drawn) + (Undrawn Portion*CCF undrawn)].

Stage 2 Assets:

• [(The total outstanding balance drawn) + (Undrawn Portion*CCF undrawn)].

Stage 3 Assets:

• [(The total outstanding balance drawn) + (Undrawn Portion*CCF undrawn)].

Credit Conversion Factor (CCF) for undrawn portion has been taken at 100% based on historical experience and other information available with the Company.

The Company measures ECL as the product of PD , LGD and EAD estimates for its Ind AS 109 specified financial obligations.

Credit Risk Concentrations

In order to manage concentration risk, the Company, considering the regulatory limits, focuses on maintaining a diversified portfolio across housing loans and loans against property. An analysis of the Company's credit risk concentrations is provided in the following tables which represent gross carrying amounts of each class.

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans (at amortised cost) - Gross amount		
Concentration by products		
Housing Loans	2,73,891.92	2,06,848.94
Loans against property (including Loans subordinated as Credit Enhancements for assets de-recognised)	1,70,642.68	1,37,579.21
Total Advances	**4,44,534.60**	**3,44,428.15**

35.6.4 The tables below analyse the movement of the loss allowance during the year per class of assets.

Rs. in lakhs

Loss allowance on Loans at amortised cost	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at March 31, 2022	1,330.20	865.76	1,283.90	3,479.86
Loss allowance as at March 31, 2021	394.96	205.07	693.12	1,293.15
Movement for the year ended March 31, 2022	935.24	660.69	590.78	2,186.71

The table below provides an analysis of the gross carrying amount of Loans by past due status.

Rs. in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Gross carrying	Loss allowance	Gross carrying	Loss allowance
Loans				
0 DPD	3,95,987.58	1,299.97	2,73,973.81	343.04
1 up to 30 days	6,414.43	30.23	33,897.82	51.92
31 up to 90 days	37,067.07	865.76	34,088.46	205.07
90 days and above	5,065.53	1,283.90	2,468.06	693.12
Total	**4,44,534.61**	**3,479.86**	**3,44,428.15**	**1,293.15**

Note:

The count of borrowers for 90 days and above is 634 as at March 31, 2022 (March 31, 2021 count of borrowers is 314)

35.6.5 Collateral held as security and other credit enhancements

The Company holds collateral or other credit enhancements to mitigate credit risk associated with financial assets. The main types of collateral and the types of assets which are associated are listed in the table below.

Particulars	Type of Collateral held
Housing Loans	Mortgage of the immovable property
Loan Against Properties	Mortgage of the immovable property

Although collateral can be an important mitigation of credit risk, it is the Company's practice to lend on the basis of the customer's ability to meet the obligations out of cash flow resources other than placing primary reliance on collateral and other credit risk enhancements.

The Company obtains first and exclusive charge on all collateral that it obtains for the loans given. The loans are secured by collateral at the time of origination. The value of the property at the time of origination will be arrived by obtaining two valuation reports from in-house valuers.

Immovable Property is the collateral for Housing and non-housing loans. Security Interest in favour of the Company is created by Mortgage through deposit of title deeds

The Company does not obtain any other form of credit enhancement other than the above. All the Company's term loans are secured by way of tangible Collateral.

Any surplus remaining after settlement of outstanding debt by way of sale of collateral is returned to the customer / borrower.

35.6.6 Offsetting financial assets and financial liabilities

The Company has not recognised any financial asset or liability on a net basis.

35.6.7 Financial Guarantee

The Company has issued Corporate Guarantees of Rs. 27,929.95 lakhs (March 31, 2021 -Rs. 21,675.40 lakhs) to Banks and external lenders on behalf of the subsidiary - Aptus Finance India Private Limited. Based on the financial performance of the subsidiary, the Company does not expect the guarantee liability to devolve on the Company.

35.7 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 approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the its reputation.

Exposure to liquidity risk

The Company manages and measures liquidity risk as per its ALM policy and the ALCO (Asset Liability Management Committee of the Company) is responsible for managing the liquidity risk. The Company not only measures its current liquidity position on an ongoing basis but also forecasts how liquidity position may emerge under different assumptions. The liquidity position is tracked through maturity or cash flow mismatches across buckets spanning all maturities.

35.7.1 Following are the contractual maturities of financial liability/financial assets at the reporting date. Loans, debt securities and borrowings include estimated interest receipts / payments.

Rs. in lakhs

As at March 31, 2022	1 day to 30/31 days (One Month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Financial assets											
Cash and cash equivalents	22,021.40	17,723.61	-	-	-	-	-	-	-	-	39,745.01
Bank Balance other than cash and cash equivalents	-	2,612.64	-	-	233.90	815.70	-	-	-	-	3,662.24
Loans	12,146.64	7,985.03	7,992.71	23,930.99	47,740.40	1,88,883.31	1,80,994.58	1,68,168.65	1,72,022.12	64,693.93	8,74,558.35
Investments	10,165.19	-	-	-	-	-	-	-	-	15,286.06	25,451.25
Other Financial assets	1,695.30	-	-	-	-	248.93	-	-	-	-	1,944.23
Total (A)	**46,028.53**	**28,321.28**	**7,992.71**	**23,930.99**	**47,974.30**	**1,89,947.94**	**1,80,994.58**	**1,68,168.65**	**1,72,022.12**	**79,979.99**	**9,45,361.08**
Financial liabilities											
Trade payables	494.24	-	-	-	-	-	-	-	-	-	494.24
Debt securities	143.84	1,147.91	143.84	441.10	1,355.66	30,635.80	11,143.49	-	-	-	45,011.62
Borrowings (other than debt securities)	2,269.12	1,697.16	17,752.67	12,604.63	23,500.50	80,567.13	54,529.67	23,281.56	21,528.47	-	2,37,730.93
Lease liabilities	42.30	41.93	40.06	116.75	200.70	419.11	20.02	5.50	-	-	886.37
Other financial liabilities	2,165.24	-	-	-	-	-	-	-	-	-	2,165.24
Total (B)	**5,114.74**	**2,887.01**	**17,936.56**	**13,162.48**	**25,056.85**	**1,11,622.04**	**65,693.19**	**23,287.06**	**21,528.47**	**-**	**2,86,288.40**
Net Financial Assets / Liabilities (A-B)	**40,913.79**	**25,434.28**	**(9,943.85)**	**10,768.51**	**22,917.45**	**78,325.90**	**1,15,301.39**	**1,44,881.58**	**1,50,493.65**	**79,979.99**	**6,59,072.68**

As on March 31, 2021	1 day to 30/31 days (One Month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 to 7 years	Over 7 to 10 years	Over 10 years	Total
Financial assets											
Cash and cash equivalents	39,207.70	1,557.43	-	-	-	-	-	-	-	-	40,765.13
Bank Balance other than cash and cash equivalents	-	-	-	-	99.34	258.02	773.44	-	-	-	1,130.80
Loans	6,219.07	6,260.86	6,301.73	18,805.05	37,540.17	1,49,742.64	1,40,704.52	1,29,867.15	140,776.79	67,094.02	7,03,312.00
Investments	5,275.22	-	-	-	-	-	-	-	-	15,190.84	20,466.06
Other Financial assets	726.66	-	-	-	-	264.08	-	-	-	-	990.74
Total (A)	**51,428.65**	**7,818.29**	**6,301.73**	**18,805.05**	**37,639.51**	**1,50,264.74**	**1,41,477.96**	**1,29,867.15**	**1,40,776.79**	**82,284.86**	**7,66,664.73**
Financial liabilities											
Trade payables	140.91	-	-	-	-	-	-	-	-	-	140.91
Debt securities	143.84	1,150.56	143.84	441.10	1,883.14	33,354.34	12,195.59	-	-	-	49,312.41
Borrowings (other than debt securities)	2,465.55	1,907.05	4,434.93	14,706.81	26,655.70	80,944.61	54,175.06	23,135.98	13,826.89	-	2.22,252.58
Lease liabilities	36.61	36.61	36.35	104.42	182.46	364.09	33.28	11.09	1.64	-	806.55
Other financial liabilities	1,298.89	-	-	-	-	-	-	-	-	-	1,298.89
Total (B)	**4,085.80**	**3,094.22**	**4,615.12**	**15,252.33**	**28,721.30**	**1,14,663.04**	**66,403.93**	**23,147.07**	**13,828.53**	**-**	**2,73,811.34**
Net Financial Assets / Liabilities (A-B)	**47,342.85**	**4,724.07**	**1,686.61**	**3,552.72**	**8,918.21**	**35,601.70**	**75,074.03**	**1,06,720.08**	**1,26,948.26**	**82,284.86**	**4,92,853.39**

35.8 Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The Company recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

36 Earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year after considering the share split mentioned in Note 19(b).

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares after considering the share split mentioned in Note 19(b).

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit After Tax (A)	30,822.86	21,785.48
Weighted Average Number of Equity Shares (Face Value Rs. 2 Each) - Basic (B)	49,05,58,122	48,00,06,701
Add: Effect of dilutive potential equity shares		
- Employee stock options	28,06,581	9,62,830
Weighted Average Number of Equity Shares (Face Value Rs. 2 Each) - Diluted (C)	**49,33,64,703**	**48,09,69,531**
Earnings Per Share - Basic (Rs.) (not annualised) (A / B)	**6.28**	**4.54**
Earnings Per Share - Diluted (Rs.) (not annualised) (A / C)	**6.25**	**4.53**

37 Disclosure pursuant to Schedule V Of Clause A.2 Regulation 53(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Rs. in lakhs

Particulars	Amount outstanding	Maximum amount outstanding during the year
As at March 31, 2022		
Loans and Advances in the nature of Loans to Subsidiary		
Aptus Finance India Private Limited		
- Principal outstanding	500.00	13,300.00
- Interest accrued but not due	-	253.41
As at March 31, 2021		
Loans and Advances in the nature of Loans to Subsidiary		
Aptus Finance India Private Limited		
- Principal outstanding	1,800.00	7,000.00
- Interest accrued but not due	-	145.81

38 Corporate Social Responsibility expenditure:

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Amount required to be spent by the company during the year	418.00	302.56
b) Amount of expenditure incurred	200.18	111.64
c) Shortfall at the end of the year *	217.82	190.92
d) total of previous years shortfall	Nil	Nil
e) reason for shortfall **		
f) Nature of CSR activities	Promoting Healthcare and Education	Promoting Healthcare and Education
g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Nil	Nil
e) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	Nil

* The Company has provided for the shortfall in CSR expenditure as at March 31, 2022 and March 31, 2021.

** The Company was unable to identify suitable CSR initiatives in alignment with the initiatives already undertaken by the Company, the business of the Company and the areas in which it operates.

(i) CSR projects undertaken by the Company falling under the definition of "On-going Projects" are given below. The Company has transferred Unspent amount on such projects within a period of 30 days from the end of the financial year FY2021-22 to a separate special bank account. There were no ongoing projects during the FY 2020-21.

Rs. in Lakhs

Project Name	Unspent Amount transferred to Bank
Construction of classrooms for Government Girl's Hr. Sec.School, Ayyapakkam, Chennai	21.07
Construction of class rooms, bathrooms and purchase of furniture for Vijnana Bharathi School of Bharateeya Vidya Kendram , Arakuvalley, Vizag	6.65
Early Detection of Development Deficiency in small children	22.2
Total	**49.92**

(ii) The Unspent amount apart from ongoing projects mentioned above amounting to INR 167.90 lakhs is required to be transferred to any of the funds mentioned in the Schedule VII of the Companies Act, 2013 within six months from the end of the financial year March 31, 2022. The Company has transferred amount of INR 190.92 lakhs pertaining to shortfall at the end of FY2020-21 within six months from the end of March 31, 2021 to the schedule VII funds.

(iii) There is no amount required to be contributed to specified fund u/s 135 (6) by the Company.

39 Transferred financial assets that are not derecognised in their entirety

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

The company has Securitised certain loans, however the company has not transferred substantially all risks and rewards, hence these assets have not been de-recognised.

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of transferred assets measured at amortised cost	3,843.41	3,843.41
Carrying amount of associated liabilities measured at amortised cost	933.48	2,676.99
Fair value of assets	3,882.23	3,882.23
Fair value of associated liabilities	933.48	2,676.99
Net position at Fair Value	2,948.75	1,205.24

40 Maturity analysis of assets and liabilities

Rs. in lakhs

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and cash equivalents	39,612.30	-	39,612.30	40,757.50	-	40,757.50
Bank balances other than (a) above	2,836.80	673.53	3,510.33	93.70	875.75	969.45
Loans	30,234.61	4,10,820.14	441,054.74	22,125.06	3,21,009.94	3,43,135.00
Investments	10,165.19	15,286.06	25,451.25	5,275.22	15,190.84	20,466.06
Other financial assets	1,695.30	248.93	1,944.23	726.66	264.08	990.74
Non-financial Assets						
Deferred tax assets (net)	-	2,046.76	2,046.76	-	1,490.01	1,490.01
Property, plant and equipment	-	339.75	339.75	-	248.17	248.17
Intangible assets	-	61.65	61.65	-	26.78	26.78
Right-of-use assets	-	795.12	795.12	-	680.69	680.69
Other non-financial assets	80.06	-	80.06	160.14	-	160.14
Assets held for sale	-	156.54	156.54			
TOTAL ASSETS	**84,624.25**	**4,30,428.48**	**5,15,052.74**	**69,138.28**	**3,39,786.26**	**4,08,924.54**
LIABILITIES						
Financial Liabilities						
Trade payables	494.24	-	494.24	140.91	-	140.91
Debt securities	790.76	37,420.69	38,211.45	784.66	37,359.47	38,144.13
Borrowings (other than debt securities)	45,617.56	1,50,062.98	1,95,680.54	37,276.80	1,41,315.96	1,78,592.76
Lease liabilities	397.88	382.25	780.13	349.11	359.94	709.05
Other financial liabilities	2,165.24	-	2,165.24	1,298.89	-	1,298.89
Non-Financial Liabilities						
Current tax liabilities (Net)	344.13	-	344.13	343.30	-	343.30
Provisions	-	403.08	403.08	-	330.18	330.18
Other non-financial liabilities	384.36	-	384.36	255.71	-	255.71
TOTAL LIABILITIES	**50,194.17**	**1,88,269.00**	**2,38,463.17**	**40,449.38**	**1,79,365.55**	**2,19,814.93**
NET ASSETS / (LIABILITIES)	**34,430.09**	**2,42,159.48**	**2,76,589.57**	**28,688.90**	**1,60,420.71**	**1,89,109.61**

41 Share-based payments

Employee share option plan

41.1 Details of the employee share option plan

(a) In the Board Meeting held on February 11, 2021, the Board approved the issue of up to 55,22,500 options under the Scheme titled "Aptus Employees Stock Option Scheme 2021" (hereinafter referred to as Aptus ESOS, 2021).

The Schemes allow the issue of options to employees of the Company. Each option comprises one underlying equity share.

As per the Scheme, the Nomination and Remuneration Committee ("The Committee") grants the options to the employees deemed eligible and also governs the operation of the scheme.

The difference between the fair price of the the options granted on the date of grant of option and the exercise price of the option representing Stock compensation expense is expensed over the vesting period.

(b) Employee stock options details as on the balance sheet date:

Particulars	Aptus ESOS 2021	Grant 7 under Aptus ESOS 2015 *	Grant 8 under Aptus ESOS 2015 *
Date of Grant	May 20, 2021	August 07, 2015	May 17, 2017
Date of Board approval	February 11, 2021	August 07, 2015	May 17, 2017
Date of shareholders approval	May 06, 2021	August 07, 2015	August 07, 2015
Number of options granted	55,22,500	75,00,000	7,50,000
Method of settlement	Equity	Equity	Equity
Vesting period	20.05.2021 to 20.05.2025	31.03.2016 to 31.03.2019	31.03.2018 to 31.03.2021
Manner of vesting	In a graded manner over a 4 year period with 25% of the grants vesting in each year		
Exercise price per option	140.00	15.00	26.00
Price of Underlying share at the time of the Option Grant	140.00	11.25	22.20

* Number of options granted and the exercise price per option has been adjusted on account of share split mention in note 19(b).

(c) Movement in share options during the year are as follows:

Particulars	ESOS 2021	Grant 7 under Aptus ESOS 2015	Grant 8 under Aptus ESOS 2015	Total
Options outstanding as at April 1, 2020	-	28,75,000	5,62,500	34,37,500
Add: Options granted during the year	-	-	-	-
Less: Options forfeited/lapsed during the year	-	-	-	-
Less: Options exercised during the year	-	(17,25,000)	(3,75,000)	(21,00,000)
Options outstanding as at March 31, 2021	-	11,50,000	1,87,500	13,37,500
Add: Options granted during the year	55,22,500	-	-	55,22,500
Less: Options forfeited/lapsed during the year	(1,57,500)	-	-	(1,57,500)
Less: Options exercised during the year	-	(11,50,000)	(1,87,500)	(13,37,500)
Options outstanding as at March 31, 2022	53,65,000	-	-	53,65,000

41.2 Fair value of share options granted

During the current year, 55,22,500 shares were granted under the Aptus ESOS 2021 scheme. The fair value of options have been estimated on the date of the grant using Black-Scholes model by an external firm of registered merchant banker. The key assumptions used in the model for calculating fair value are as below:

Assumptions	Date of grant		
	20-May-21	07-08-15 **	17-05-17 **
Risk Free Interest Rate	4.06% to 5.58%	8.04% to 8.26%	8.04% to 8.26%
Expected Life (in years)	1.5 to 4.5	2.65 to 5.65	3 to 6
Expected Annual Volatility of Shares	13.28% - 14.71%	43.15%	35.99%
Expected Dividend Yield	0%	0%	0%
Price of Underlying share at the time of the Option Grant	140.00	11.25	22.20
Fair Value of the Option (Rs.)			
1st Stage	14.44	2.72	5.93
2nd Stage	20.47	3.44	7.37
3rd Stage	27.30	4.12	8.67
4th Stage	34.64	4.73	9.86

** Price of Underlying share at the time of the Option grant and fair value of the option (Rs.) has been adjusted on account of share split mention in note 19(b).

41.3 Expense arising from share based payment transaction recognized in profit or loss statement as employee benefit expense are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employee benefit expense	437.70	4.62

42 Disclosure pursuant to RBI notification no. RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated October 22, 2020 and RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards

RBI has issued Notification no. RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated October 22, 2020 and RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 in respect of recognition of impairment on financial instruments starting from financial year 2020-21 for Housing Finance Companies. The Company has complied with the requirements of Ind AS and the guidelines and policies approved by the Board in this regard.

Any shortfall in ECL provision compared to the requirements as per IRAC norms are apportioned by the Company to Impairment Reserve at reporting periods. Such balance can be utilised / withdrawn by the Company only with prior permission of the Reserve Bank of India as per the said Circular. The shortfall in ECL provision compared to IRACP requirement as at March 31, 2022 is Rs. Nil (As at March 31, 2021 Rs. 301.53 lakhs). The balance in the impairment reserve as at March 31, 2022 is Rs. 610.36 lakhs (As at March 31, 2021 Rs. 610.36 lakhs) (Refer Note 19.1 and Note 19.2.4).

As at March 31, 2022 | **Rs. in lakhs**

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	4,02,402.00	1,330.19	4,01,071.81	1,262.31	67.89
	Stage 2	37,067.08	865.77	36,201.31	582.57	283.19
	Stage 3	-	-	-	-	-
Subtotal		**4,39,469.08**	**2,195.96**	**4,37,273.12**	**1,844.88**	**351.08**
Non-Performing Assets (NPA)						
Substandard	Stage 3	4,654.78	1,181.21	3,473.57	760.26	420.95
Doubtful - up to 1 year	Stage 3	410.75	102.70	308.05	106.32	(3.62)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**5,065.53**	**1,283.91**	**3,781.62**	**866.58**	**417.33**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**5,065.53**	**1,283.91**	**3,781.62**	**866.58**	**417.33**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	8,849.81	3.66	8,846.15	-	3.66
	Stage 2	8.00	0.23	7.77	-	0.23
	Stage 3	-	-	-	-	-
Subtotal		**8,857.81**	**3.89**	**8,853.92**	**-**	**3.89**
Total	Stage 1	4,11,251.81	1,333.85	4,09,917.95	1,262.31	71.55
	Stage 2	37,075.08	866.00	36,209.08	582.57	283.42
	Stage 3	5,065.53	1,283.91	3,781.62	866.58	417.33
	Total	**4,53,392.41**	**3,483.75**	**4,49,908.66**	**2,711.45**	**772.30**

As at March 31, 2021 Rs. in lakhs

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,07,871.63	394.96	3,07,476.67	997.84	(602.88)
	Stage 2	34,088.46	205.07	33,883.39	116.79	88.28
	Stage 3	-	-	-	-	-
Subtotal		**3,41,960.09**	**600.03**	**3,41,360.06**	**1,114.63**	**(514.60)**
Non-Performing Assets (NPA)						
Substandard	Stage 3	1,502.21	116.51	1,385.70	207.72	(91.21)
Doubtful - up to 1 year	Stage 3	659.05	265.14	393.91	145.60	119.54
1 to 3 years	Stage 3	293.68	296.32	(2.64)	118.50	177.82
More than 3 years	Stage 3	13.12	15.15	(2.03)	15.15	-
Subtotal for doubtful		**2,468.06**	**693.12**	**1,774.94**	**486.97**	**206.15**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**2,468.06**	**693.12**	**1,774.94**	**486.97**	**206.15**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	10,270.29	5.68	10,264.61	-	5.68
	Stage 2	78.71	0.90	77.81	-	0.90
	Stage 3	4.00	0.34	3.66	-	0.34
Subtotal		**10,353.00**	**6.92**	**10,346.08**	**-**	**6.92**
Total	Stage 1	3,18,141.92	400.64	3,17,741.28	997.84	(597.20)
	Stage 2	34,167.17	205.97	33,961.20	116.79	89.18
	Stage 3	2,472.06	693.46	1,778.60	486.97	206.49
	Total	**3,54,781.15**	**1,300.07**	**3,53,481.08**	**1,601.60**	**(301.53)**

43 Change in liabilities arising from financing activities

Rs. in lakhs

Particulars	1-Apr-21	Cash flows	Other *	31-Mar-22
Debt	38,144.13	(0.00)	67.32	38,211.45
Borrowings (other than debt securities)	1,78,592.76	16,872.05	215.73	1,95,680.54
Lease liabilities	709.05	(475.43)	546.51	780.13
Total liabilities from financing activities	**2,17,445.94**	**16,396.62**	**829.56**	**2,34,672.12**

	1-Apr-20	Cash flows	Other *	31-Mar-21
Debt securities	60,451.28	(22,500.00)	192.85	38,144.13
Borrowings (other than debt securities)	1,21,865.32	57,145.29	(417.85)	1,78,592.76
Lease liabilities	666.36	(414.73)	457.42	709.05
Total liabilities from financing activities	**1,82,982.96**	**34,230.56**	**232.42**	**2,17,445.94**

* Other column includes the effect of interest accrued but not paid on borrowing, amortisation of processing fees, recognition of liabilities on account of new lease etc.

44 Leases

The Company has lease contracts for buildings used for the branches. Leases of such assets generally have lease terms between 3 and 9 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases for buildings with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities included under financial liabilities and the movements during the year:

Movement of Lease Liability

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	709.07	666.36
Add: Additions during the year	478.03	385.41
Add / Less: Accretion of Interest	68.46	72.03
Less: Payments during the year	(475.43)	(414.73)
Closing Balance	**780.13**	**709.07**
Current	397.88	349.11
Non Current	382.25	359.96

The incremental borrowing rate for lease liabilities is 10% p.a. for existing lease contracts and 8% p.a. for new lease contracts entered during the FY2021-22.

The maturity analysis of lease liabilities are disclosed in Note 37.7.1.

The following are the amounts recognised in the Statement of profit and loss:

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expense on right-of-use assets	437.61	352.37
Interest expense on lease liabilities	68.46	72.03
Expense relating to short-term leases (included in other expenses)	-	-
Total	**506.07**	**424.40**

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total cash outflow for leases	**475.43**	**414.73**

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

45. Events after reporting period

There have been no events after the reporting date that require disclosure in these financial statements.

46 Disclosure as required by National Housing Bank

The following disclosures have been given in terms of National Housing Bank's notification no. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 and in terms of the circular no. NHB/ND/DRS/Pol-No.35/2010-11 dated October 11, 2010. Further, the disclosures which are for regulatory and supervisory purpose, have been made so as to comply with NHB's Policy Circular No. NHB(ND)/DRS/Policy Circular No. 89/2017-18 dated June 14, 2018 which requires Housing Finance Companies to continue to follow the extant provisions of National Housing Bank Act, 1987 and Housing Finance Companies (NHB) Directions 2010 including framework on prudential norms and other related circulars issued in this regards by NHB from time to time and the same have been compiled by the Management in accordance with Accounting Standards prescribed under section 133 of the Companies Act, read with the Companies (Accounting Standards) Rules, 2006, as amended (Indian GAAP) and relied upon by the auditors.

46.1 Schedule to the Balance Sheet

Rs. in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Liabilities side:				
1. Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
(a) Debentures				
- Secured	38,211.45	-	38,144.13	-
- Unsecured	-	-	-	-
(other than falling within the meaning of public deposits)				-
(b) Deferred credits	-	-	-	-
(c) Term loans	1,89,755.92	-	1,72,415.77	-
(d) Inter-corporate loans and borrowings	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other Loans	-	-	-	-
- Securitisation loans	933.48	-	2,676.99	-
- Working capital loans	4,991.14	-	3,500.00	-
2. Break-up of (1)(f)above (outstanding public deposits inclusive of interest accrued thereon but not paid)				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Assets side:		
3. Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured (refer note 6)	4,44,534.60	3,44,428.15
(b) Unsecured	-	-

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
4. Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
(i) Lease assets including lease rentals under sundry debtors:		
a) Financial lease	-	-
b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
a) Assets on Hire	-	-
b) Repossessed Assets	-	-
(iii) Other loans counting towards asset financing activities		
a) Loans where Assets have been repossessed	-	-
b) Loans other than (a) above	-	-
5. Break-up of Investments:		
Current Investments:		
I. Quoted:		
i. Shares		
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	10,165.19	5,275.22
iv. Government Securities	-	-
v. Others (please specify)	-	-
II. Unquoted:		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (please specify)		
Long Term Investments:		
I. Quoted:		
i. Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (please specify)		
II. Unquoted:		
i. Shares	-	-
a) Equity	15,286.06	15,190.84
b) Preference	-	-

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
ii. Debentures and Bonds	-	-
iii. Units of Mutual Funds	-	-
iv. Government Securities	-	-
v. Others (please specify)		

6. Borrower group-wise classification of assets financed as in (3) and (4) above: Rs. in lakhs

Category	As at March 31, 2022 (Net of Provisions)			As at March 31, 2021 (Net of Provisions)		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related parties						
(a) Subsidiaries	500.00	-	500.00	1,800.00	-	1,800.00
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2. Other than related parties	4,40,554.74	-	4,40,554.74	3,41,335.00	-	3,41,335.00
	4,41,054.74	**-**	**4,41,054.74**	**3,43,135.00**	**-**	**3,43,135.00**

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

Rs. in lakhs

Category	Market Value / Break up or fair value or Net Asset Value as on March 31, 2022	Book Value as on March 31, 2022 (Net of provisions)	Market Value / Break up or fair value or Net Asset Value as on March 31, 2021	Book Value as on March 31, 2021 (Net of provisions)
1. Related parties				
(a) Subsidiaries	30,193.35	15,286.06	23,948.68	15,190.84
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	-	-	-
2. Other than related parties	-	-	-	-
	30,193.35	**15,286.06**	**23,948.68**	**15,190.84**

8. Other Information Rs. in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
i. Gross Non-Performing Assets (Stage 3 assets)	-	5,065.53	-	2,468.06
ii. Net Non-Performing Assets (Stage 3 assets)	-	3,781.63	-	1,774.94
iii. Assets Acquired in Satisfaction of Debt	-	-	-	-

46.2 Capital to Risk Assets Ratio (CRAR)

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Tier I Capital	2,73,188.20	1,86,138.43
Tier II Capital	711.87	(376.22)
Total Capital	**2,73,900.07**	**1,85,762.21**
Total Risk Assets	**3,19,928.65**	**2,52,280.98**
Capital Ratios		
CRAR - Tier I Capital (%)	85.39%	73.78%
CRAR - Tier II Capital (%)	0.22%	(0.15%)
CRAR (%)	**85.61%**	**73.63%**
Amount of subordinated debt raised as Tier- II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

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

The movement in the Reserve Fund created under Section 29C of NHB Act, 1987 is disclosed under Note 20.1 (b) to the Financial Statements.

46.4 Investments

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Value of Investments		
i) Gross Value of Investments		
(a) In India	25,451.25	20,466.06
(b) Outside India	-	-
ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
iii) Net Value of Investments		
(a) In India	25,451.25	20,466.06
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
i) Opening Balance	-	-
ii) Add: Provisions made during the year	-	-
iii) Less: Write-off / Written-back of excess provisions during the year	-	-
iv) Closing balance	-	-

46.5 Derivatives

The Company has not entered into any Derivative transactions.

Forward Rate Agreement (FRA) / Interest Rate Swap (IRS): Nil

Exchange Traded Interest Rate (IR) Derivative: Nil

Disclosures on Risk Exposure in Derivatives: Not applicable

46.6 i) Securitised Assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Number of Special Purpose Vehicle (SPV) sponsored by the HFC for Securitisation transactions*	1	2
Total amount of securitised assets as per books of the SPVs sponsored	933.48	2,732.53
Total amount of exposures retained by the HFC towards the Minimum Retention Ratio (MRR) as on the date of balance sheet		
a) Off-balance sheet exposures towards Credit Enhancements		
· First Loss	-	-
· Others	-	-
b) On-balance sheet exposures towards Credit Enhancements		
· First Loss – Cash collateral	233.89	298.66
· Others – Overcollateral	1,010.52	1,243.67
Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures towards Credit Enhancements		
· Exposure to own securitizations	-	-
· Exposure to third party securitisations	-	-
b) On-balance sheet exposures towards Credit Enhancements		
· Exposure to own securitizations	-	-
· Exposure to third party securitisations	-	-

* Represents the SPVs relating to outstanding securitisation transactions

ii) Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction: Nil

iii) Details of Assignment transactions undertaken by HFC: Nil

iv) Details of non-performing financial assets purchased / sold: Nil

46.7 Asset Liability Management

Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2022:

Rs. in lakhs

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings from Bank (including from NHB)	-	-	1,449.64	887.69	16,859.29	9,161.85	17,259.10	63,692.73	47,082.61	39,287.63	1,95,680.54
Market Borrowings	-	-	-	790.76	-	-	-	27,360.83	10,059.86	-	38,211.45
Assets											
Advances	1,531.09	1,940.02	2,820.87	2,042.82	2,069.18	6,365.64	13,464.99	64,735.77	81,211.19	2,64,873.17	4,41,054.74
Investments	10,165.19	-	-	-	-	-	-	-	-	15,286.06	25,451.25

Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2021:

Rs. in lakhs

Particulars	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities											
Borrowings from Bank (incl. from NHB)	112.34	-	1,488.30	962.40	3,516.64	11,080.41	20,116.71	62,782.81	45,709.90	32,823.25	1,78,592.76
Market Borrowings	-	-	-	784.66	-	-	-	27,345.69	10,013.78	-	38,144.13
Assets											
Advances	2,378.22	-	1,233.76	1,454.34	1,476.24	4,563.85	9,733.20	48,733.21	58,674.87	2,14,887.31	3,43,135.00
Investments	5,275.22	-	-	-	-	-	-	-	-	15,190.84	20,466.06

In case of Housing loans, where the loan is not completely disbursed and it is in Pre-EMI stage, the Company has estimated the EMI commencement date based on the technical evaluation and other information available as on date. Accordingly, the maturity pattern for such loans has been considered based on the estimated EMI commencement date.

46.8 A. Exposure to Real Estate Sector

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) 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	4,44,034.60	3,42,628.15
(ii) Commercial Real Estate		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) Limits	-	-
(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
a. Residential	-	-
b. Commercial Real Estate	-	-
(b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-
Total Exposure to Real Estate Sector	**4,44,034.60**	**3,42,628.15**

* Includes exposures to Non-Housing loans secured by residential mortgages amounting to Rs. 1,70,142.68 lakhs (March 31, 2021 - Rs. 1,35,779.21 lakhs)

B. Exposure to Capital Market: Nil

C. Details of financing of Parent Company products:

These details are not applicable since the Company is not a subsidiary of any company.

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

The Company has not exceeded Single Borrower Limit (SGL) / Group Borrower Limit (GBL) during the financial year ended March 31, 2022.

E. Unsecured Advances: Nil

F. Exposure to group companies engaged in real estate business: Nil

46.9 Other Regulator Registrations

Regulator	Registration No.
1. Ministry of Company Affairs	CIN: L65922TN2009PLC073881
2. National Housing Bank	Certificate Registration No. 05.0084.10 dated May 31, 2010

46.10 Disclosure of Penalties imposed by NHB and other regulators

(i) During FY 2021-22, there were no penalties imposed by NHB or RBI and any other regulator/ supervisor/ enforcement authority.

(ii) An amount of Rs. 5,000, including GST has been levied by National Housing Bank for contravention of Section 29C(1) of the National Housing Bank Act, 1987 during the period ended March 31, 2021. Also, an amount of Rs. 5,000, including GST has been levied by National Housing Bank for non-compliance with respect to the provisions of Para 28 of the Housing Finance Companies (NHB) Directions, 2010 during the period ended March 31, 2021.

(iii) The Company has not received any adverse comments in writing by NHB or other Regulators on regulatory compliances, with a specific communication to disclose the same to the public.

46.11 Related party transactions

Details of the related parties, nature of the relationship with whom Company has entered transactions, remuneration of directors and balances in related party account at the year end, are given in Note no. 34. There were no material transaction with related parties and all these transactions with related parties were carried out in ordinary course of business at arm's length price.

46.12 Group Structure

The Company has only one wholly owned subsidiary - Aptus Finance India Private Limited. There are no other entities in the group.

46.13 Ratings assigned by Credit Rating Agencies

Deposits Instruments	Ratings assigned	
	As at March 31, 2022	As at March 31, 2021
Non-Convertible Debentures	ICRA AA- [Double A minus] CARE A+ [Single A plus]	ICRA A+ [Single A plus] CARE A+ [Single A plus]
Bank Term Loans	ICRA AA- [Double A minus] CARE A+ [Single A plus]	ICRA A+ [Single A plus] CARE A+ [Single A plus]

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

During the year,

(a) no prior period items occurred which has impact on Statement of Profit and loss,

(b) no change in Accounting policy,

(d) there is no withdrawal from reserve fund.

46.15 Revenue Recognition

There are no circumstances in which revenue recognition has been postponed by the Company pending the resolution of significant uncertainties.

46.16 Consolidated Financial Statements (CFS)

The Company has a wholly owned Subsidiary and the Consolidated financial statements is prepared in accordance with Ind AS 110.

46.17 Provisions and Contingencies (Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss Account)

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Provisions for depreciation on Investment	-	-
2. Provision towards NPA	861.55	111.09
3. Provision made towards current income taxes	9,371.41	6,524.32
4. Provision for standard assets (with details like teaser loan, CRE, CRE-RH etc.)		
- Housing loans (Non-CRE)	988.39	226.59
- Non-housing loans (Non-CRE)	607.54	160.44
5. Provision for undrawn commitments	(3.03)	(4.50)
6. Provision for stock of acquired properties	52.18	-

Break up of Loan & Advances and Provisions thereon

Rs. in lakhs

Particulars	Housing		Non-Housing	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Standard Assets				
a) Total Outstanding Amount	2,71,061.07	2,05,620.00	1,68,408.01	1,36,340.09
b) Provisions made	1,358.16	357.04	837.79	242.99
Sub-Standard Assets				
a) Total Outstanding Amount	2,612.21	767.46	2,042.57	734.75
b) Provisions made	727.76	60.28	453.44	56.22
Doubtful Assets – Category-I				
a) Total Outstanding Amount	218.64	295.14	192.11	363.91
b) Provisions made	56.00	117.11	46.70	152.71
Doubtful Assets – Category-II				
a) Total Outstanding Amount	-	159.81	-	133.87
b) Provisions made	-	159.81	-	133.87
Doubtful Assets – Category-III				
a) Total Outstanding Amount	-	6.53	-	6.59
b) Provisions made	-	6.53	-	6.59
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
TOTAL				
a) Total Outstanding Amount	**2,73,891.92**	**2,06,848.94**	**1,70,642.68**	**1,37,579.21**
b) Provisions made	**2,141.93**	**700.77**	**1,337.93**	**592.38**

Notes:

1) The total outstanding amount mean principal + accrued interest + other adjustments to arrive at the amortised cost.

2) The Category of Doubtful Assets is as under

Period for which the assets has been considered as doubtful	Category
Up to one year	Category-I
One to three years	Category-II
More than three years	Category-III

46.18 Draw Down from Reserves

During the financial year ended March 31, 2022, there were no draw down from Reserves.

46.19 Concentration of Loans & Advances

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total Loans & Advances to twenty largest borrowers	535.12	681.25
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	0.12%	0.19%

46.20 Concentration of Exposures (including off-balance sheet exposure)

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to twenty largest borrowers/customers	535.12	681.25
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	0.12%	0.19%

46.21 Concentration of NPAs

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to top ten NPA accounts	234.23	238.46

46.22 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that Sector	
	As at March 31, 2022	As at March 31, 2021
A. Housing Loans:		
1. Individuals	1.03%	0.59%
2. Builders/Project Loans	0.00%	0.00%
3. Corporates	0.00%	0.00%
4. Others (specify)	0.00%	0.00%
B. Non-Housing Loans:		
1. Individuals	1.31%	0.90%
2. Builders/Project Loans	0.00%	0.00%
3. Corporates	0.00%	0.00%
4. Others (specify)	0.00%	0.00%

46.23 Movement of NPAs

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Net NPAs to Net Advances(%)	0.86%	0.52%
(II) Movement of Gross NPAs		
a) Opening balance	2,468.06	5,041.68
b) Additions during the year	4,378.01	725.87
c) Reductions during the year	(1,780.54)	(3,299.49)
d) Closing balance	5,065.53	2,468.06
(III) Movement of Net NPAs		
a) Opening balance	1,774.94	4,459.63
b) Additions during the year	3,149.58	282.52
c) Reductions during the year	(1,142.89)	(2,967.21)
d) Closing balance	3,781.63	1,774.94
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	693.12	582.05
b) Provisions made during the year	1,228.43	443.35
c) Write-off / write-back of excess provisions	(637.65)	(332.28)
d) Closing balance	1,283.90	693.12

46.24 Overseas Assets - Nil

46.25 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms) - Nil

46.26 Customer Complaints

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	347	265
c) No. of complaints redressed during the year	347	265
d) No. of complaints pending at the end of the year	-	-

46.27 Disclosure on frauds pursuant to Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

There were no instances of fraud reported during the years ended March 31, 2022 and March 31, 2021.

46.28 Percentage of outstanding loans granted against the collateral of gold jewellery to their outstanding total assets - Nil (March 31, 2021: Nil)

46.29 Details on Principal Business Criteria

Principal Business Criteria for the Company to be classified as "Housing Finance Company" as per the Paragraph 4.1.17 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, February 17, 2021 is given below:

Particulars	Limit %	As at March 31, 2022	As at March 31, 2021
Criteria - I			
a) Financial Assets / Total Assets (Net of Intangible Assets)	>50%	91.33%	89.49%
b) Income from financial assets / Gross Income	>50%	95.14%	94.33%
Criteria - II			
Percentage of housing finance assets to total assets (netted off by intangible assets) (Refer note below)	>=60%	52.98%	50.60%
Percentage of individual housing finance assets to total assets (netted off by intangible assets) (Refer note below)	>=50%	52.98%	50.60%

Note: The amortised costs of housing finance assets and individiual housing finance assets amounting to Rs. 2,71,749.98 lakhs (As at March 31, 2021 Rs.2,06,131.97 lakhs) measured using effective interest rate method is considered for computation of principal business criteria net off ECL provisions.

46.30 Disclosure on Liquidity Risk Management

(a) Funding concentration based on significant counterparty*(both deposits and borrowings):

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Number of Significant Counterparties*	13	19
Balance as at year end	2,25,810.69	2,14,558.71
% of Total Deposits	0.00%	0.00%
% of Total liabilities	94.69%	97.61%

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

(b) Top 20 large deposits:

Not applicable. The Company not accept public deposits.

(c) Total of top 10 borrowings

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total of top 10 borrowings	2,18,334.83	1,85,254.08
% of Total Borrowings	93.35%	85.47%

(d) Funding concentration based on significant instrument/product#:

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Term loans	1,89,755.92	1,72,415.77
Securitisation loans	933.48	2,676.99
Working capital loans	4,991.14	3,500.00
Non-Convertible Debentures	38,211.45	38,144.13
% of Total liabilities	98.08%	98.60%

#Significant instrument/productise as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies.

(e) Stock Ratios

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Commercial papers as a % of total public funds, total liabilities and total assets	-	-
(ii) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets	-	-
(iii) Other short-term liabilities, if any as a % of total liabilities	21.05%	18.48%
(iv) Other short-term liabilities, if any as a % of total assets	9.75%	9.93%

(f) Institutional set-up for liquidity risk management

The Board of Directors of the Company have adopted a Risk Management Policy. The Board adopted policy contains the framework and guidelines for Risk management. The changes brought in the Liquidity Risk Management Framework vide its Circular No. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 November 04, 2019 are also being covered as part of the Risk Management Policy which will be reviewed by the Board periodically for compliance and implementation.

The Board shall have the overall responsibility for management of liquidity risk by reviewing the implementation of the Risk Management Policy. The Company has also constituted Risk Management Committee and Asset-Liability Management Committee (ALCO) to carry out the functions as listed out in the said circular.

46.31 Details of resolution plan implemented under the resolution framework for COVID 19 related stress as per RBI Circular dated August 6, 2020 and May 05, 2021 are as given below;

Rs. In Lakhs

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half year i.e. September 30, 2021	Of(A), aggregate debt that slipped into NPA during the half year end March 31, 2022	Of(A), amount written of during the half year ended March 31, 2022	Of(A), amount paid by the borrowers during the half year end March 31, 2022	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half year i.e. March 31, 2022
	(A)	(B)	(C)	(D)	
Personal Loans	3,825.77	639.69	-	326.01	2860.07
Corporate persons	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	2,476.09	420.87	-	236.57	1818.65
Total	**6,301.87**	**1,060.56**	**0.00**	**562.58**	**4,678.72**

No assets have been restructured during the year ended March 31, 2021.

46.32 The Company has adopted all the norms issued under 'Prudential norms on Income recognition, Asset classification, and provisioning pertaining to advances – clarifications' issued by the Reserve Bank of India (RBI) vide circular no.DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021. Such alignment has resulted in the transition of sub 90 DPD assets as additional non-performing assets as of March 31, 2022, and provided as per norms.

46.33 The listed Non-Convertible Debentures of the Company aggregating Rs. 27,751.78 Lakhs as at March 31, 2022 are secured by way of an exclusive charge on identified standard receivables of the Company and also by a subservient charge over immovable property. The total asset cover is more than one hundred percent of the principal amount of the said debentures.

46.34 Disclosure pursuant to RBI notification dated September 24, 2021 on "Transfer of Loan Exposures" are given below:

(a) The Company has not transferred or acquired, any loans not in default during the year end March 31, 2022.

(b) The Company has not transferred or acquired, any stressed loans during the year ended March 31, 2022.

46.35 Remuneration of Directors - Pecuniary relationship of Non-executive Directors.

Remuneration paid to Directors is reflected in Note no.34 "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.

46.36 Disclosure pursuant to Reserve Bank of India Circular DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021 and DOR.NBFC (PD) CC. No.102/03.10.001 /2019-20 dated November 4, 2019 pertaining to Liquidity Risk Management Framework for Non-Banking Financial Companies.

As per the Guidelines on Liquidity Risk Management Framework for NBFCs issued by RBI vide notification no. RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20, HFCs are required to maintain Liquidity Coverage Ratio (LCR) from December 1, 2020. Under the said guidelines, all non-deposit taking HFCs with asset size of INR 5,000 crore and above but less than INR 10,000 crore are required to maintains a minimum LCR of 30%.

The total assets of the Company has crossed INR 5,000 crores as at March 31, 2022, the Company has presented the LCR related disclosures for the month of March 2022 only i.e. the period for which the guideline became applicable to the Company.

The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that a HFC maintains an adequate level of unencumbered High Quality Liquid Assets (HQLA) that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. Compliance with LCR is monitored by Asset Liability Management Committee (ALCO) of the Company.

Qualitative Information:

Main drivers to the LCR numbers :

All significant outflows and inflows determined in accordance with RBI guidelines are included in the prescribed LCR computation.

Composition of HQLA:

The HQLA maintained by the Company comprises cash balance maintained in current account and callable fixed deposits with Scheduled Commercial Banks.

Concentration of funding sources:

The Company maintains diversified sources of funding comprising term loans, Securitisation loans and NCDs. The funding pattern is reviewed regularly by the management.

Other inflows and outflows in the LCR calculation that are not captured in the LCR common template but which the institution considers to be relevant for its liquidity profile

Nil

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended 31 March 2022 is given below:

(In Rs. lakhs)

Sr No.	Particulars	31 March 2022	
		Total unweighted value	Total Weighted Value
High Quality Liquid Assets			
1	Total High Quality Liquid Assets (HQLA)		
	- Cash and Bank balances	4,465.68	4,465.68
	- Callable fixed deposits	35,146.62	35,146.62
	Total HQLA	**39,612.30**	**39,612.30**
Cash outflows			
2	Secured wholesale funding	2,441.27	2,807.46
3	Additional requirements, of which		
	(i) Credit and liquidity facilities	13,997.00	16,096.55
4	Other contractual funding obligations	1,935.62	2,225.96
5	Other contingent funding obligations	1,025.30	1,179.09
6	**Total Cash outflows**	**19,399.19**	**22,309.07**
Cash inflows			
7	Inflows from fully performing exposures	7,849.29	5,886.97
8	Other cash inflows	10,216.58	7,662.44
9	**Total Cash inflows (to be capped at 75% of cash outflows)**	**16,731.80**	**13,549.41**
			Total Adjusted Value
10	Total HQLA	39,612.30	39,612.30
11	Total Net Cash Outflows	2,667.39	8,759.66
12	Liquidity Coverage Ratio (%)		452%
	Minimum LCR		30%
	Whether complied with minimum LCR norms		Yes

Notes:

1. Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
2. Since the disclosure is effective from current financial year, the comparative disclosure for previous year is not applicable.
3. The above LCR disclosures are based on the data available with the Company which has been relied upon by the auditors.

47 The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

48 The disclosure on the following matters required under Schedule III as amended are not made, as the same are not applicable or relevant for the Company.

a) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

b) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

c) The company has not been declared as a wilful defaulter by any bank or financial Institution or other lender.

d) The Company has not entered into any scheme of arrangement.

e) All charges or satisfaction are registered with ROC for the financial years ended March 31, 2022 and March 31, 2021. No charges or satisfactions are yet to be registered with ROC.

f) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) The Company has no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

h) No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person and accordinlgy no disclosures have been made on account of such loans or advances.

i) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

49 The impact of COVID-19 on the Company's future performance will depend on the ongoing and as well as future developments, including, among other things, any new information concerning COVID 19 pandemic and any measure to contain the spread or mitigate its impact, whether mandated by the Government or adopted by us. The management has considered events up to the date of these standalone financial statements to determine the financial implications including in respect of expected credit loss provisioning and has created required provisions.

50 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / presentation.

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

INDEPENDENT AUDITORS' REPORT

To the Members of
Aptus Value Housing Finance India Limited

Report on the Audit of the Consolidated Financial Statements

1. Opinion

We have audited the accompanying Consolidated Financial Statements of Aptus Value Housing Finance India Limited ("Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year ended March 31, 2022, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 as amended ('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 Group as at March 31, 2022, the Consolidated Profit (including other comprehensive income), the Consolidated Changes in Equity and Consolidated Cash Flows for the year then ended.

2. Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of the financial statements and financial information referred to in the "Other Matters" paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

3. Emphasis of Matter

We draw attention to Note 52 to the accompanying Consolidated Financial Statements, which describes the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on the ongoing and future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Auditor's Response
Impairment on Financial Instruments based on Expected Credit Loss model	
Ind AS 109 Financial instruments requires the Group to provide for impairment of its financial instruments (designated as amortized cost or fair value through other comprehensive income) using the expected credit loss (ECL) approach. ECL involves an estimation and a significant degree of judgement by the management for development of ECL model and its corresponding application in the ECL model. These judgement and estimates include: • Estimating the behavioral life of the product • Data inputs in relation to ECL model • Modification of assets in terms of restructuring • Determination of loan book segmentation based on homogeneity, probability of defaults, loss given defaults and exposure at default.	The procedures performed by us in respect of the Holding company, and by auditors of the Subsidiary in respect of the subsidiary, included the following: Considered the Group's accounting policies for the impairment of financial instruments and their compliance with Ind AS 109 and the provisioning framework approved by the Board of Directors. We have assessed the compliance with Resolution Framework 2.0- Resolution of COVID- 19-issued by RBI on May 5, 2021 and tested the implementation of such policy on a sample basis. We have performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes. 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.

Key Audit Matters	Auditor's Response
• Management Overlay based on risk assessment and qualitative adjustments • Compliance with RBI circulars and assess the level of credit impairment of financial instrument. • Disclosures as required by IND AS 109 and RBI Circular	We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due status. Tested a sample of performing (stage 1) loans to assess whether any Significant Increase in Credit Risk indicators were present requiring them to be classified under higher stages. Assessing the management overlay provision arising from the effects of COVID-19 pandemic and also to calibrate the risks that are not yet fully captured by the existing model. We tested the arithmetical accuracy of computation of ECL provision performed by the Company. We assessed the disclosures included in the Ind- AS standalone financial statements with respect to such allowance / estimate.
IT Systems and Controls	
The Group's key financial accounting and reporting processes are highly dependent on information systems, such that there exists a risk that, gaps in the IT control environment could result in the financial accounting and reporting records being misstated. The IT infrastructure is critical for effective and efficient functioning of the Company's business operations as well as for timely and accurate financial reporting. There has been certain enhancement/changes in the information technology (IT) infrastructure of the company for meeting the regulatory requirements in the current year. As the IT systems and processes continue to mature in view of the evolving business and regulatory landscape, changes in the technology environment have been carried out by the Company. IT general controls include user access management and change management across applications, networks, database, and operating systems. Due to the pervasive nature and complexity of the IT environment as well as its significance in relation to accurate and timely financial reporting we have identified this area a key audit matter.	Our audit procedures include assessment and identification of key IT applications, and further verifying, testing, and reviewing the design and operating effectiveness of the IT system on the basis of reports /returns and other financial and non-financial information generated from the system on a test check basis. Our audit procedures included: • Obtained an understanding of the IT control environment, IT policies during the audit period. • We tested the design and operating effectiveness of the Holding Company's IT access controls over the key information systems, including changes made to the IT landscape during the audit period, that are critical to financial reporting. • Testing IT general controls related to User and Application controls, Change Management Controls and Data backup. Where we identified the need to perform additional procedures, we performed alternative procedures.

5. Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated 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 Consolidated Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

The above information is not made available to us as at the date of this Auditor's report. We have nothing to report in this regard.

6. Responsibilities of Management for the Consolidated Financial Statements

The Holding 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 Consolidated 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 Group 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.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

7. Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated 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) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to 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 made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.
- Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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 most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

8. Other Matters

- The consolidated financial statement also includes figures of the Group for the year ended March 31, 2021, audited by the predecessor auditor S.R. Batliboi & Associates LLP vide its report dated June 24, 2021, in which the predecessor auditor has expressed an unmodified opinion. Accordingly, we do not express any conclusion on aforesaid Consolidated Financial Statement for the said year and have relied upon the said reports for the purpose of our report on this Statement.
- We did not audit the financial statement and other financial information, in respect of subsidiary, whose financial statements include total assets Rs.69,170.88 Lakhs as at March 31, 2022, total income of Rs.14, 353.73 Lakhs for the year ended 31st March 2022 and net cash inflows of Rs.608.85 Lakhs for the year ended to date. These financial statements and other financial information have been audited by other independent auditors whose reports have been furnished to us by the management. Our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the reports of such auditor.
- Our opinion on the consolidated financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

9. Report on Other Legal and Regulatory Requirements

I. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditor on separate financial statements and the other financial information of subsidiary, as referred in the 'Other Matters' paragraph above we report, to the extent applicable, that:

a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

c) The Consolidated Balance Sheet, the Consolidated statement of Profit and Loss (including other comprehensive income), the Consolidated statement of changes in equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid consolidated financial statements comply with the Companies Accounting Standards specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group Companies, incorporated in India, are disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

g) In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditor's of the subsidiary company incorporated in India which was not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary company incorporated in India to their directors is in accordance with the provisions of Section 197 of the Act.

II. 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

a) The Company has disclosed the impact of pending litigations on its consolidated financial position of the Group – Refer to Note 28.2 to the Consolidated financial statements;

b) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) (i) The Management has represented that, to the best of its knowledge and belief, no funds which are material either individually or in 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 Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(iii) Based on audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in d (i) and d (ii) above, contain any material misstatement.

e) As stated in Note No. 20.2.7 to the consolidated financial statements, the Holding Company and its subsidiary company has not declared or paid any dividend during the year and hence, the related reporting requirements under sub-clause (f) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

For TR CHADHA & CO LLP
Chartered Accountants
ICAI Firm registration number: 006711N/N500028

Sheshu Samudrala
Partner
Membership Number: 235031
UDIN: 22235031AILMPH9382

Place: Chennai
Date: May 05, 2022

'ANNEXURE A'

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF APTUS VALUE HOUSING FINANCE INDIA LIMITED (THE COMPANY)

Report on the Internal Financial Controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Consolidated financial statements of Aptus Value Housing Finance India Limited ("the Company") and its subsidiary (the company and its subsidiary together referred to as "the Group") as of March 31, 2022 in conjunction with our audit of the consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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

Our responsibility is to express an opinion on the Holding Company and its subsidiary's internal financial controls with reference to consolidated financial statements based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI 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 with reference to consolidated financial statements, both applicable to an audit of Internal Financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 with reference to consolidated financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company have maintained in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March

31, 2022, based on the internal control with reference to consolidated financial statements criteria established by the Holding 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to these Consolidated Financial Statements of the Holding Company, insofar as it relates to the Holding Company's subsidiary, is based on the corresponding reports of the auditors of such subsidiary, incorporated in India.

For TR CHADHA & CO LLP
Chartered Accountants
ICAI Firm registration number: 006711N/N500028

Sheshu Samudrala
Partner
Membership Number: 235031
UDIN: 22235031AILMPH9382

Place: Chennai
Date: May 05, 2022

CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2022

Rs. in lakhs

Particulars		Note No.	As at March 31, 2022	As at March 31, 2021
	ASSETS			
1	**Financial Assets**			
	(a) Cash and cash equivalents	4	40,519.95	42,273.99
	(b) Bank balances other than (a) above	5	4,074.24	1,506.07
	(c) Loans	6	5,07,874.52	3,98,980.01
	(d) Investments	7	10,165.19	5,275.22
	(e) Other financial assets	8	2,054.62	1,162.15
	TOTAL FINANCIAL ASSETS		**5,64,688.52**	**4,49,197.44**
2	**Non-financial Assets**			
	(a) Deferred tax assets (net)	9	2,263.53	1,699.32
	(b) Property, plant and equipment	10A	339.75	248.17
	(c) Intangible assets	10B	61.65	26.78
	(d) Right-of-use assets	10C	795.12	680.69
	(e) Other non-financial assets	11	99.13	164.19
	(f) Assets held for sale	12	156.54	-
	TOTAL NON-FINANCIAL ASSETS		**3,715.72**	**2,819.15**
	TOTAL ASSETS		**5,68,404.24**	**4,52,016.59**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial Liabilities**			
	(a) Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	29A	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	29B	789.67	188.36
	(b) Debt securities	13	41,024.83	43,018.39
	(c) Borrowings (other than debt securities)	14	2,31,037.87	2,07,779.05
	(d) Lease liabilities	42	780.13	709.05
	(e) Other financial liabilities	15	2,047.30	1,334.76
	TOTAL FINANCIAL LIABILITIES		**2,75,679.80**	**2,53,029.61**
2	**Non-Financial Liabilities**			
	(a) Current tax liabilities (Net)	16	311.07	444.89
	(b) Provisions	17	409.93	330.18
	(c) Other non-financial liabilities	18	387.19	266.76
	TOTAL NON-FINANCIAL LIABILITIES		**1,108.19**	**1,041.83**
3	**EQUITY**			
	(a) Equity share capital	19	9,938.36	9,493.33
	(b) Other equity	20	2,81,677.89	1,88,451.82
	TOTAL EQUITY		**2,91,616.25**	**1,97,945.15**
	TOTAL LIABILITIES AND EQUITY		**5,68,404.24**	**4,52,016.59**
	Significant accounting policies	**2 & 3**		
	The accompanying notes form an integral part of the consolidated financial statements.			

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

STATEMENT OF CONSOLIDATED PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2022

Rs. in lakhs

	Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
1	Revenue from operations			
	(a) Interest income	21A	79,166.75	62,685.63
	(b) Net gain on fair value changes	21B	532.81	76.08
	(c) Fees and commission income	21C	1,768.81	1,196.46
	Total Revenue from operations		**81,468.37**	**63,958.17**
2	Other income	22	2,553.33	1,862.75
3	**Total Income (1+2)**		**84,021.70**	**65,820.92**
4	**Expenses**			
	(a) Finance costs	23	20,858.64	20,653.39
	(b) Employee benefits expense	24	8,435.52	7,138.34
	(c) Depreciation and amortisation expense	10D	661.19	568.39
	(d) Impairment on financial instruments	25	3,447.28	581.81
	(e) Other expenses	26	2,617.48	2,369.84
	Total expenses		**36,020.11**	**31,311.77**
5	**Profit before tax (3-4)**		48,001.59	34,509.15
6	**Tax expense**	**27**		
	- Current tax		11,550.85	8,266.66
	- Adjustment of tax relating to earlier years		-	(28.74)
	- Deferred tax charge / (credit)	9	(563.27)	(423.26)
	Total tax expense		**10,987.58**	**7,814.66**
7	**Profit for the year (5-6)**		**37,014.01**	**26,694.49**
8	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain / (loss) on defined benefit plan	31.2	(3.75)	(15.04)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.94	3.79
	Other Comprehensive Income, net of income tax		(2.81)	(11.25)
9	**Total Comprehensive Income for the year (7+8)**		**37,011.20**	**26,683.24**
10	**Earnings per share (Equity shares, par value Rs. 2 each - also Refer Note 19(b)):**			
	(a) Basic (in Rs.)	36	7.58	5.56
	(b) Diluted (in Rs.)	36	7.53	5.55
	Significant accounting policies	**2 & 3**		
	The accompanying notes form an integral part of the consolidated financial statements.			

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

1. Equity Share capital

Rs. in lakhs

Particulars	Amount
Balance as at April 1, 2020	**9,451.33**
Changes in equity share capital during the year	
(a) Fresh issue of equity shares	-
(a) Issue of equity shares under employee stock option plan (Refer Note 41)	42.00
Balance as at March 31, 2021	**9,493.33**
Changes in equity share capital during the year	
(a) Fresh issuance of equity shares pursuant to initial public offerings ('IPO') during the year (Refer note 19(c))	283.29
(b) Partly paid shares called up (Refer note 19(b))	135.00
(c) Issue of equity shares under employee stock option plan (Refer Note 41)	26.74
Balance as at March 31, 2022	**9,938.36**

2. Other Equity

Rs. in lakhs

Particulars	Reserves and Surplus							Other Comprehensive Income	Total
	Securities Premium	Employee Stock Option Reserve	Statutory Reserve under Section 29C of National Housing Bank Act, 1987 (Statutory Reserve - I)	Special Reserve	Statutory Reserve under Section 45-IC of Reserve Bank of India Act, 1934 (Statutory Reserve - II)	Impairment Reserve	Retained Earnings	Remeasurement gain / (loss) on defined benefit plan	
Balance as at April 1, 2020	**1,15,856.61**	**173.81**	**1,058.38**	**9,705.26**	**795.94**	**90.26**	**33,788.67**	**(19.22)**	**1,61,449.71**
Profit (loss) for the year (net of tax)	-	-	-	-	-	-	26,694.49	-	26,694.49
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	-	(11.25)	(11.25)
Premium on ESOP exercised during the year	314.25	-	-	-	-	-	-	-	314.25
Share based payments to employees during the year	-	4.62	-	-	-	-	-	-	4.62
Appropriations to Reserves	-	-	826.82	3,528.03	989.45	671.67	(6,015.97)	-	-
Transfer to securities premium on ESOP exercised during the year	105.57	(105.57)	-	-	-	-	-	-	-
Balance as at March 31, 2021	**1,16,276.43**	**72.86**	**1,885.20**	**13,233.29**	**1,785.39**	**761.93**	**54,467.19**	**(30.47)**	**1,88,451.82**
Profit (loss) for the year (net of tax)	-	-	-	-	-	-	37,014.01	-	37,014.01
Other Comprehensive Income for the year (net of tax)	-	-	-	-	-	-	-	(2.81)	(2.81)
Premium on fresh issuance of equity shares pursuant to initial public offerings ('IPO') during the year	49,716.71	-	-	-	-	-	-	-	49,716.71
Share issue expenses pursuant to initial public offerings ('IPO') during the year	(1,874.49)	-	-	-	-	-	-	-	(1,874.49)
Premium on partly paid equity share converted into fully paid equity shares during the year	7,740.45	-	-	-	-	-	-	-	7,740.45
Premium on ESOP exercised during the year	194.50	-	-	-	-	-	-	-	194.50
Share based payments to employees during the year	-	437.70	-	-	-	-	-	-	437.70
Appropriations to Reserves	-	-	1,100.02	5,063.99	1,248.93	-	(7,412.94)	-	-
Transfer to securities premium on ESOP exercised during the year	72.86	(72.86)	-	-	-	-	-	-	-
Balance as at March 31, 2022	**1,72,126.46**	**437.70**	**2,985.22**	**18,297.28**	**3,034.32**	**761.93**	**84,068.26**	**(33.28)**	**2,81,677.89**

Notes:

Refer Note 20.2 for description of nature and purpose of each reserve.

Significant accounting policies (Refer Note 2 & 3)

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2022

Rs. in lakhs

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
Cash flows from operating activities				
Profit before tax		48,001.59		34,509.15
Adjustments for:				
Finance costs	20,858.64		20,653.39	
Interest on fixed deposits with banks	(1,059.26)		(1,457.10)	
Net gain on fair value changes	(532.81)		(76.08)	
Depreciation and amortisation expense	661.19		568.39	
Impairment on financial instruments	3,447.28		581.81	
Share based payments to employees	437.70		4.62	
		23,812.74		20,275.03
Operating profit before working capital changes		71,814.33		54,784.18
Movements in working capital:				
(Increase) / Decrease in loans	(1,12,574.56)		(87,857.45)	
(Increase) / Decrease in other financial assets	(892.47)		(894.47)	
(Increase) / Decrease in other non-financial assets	52.76		(6.64)	
Increase / (Decrease) in trade payables	601.31		119.70	
Increase / (Decrease) in other financial liabilities	712.54		810.52	
Increase / (Decrease) in provisions	74.71		67.21	
Increase / (Decrease) in other non-financial liabilities	120.43	(1,11,905.28)	88.74	(87,672.39)
Cash flow from (used in) operations		(40,090.95)		(32,888.21)
Finance cost paid		(20,577.04)		(20,831.68)
Direct Taxes paid		(11,684.68)		(8,376.49)
Net cash flow from / (used in) operating activities (A)		**(72,352.67)**		**(62,096.38)**
Cash flows from investing activities				
Capital expenditure on PP&E and intangible assets	(365.24)		(140.24)	
Sale of Fixed Assets	27.50		-	
Deposits placed with / (withdrawn from) banks, net	(2,568.17)		10,296.13	
Interest received on bank deposits	1,059.26		1,519.14	
Purchases of investments	(1,02,591.16)		(22,852.29)	
Redemption of investments	97,742.83		17,600.41	
Income received from investments	491.17		52.74	
Net cash flow from / (used in) investing activities (B)		**(6,203.81)**		**6,475.89**
Cash flows from financing activities				
Proceeds from issue of equity shares (including securities premium)	58,096.69		356.25	
Share issue expenses	(1,874.49)		-	
Proceeds from issue of debt securities	-		2,500.00	
Repayment of debt securities	(2,083.33)		(24,166.67)	
Proceeds from borrowings (other than debt securities)	1,37,800.00		1,15,840.21	
Repayment of borrowings (other than debt securities)	(1,14,661.01)		(44,623.99)	
Payment of lease liabilities	(406.95)		(342.72)	
Interest paid on lease liabilities	(68.47)		(72.01)	
Net cash flow from financing activities (C)		**76,802.44**		**49,491.07**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**(1,754.04)**		**(6,129.42)**
Cash and cash equivalents at the beginning of the year		42,273.99		48,403.41
Cash and cash equivalents at the end of the year (Refer Note 4)		40,519.95		42,273.99
Components of cash and cash equivalents	**As at March 31, 2022**		**As at March 31, 2021**	
Cash on hand		304.14		181.08
Balances with banks - In current accounts		5,069.19		30,990.05
Balances with banks - In deposit accounts - Original maturity less than 3 months		35,146.62		11,102.86
Total cash and cash equivalents		**40,519.95**		**42,273.99**
Significant accounting policies (Refer Note 2 & 3)				
The accompanying notes form an integral part of the consolidated financial statements.				

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

1. Corporate Information

Aptus Value Housing Finance India Limited ('Holding Company') was incorporated on December 11, 2009 with the primary objective of carrying on the business of providing long term housing finance to meet the housing needs of the low and middle income segment in the country. The Holding Company with CIN: L65922TN2009PLC073881, is a Public Limited Company domiciled in India. The Registered Office of the Holding Company is located at No. 8B, Doshi Towers, 8th Floor, No: 205, Poonamallee High Road, Kilpauk, Chennai 600010, Tamil Nadu.

The Holding Company received the certificate of registration from the National Housing Bank (NHB) on May 31, 2010 to commence the business of Housing Finance without accepting public deposits. The certificate of commencement of business was received from the Registrar of Companies on June 25, 2010.

Aptus Finance India Private Limited ('the Subsidiary Company') was incorporated on September 18, 2015 as a subsidiary of Aptus Value Housing Finance India Limited with the primary objective of carrying on the business of providing finance in the form of loan against immovable properties. The Subsidiary Company with CIN: U74900TN2015PTC102252, is a Private Limited Company domiciled in India.

The Subsidiary Company received the certificate of registration from the Reserve Bank of India ('RBI') on December 16, 2016 to commence the business of Non-Banking Financial Institution without accepting public deposits. It is a non-deposit taking systemically important Non-Banking Financial Company ('NBFC-ND- SI'). The group is also engaged in providing loans for non-housing finance activities in the form of Loan Against Properties (LAP) through the Company's subsidiary, Aptus Finance India Private Limited.

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

2. Significant accounting policies

A. Basis of preparation and presentation

The consolidated financial statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as per Section 133 of the Companies Act, 2013 and relevant amendment rules issued thereafter ("Ind AS") on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below, the relevant provisions of the Companies Act, 2013 (the "Act") and the guidelines issued by the NHB to the extent applicable.

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 the 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".

Amounts in the consolidated financial statements are presented in Indian Rupees in lakhs rounded off to two decimal places as permitted by Schedule III to the Act, except when otherwise indicated.

The consolidated financial statement were approved for issue in accordance with a resolution of the directors on May 05, 2022.

Basis of Consolidation

The consolidated financial statements have been prepared in respect of the Group as at March 31, 2022.

Control is evidenced when the Group has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee), is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

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

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Historical Audited Consolidated Financial Statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Holding Company and its subsidiary (profits or losses resulting from intra-entity transactions that are recognised in assets, such as fixed assets, are eliminated in full). Intra-entity losses may indicate an impairment that requires recognition in the Historical Audited Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of Other Comprehensive Income ("OCI") are attributed to the equity holders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to bring the accounting policies in line with the Company's accounting policies. All intra-entity assets, liabilities, equity, income, expenses and cash flows relating to transactions between Group are eliminated in full on consolidation.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts on the date when control is lost
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

Particulars of consolidation

The below mentioned subsidiary has been considered for consolidation:

Name of the Company	Percentage of voting Power as on				
	March 31, 2022	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018
Aptus Finance India Private Limited	100%	100%	100%	100%	100%

B. Presentation of Consolidated Financial Statements

The Group presents its consolidated balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 39.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in the normal course of business, event of default or insolvency or bankruptcy of the Group and/or its counterparties.

C. Principles of consolidation

The Consolidated Financial Statements relate to the Holding Company and its subsidiary company.

The Consolidated Financial Statements have been prepared on the following basis:

(i) The financial statements of the Subsidiary Company used in the consolidation are drawn up to the same reporting date as that of the Holding Company.

(ii) The financial statements of the Holding Company and its Subsidiary Company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions.

(iii) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

(iv) Aptus Finance India Private Limited, a wholly owned subsidiary has been considered in the preparation of the Restated Consolidated Summary Statements.

2.1 Financial Instruments

2.1.1 Financial instruments – initial recognition

2.1.1.1 Date of recognition

Financial assets and liabilities, with the exception of loans, debt securities, and borrowings are initially recognised on the trade date, i.e., the date that the Group becomes a party to the contractual provisions of the instrument. Loans are recognised when fund transfers are initiated to the customers' account or cheques for disbursement have been prepared by the Group (as per the terms of the agreement with the borrowers). The Group recognises debt securities and borrowings when funds reach the Group.

2.1.1.2 Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets and financial liabilities recorded at Fair value through profit and loss ("FVTPL"), transaction costs are added to, or subtracted from, this amount.

2.1.1.3 Measurement categories of financial assets and liabilities

The Group classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either amortised cost or FVTPL or Fair Value through Other Comprehensive Income ("FVOCI").

2.1.2 Financial assets and liabilities

2.1.2.1 Bank balances, Loans, Trade receivables and financial investments at amortised cost

The Group measures Bank balances, Loans, and other financial investments at amortised cost if the financial asset is held within a business model with the objective to hold financial assets in order 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 ("SPPI") on the principal amount outstanding.

The details of these conditions are outlined below.

2.1.2.1.1 Business model assessment

The Group determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Group's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity'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 those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Group's assessment

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's original expectations, the Group does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

2.1.2.1.2 The SPPI test

As a second step of its classification process the Group assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Group applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set. In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

2.1.2.2 Financial assets or financial liabilities held for trading

The Group classifies financial assets as held for trading when they have been purchased or issued primarily for short-term profit making through trading activities or form part of a portfolio of financial instruments that are managed together, for which there is evidence of a recent pattern of short-term profit making. Held-for-trading assets and liabilities are recorded and measured in the balance sheet at fair value. Changes in fair value are recognised in net gain on fair value changes. Interest and dividend income or expense is recorded in net gain on fair value changes according to the terms of the contract, or when the right to payment has been established.

2.1.2.3 Equity instruments at FVOCI

The Group subsequently measures all equity investments at fair value through profit or loss, unless the Group's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32, Financial Instruments: Presentation, and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on these equity instruments are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in Other Comprehensive Income ("OCI"). Equity instruments at FVOCI are not subject to an impairment assessment.

2.1.2.4 Financial assets and financial liabilities at fair value through profit or loss

Financial assets and financial liabilities in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109. Financial assets and financial liabilities at FVTPL are recorded in the balance sheet at fair value. Changes in fair value are recorded in profit and loss with the exception of movements in fair value of liabilities designated at FVTPL due to changes in the Group's own credit risk. Such changes in fair value are recorded in the Own credit reserve through OCI and do not get recycled to the profit or loss. Interest earned or incurred on instruments designated at FVTPL is accrued in interest income or finance cost, respectively, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using contractual interest rate.

2.1.3 Reclassification of financial assets and liabilities

The Group does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Group acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

2.1.4 Derecognition of financial assets and liabilities

2.1.4.1 Derecognition of financial assets due to substantial modification of terms and conditions

The Group derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes unless they are deemed to pass through OCI. When assessing whether or not to derecognise a loan to a customer, amongst others, the Group considers the following factors: Change in counterparty. If the modification is such that the instrument would no longer meet the SPPI criterion. If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Group records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

2.1.4.2 Derecognition of financial assets other than due to substantial modification

A financial asset is derecognised when the rights to receive cash flows from the financial asset have expired. The Group also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition.

A transfer only qualifies for derecognition if either, the Group has transferred substantially all the risks and rewards of the asset or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. Control is considered 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 Group has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Group's continuing involvement, in which case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Group could be required to pay.

In case when transfer of a part of financial asset qualifies for derecognition, any difference between the proceeds received on such sale and the carrying value of the transferred asset is derecognised as a gain or loss on decrease of such financial asset.

2.1.4.3 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially 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.

Offsetting of financial instruments

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

2.1.5 Impairment of financial assets

2.1.5.1 Overview of the ECL principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL).

The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1:

When loans are first recognised, the Group recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3:

Loans considered credit-impaired. The Group records an allowance for the LTECLs.

Staging rules set have been applied to the product categories to bucket them into either Stage 1, Stage 2 or Stage 3.

Stages	Days past dues	ECL
Stage 1	Up to 30 days	12 month ECL
Stage 2	31 up to 90 days	Lifetime ECL
Stage 3	90 days and above	Lifetime ECL

In addition to days past due, the Group also considers other qualitative factors in determining significant increase in credit risks since origination.

2.1.5.2 The calculation of ECLs

The Group calculates ECLs to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The key elements of the ECL are summarised below:

PD:

The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

EAD:

The Exposure at Default is an estimate of the exposure at a future default date (in case of Stage 1 and Stage 2), taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. In case of Stage 3 loans EAD represents exposure when the default occurred.

LGD:

The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value

The mechanics of the ECL method are summarised below:

Stage 1:

The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Group calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2:

When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.

Significant increase in credit risk

The Group monitors all financial assets that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12mECLs.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment including forward-looking information.

Stage 3:

For loans considered credit-impaired, the Group recognises the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower;
- a breach of contract such as a default or past due event;

- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments that are financial assets measured at amortised cost are credit-impaired at each reporting date.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default includes unlikeliness to pay indicators and a back-stop if amounts are overdue for 90 days or more.

Loan commitment:

When estimating LTECLs for undrawn loan commitments, the Group estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan. For an undrawn loan commitment, ECLs are calculated and presented under provisions.

Forward looking information

In its ECL models, the Group relies on a broad range of forward looking information as economic inputs. The inputs and models used for calculating ECLs may not always capture all characteristics of the market at the date of the financial statements. To reflect this, qualitative adjustments or overlays are made as temporary adjustments.

Estimates and associated assumptions applied in preparing the financial statements, especially for the expected credit loss on advances, are based on historical experience and other emerging/ forward looking factors including those arising on account of the COVID-19 pandemic. The Group has used early indicators of moratorium and delayed payment metrics observed along with an estimation of potential stress on probability of defaults and exposure at default due to COVID-19 situation in developing the estimates and assumptions to assess the expected credit loss on loans.

2.1.5.3 Write-off

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

2.1.6 Financial Guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109;
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised.

2.2 Recognition of Interest Income

2.2.1 The effective interest rate method

Interest income is recorded using the effective interest rate ("EIR") method for all financial instruments measured at amortised cost, debt instrument measured at FVOCI and debt instruments designated at FVTPL. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

2.2.2 Interest Income

The Group calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets

When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Group calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit-impaired, the Group reverts to calculating interest income on a gross basis.

2.2.3 Fees and Commission Income

Fees and commission Income include fees other than those that are an integral part of EIR. The fees included in this part of the Group's statement of profit or loss include among other things fees charged for servicing a loan including cheque bounce charges, field visit charges, pre-closure charges etc when there is no uncertainty on ultimate collection.

2.2.4 Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

2.3 Leases

The Group's Right-of-Use ("ROU") assets consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a 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 of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and low value leases. The Group applies the short-term lease recognition exemption to its short-term leases of buildings (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 payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

2.4 Employee benefits

Post-employment benefits and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, 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. Remeasurement of actuarial gains and losses is reflected immediately 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 retained earnings and is not reclassified to profit or loss. Past service costs are recognised in profit or loss on the earlier of:

(i) The date of the plan amendment or curtailment, and

(ii) The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate 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);
- interest expense; and
- remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of leave encashment and other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. The Group records the leave encashment liability based on actuarial valuation computed using projected unit credit method.

Share-based payments

Stock options are granted to the employees under the stock option scheme. The costs of stock options granted to the employees (equity-settled awards) of the Group are measured at the fair value of the equity instruments granted. For each stock option, the measurement of fair value is performed on the grant date. The grant date is the date on which the Group and the employees agree to the stock option scheme. The fair value so determined is revised only if the stock option scheme is modified in a manner that is beneficial to the employees.

This cost is recognised, together with a corresponding increase in Employee Stock Options Reserve in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

If the options vests in instalments (i.e. the options vest pro rata over the service period), then each instalment is treated as a separate share option grant because each instalment has a different vesting period.

2.5 Taxes

Income tax expense represents the sum of the current tax and deferred tax.

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. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Group operates and generates taxable income.

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. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

  Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

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 re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. 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. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

2.6 Property, plant and equipment ("PP&E") and intangible assets

PP&E is stated at cost excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates. Depreciation on the following categories of PP&E (other than Freehold Land) has been provided on the straight-line method, the useful lives of which have been assessed as under, based on technical assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Particulars	Estimated Life	Life as per Schedule II
Office Equipment	3 years	5 years
Servers (under office equipment)	3 years	6 years
Furniture and Fixtures	3 years	10 years
Vehicles	3 years	8 years
Leasehold improvements	Primary lease period or 3 years, whichever is lower	Not applicable

Freehold Land is not depreciated, but subjected to impairment assessment. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Intangible Assets

The Group's intangible assets represent computer software.

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group.

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, they are carried at cost less accumulated amortisation and impairment losses if any, and are amortised over their estimated useful life on the straight-line basis over a 3-year period or the license period whichever is lower.

The carrying amount of the assets is reviewed at each Balance sheet date to ascertain impairment based on internal or external factors.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition 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.

2.7 Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken in to account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.8 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

2.9 Assets held for Sale

Assets acquired by the Company under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has been classified as assets held for sale, as their carrying amounts will be recovered principally through a sale of asset. These assets are recognised on obtaining physical possession of the assets which are in the nature of residential properties. In accordance with Ind AS 105, the assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

2.10 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

2.10.1 Cash and cash equivalents

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

2.11 Earnings per share (“EPS”)

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate (Refer Note 19(b)). Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

2.12 Segment Reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the ‘management approach’ as defined in Ind AS 108, the Chief Operating Decision Maker (“CODM”) evaluates the Group’s performance based on an analysis of various performance indicators by business segments and geographic segments.

As per the requirements of Ind AS 108 ‘Operating Segments’, based on evaluation of financial information for allocation of resources and assessing performance, the Group has identified a single segment, viz. “providing long term housing finance, loans against property and refinance loans”. Accordingly, there are no separate reportable segments as per Ind AS 108.

2.13 Determination of Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

- **Level 1 financial instruments –** Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Group has access to at the measurement date. The Group considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.
- **Level 2 financial instruments –** Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Group will classify the instruments as Level 3.
- **Level 3 financial instruments –** Those that include one or more unobservable input that is significant to the measurement as whole.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group evaluates the levelling at each reporting period on an instrument-by-instrument basis and reclassifies instruments when necessary based on the facts at the end of the reporting period.

3A Significant accounting judgements, estimates and assumptions

The preparation of the Group'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 period

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

3A 1. De-recognition of Financial instruments

The Group enters into securitisation transactions where financial assets are transferred to a structured entity for a consideration. The financial assets transferred qualify for derecognition only when substantial risk and rewards are transferred.

This assessment includes judgements reflecting all relevant evidence including the past performance of the assets transferred and credit risk that the Group has been exposed to. Based on this assessment, the Group believes that the credit enhancement provided pursuant to the transfer of financial assets under securitisation are higher than the loss incurred on the similar portfolios of the Group hence it has been concluded that securitisation transactions entered by the Group does not qualify for de-recognition since substantial risk and rewards of the ownership has not been transferred. The transactions are treated as financing arrangements and the sale consideration received is treated as borrowings.

3A 2. 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 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 considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility. For further details about determination of fair value please see Fair value note in a Accounting policy

3A 3. 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 Group'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 estimates include:

- The Group'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 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 temporary adjustments as qualitative adjustment or overlays based on broad range of forward looking information as economic inputs

It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

3A 4. Provisions and other contingent liabilities

When the Group can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Group 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 Group takes in to account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

Recent Accounting Development

On March 23, 2022, the ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

- Ind AS 101- First time adoption of Ind AS
- Ind AS 103- Business Combination
- Ind AS 109- Financial Instrument
- Ind AS 16- Property, Plant and Equipment
- Ind AS 37 –Provisions, Contingent Liabilities and Contingent Assets
- Ind AS 41-Agriculture

Application of above standards are not expected to have any significant impact on the company's financial statement.

4 Cash and cash equivalents

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	304.14	181.08
Balances with banks - In current accounts	5,069.19	30,990.05
Balances with banks - In deposit accounts - Original maturity less than 3 months	35,146.62	11,102.86
	40,519.95	**42,273.99**

5 Bank Balances other than cash and cash equivalents

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
In deposit accounts - Original maturity more than 3 months	3,328.78	695.84
Balances held as margin money against securitisation	745.46	810.23
	4,074.24	**1,506.07**

6 Loans

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Term loans carried at amortised cost	5,11,973.08	4,00,396.47
Total Term loans (gross)	**5,11,973.08**	**4,00,396.47**
Less: Impairment loss allowance	(4,098.56)	(1,416.46)
Total Term loans (net)	**5,07,874.52**	**3,98,980.01**

Notes:

(i) All term loans are originated in India.

(ii) Term Loans are secured by deposit of original title deeds of immovable properties with the Group and/or registered mortgage of title deeds.

(iii) The Group has securitised certain term loans and managed servicing of such loan accounts. The balance outstanding in the pool, as at the reporting date is Rs. Nil (March 31, 2021: Rs. 55.54 lakhs). The carrying value of these assets have been de-recognised in the books of the Group.

(iv) Refer Note 43 for securitised term loans not derecognised in their entirety.

(v) There are no outstanding loan to Public Institution.

(vi) Term loans do not include any loans given to employees of the Group.

6.1 Summary of changes in the gross carrying amount and the corresponding ECL allowances in relation to term loans:

6.1.1 Reconciliation of gross carrying amount is given below:

Rs. in lakhs

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross Carrying amount opening balance	3,57,619.75	40,014.76	2,761.96	4,00,396.47	2,24,707.55	82,583.07	5,248.40	3,12,539.02
New assets originated / Increase in existing assets (Net)	1,63,766.03	570.26	241.76	1,64,578.05	126,975.33	-	-	1,26,975.33
Exposure de-recognised / matured / repaid	(44,868.87)	(6,567.97)	(1,564.60)	(53,001.44)	(31,679.88)	(6,594.48)	(843.52)	(39,117.88)
Transfer to Stage 1	10,787.96	(10,454.34)	(333.62)	-	62,216.11	(61,880.99)	(335.12)	-
Transfer to Stage 2	(24,201.61)	24,245.19	(43.58)	-	(24,161.73)	26,252.59	(2,090.86)	-
Transfer to Stage 3	(1,933.22)	(3,188.52)	5,121.74	-	(437.63)	(345.43)	783.06	-
Gross carrying amount closing balance	**4,61,170.04**	**44,619.38**	**6,183.66**	**5,11,973.08**	**3,57,619.75**	**40,014.76**	**2,761.96**	**4,00,396.47**

Note:

The contractual amount outstanding on loans (including interest) that have been written off during the financial year, but were still subject to recovery activities was Rs. 926.56 lakhs (Rs. Nil for March 31, 2021).

The Company, in the normal course collects the dues by cheques / mandates and where there is a default, the Company generally takes reasonable steps such as issuance of demand notice and initiates arbitration or in the alternative proceeds under SARFAESI Act, where the immovable property is offered as a collateral security for recovery of overdue principal and interest in respect of such loans.

6.1.2 Reconciliation of ECL on term loans is given below:

Rs. in lakhs

Particulars	For the year ended March 31, 2022				For the year ended March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	433.05	224.38	759.03	1,416.46	144.90	93.14	592.12	830.16
New assets originated / Increase in existing assets (Net)	1,094.05	913.51	1,467.99	3,475.55	236.44	68.18	454.86	759.48
Exposure de-recognised / matured / repaid	(96.24)	(62.32)	(634.89)	(793.45)	(14.81)	(6.87)	(206.37)	(228.05)
Transfer to Stage 1	117.29	(41.28)	(76.01)	-	88.83	(70.32)	(18.51)	-
Transfer to Stage 2	(32.29)	35.54	(3.25)	-	(23.85)	154.93	(131.08)	-
Transfer to Stage 3	(2.92)	(49.14)	52.06	-	(6.93)	(4.15)	11.08	-
Impact on account of exposures transferred during the year between stages	-	-	-	-	8.47	(10.53)	56.93	54.87
ECL allowance - closing balance	**1,512.94**	**1,020.69**	**1,564.93**	**4,098.56**	**433.05**	**224.38**	**759.03**	**1,416.46**

7 Investments

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
At fair value through profit and loss		
Quoted: Investment in Mutual Funds	10,165.19	5,275.22
	10,165.19	**5,275.22**

8 Other Financial assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Considered Good, Unsecured - At Amortised Cost		
Security deposits	550.43	265.58
Loans and advances to employees	0.60	0.28
Accrued income	1,503.59	125.10
Receivable on securitised assets	-	5.08
Ex-gratia receivable	-	766.11
	2,054.62	**1,162.15**

9 Deferred tax assets / (liabilities) (Net)

Rs. in lakhs

Components of deferred tax asset / (liability)	As at April 01, 2021	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2022
Tax effect of items constituting deferred tax assets:				
Provision for compensated absences, gratuity and other employee benefits	81.36	18.17	0.94	100.47
Impairment Loss Allowance	423.39	738.22	-	1,161.61
Difference between written down value of PPE and intangible assets as per books and as per Section 32 of Income-tax Act, 1961	127.41	(1.72)	-	125.69
Deferred processing fee relating to loans	1,621.03	(316.07)	-	1,304.96
Others	13.42	198.66	-	212.07
Tax effect of items constituting deferred tax assets	**2,266.61**	**637.26**	**0.94**	**2,904.80**
Tax effect of items constituting deferred tax (liabilities):				
On Provision for doubtful advances allowed under section 36(1)(viia) of Income-tax Act, 1961	(221.09)	(125.09)	-	(346.17)
Deferred processing fee relating to debt securities and borrowings other than debt securities	(329.61)	34.51	-	(295.10)
Others	(16.59)	16.59	-	-
Tax effect of items constituting deferred tax (liabilities)	(567.29)	(73.99)	-	(641.27)
Net deferred tax assets / (liabilities)	**1,699.32**	**563.27**	**0.94**	**2,263.53**

Rs. in lakhs

Components of deferred tax asset / (liability)	As at April 01, 2020	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2022
Tax effect of items constituting deferred tax assets:				
Provision for compensated absences, gratuity and other employee benefits	60.66	16.91	3.79	81.36
Impairment Loss Allowance	241.10	182.29	-	423.39
Difference between written down value of PPE and intangible assets as per books and as per Section 32 of Income-tax Act, 1961	114.47	12.94	-	127.41
Deferred processing fee relating to loans	1,240.81	380.22	-	1,621.03
Others	10.98	2.44	-	13.42
Tax effect of items constituting deferred tax assets	**1,668.02**	**594.80**	**3.79**	**2,266.61**
Tax effect of items constituting deferred tax (liabilities):				
On Provision for doubtful advances allowed under section 36(1)(viia) of Income-tax Act, 1961	(120.25)	(100.84)	-	(221.09)
Deferred processing fee relating to debt securities and borrowings other than debt securities	(272.98)	(56.64)	-	(329.61)
Others	(2.53)	(14.06)	-	(16.59)
Tax effect of items constituting deferred tax (liabilities)	**(395.76)**	**(171.54)**	**-**	**(567.29)**
Net deferred tax assets / (liabilities)	**1,272.26**	**423.26**	**3.79**	**1,699.32**

10A Property, plant and equipment

Rs. in lakhs

Particulars		As at March 31, 2022	As at March 31, 2021
Carrying amounts of :			
a)	Freehold Land	64.57	64.57
b)	Leasehold improvements	24.49	49.73
c)	Furniture and fixtures	14.24	13.40
d)	Vehicles	121.93	-
e)	Office Equipment	114.52	120.47
		339.75	**248.17**

Rs. in lakhs

Particulars	Freehold Land	Leasehold improvements	Furniture and fixtures	Vehicles	Office Equipments	Total
Cost / Deemed cost						
Balance at April 1, 2020	64.57	237.08	96.18	60.45	440.76	899.04
Additions during the year	-	21.65	10.32	-	61.05	93.02
Balance at March 31, 2021	**64.57**	**258.73**	**106.50**	**60.45**	**501.81**	**992.06**
Additions during the year		9.50	25.27	137.93	95.01	267.71
Disposals	-	-	-	(61.85)	-	(61.85)
Balance at March 31, 2022	**64.57**	**268.23**	**131.77**	**136.53**	**596.82**	**1,197.92**
Accumulated depreciation						
Balance at April 1, 2020	-	164.79	75.05	60.27	272.12	572.23
Depreciation expense for the year	-	44.21	18.05	0.18	109.22	171.66
Balance at March 31, 2021	**-**	**209.00**	**93.10**	**60.45**	**381.34**	**743.89**
Depreciation expense for the year	-	34.74	24.43	16.00	100.97	176.13
Elimination on disposals of assets	-	-	-	(61.85)	-	(61.85)
Balance at March 31, 2022	**-**	**243.74**	**117.53**	**14.60**	**482.31**	**858.17**
Net book value						
Balance at March 31, 2022	**64.57**	**24.49**	**14.24**	**121.93**	**114.52**	**339.75**
Balance at March 31, 2021	**64.57**	**49.73**	**13.40**	**-**	**120.47**	**248.17**

Note:

(i) Freehold Land with a carrying value of Rs. 64.57 lakhs (March 31, 2021 - Rs. 64.57 lakhs) has been hypothecated to secure Non-convertible debentures issued by the Group.

10B Intangible assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amounts of :		
a) Computer software	61.65	26.78
	61.65	**26.78**

Rs. in lakhs

Particulars	Computer software	Total
Cost / Deemed cost		
Balance at April 1, 2020	295.95	295.95
Additions during the year	34.57	34.57
Balance at March 31, 2021	**330.52**	**330.52**
Additions during the year	82.32	82.32
Balance at March 31, 2022	**412.84**	**412.84**
Accumulated amortisation		
Balance at April 1, 2020	259.38	259.38
Amortisation expense during the year	44.36	44.36
Balance at March 31, 2021	**303.74**	**303.74**
Amortisation expense during the year	47.45	47.45
Balance at March 31, 2022	**351.19**	**351.19**
Net book value		
Balance at March 31, 2022	**61.65**	**61.65**
Balance at March 31, 2021	**26.78**	**26.78**

10C Right-of-use assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amounts in respect of :		
a) Leased buildings (Refer Note 42)	795.12	680.69
	795.12	**680.69**

Rs. in lakhs

Particulars	Leased buildings	Total
Cost / Deemed cost		
Balance at April 1, 2020	926.42	926.42
Additions during the year	385.41	385.41
Balance at March 31, 2021	**1,311.83**	**1,311.83**
Additions during the year	552.05	552.05
Balance at March 31, 2022	**1,863.88**	**1,863.88**
Accumulated depreciation		
Balance at April 1, 2020	278.77	278.77
Depreciation expense for the year	352.37	352.37
Balance at March 31, 2021	**631.14**	**631.14**
Depreciation expense for the year	437.61	437.61
Balance at March 31, 2022	**1,068.75**	**1,068.75**
Net book value		
Balance at March 31, 2022	**795.12**	**795.12**
Balance at March 31, 2021	**680.69**	**680.69**

10D Depreciation and Amortisation expense

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, plant and equipment	10A	176.13	171.66
Amortisation on Intangible assets	10B	47.45	44.36
Depreciation expense on right-of-use assets	10C	437.61	352.37
Total		**661.19**	**568.39**

11 Other non-financial assets

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Considered Good, Unsecured		
Capital advances	8.56	20.85
Prepaid expenses	79.50	49.17
Other advances	11.07	94.17
	99.13	**164.19**

12 Assets held for sale

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Gross Carrying amount	208.72	-
Less: ECL Provisions	(52.18)	-
Net Carrying amount	**156.54**	**-**

13 Debt Securities

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Redeemable Non-Convertible Debentures - At Amortised cost (Within India)	41,024.83	43,018.39
	41,024.83	**43,018.39**

(a) Details of Secured Redeemable Non-Convertible Debentures ("NCDs") - Redeemable at par:

No of Debentures	Rate of Interest	Due date of redemption	Face Value	Balance Outstanding	
				As at March 31, 2022	As at March 31, 2021
			Rs.	Rs. in lakhs	Rs. in lakhs
5,000	10.75%	March 5, 2023#	31,250	1,560.48	-
(5,000)	(10.75%)	(March 5, 2023#)	(81,250)	-	2,790.34
33,20,000	10.00%	May 15, 2023	100	3,435.18	3,424.85
33,20,000	9.35%	May 15, 2023	100	3,426.27	3,415.34
33,30,000	9.80%	May 15, 2023	100	3,441.75	3,430.29
250	8.90%	September 7, 2023$	10,00,000	1,252.90	-
(250)	-8.90%	(September 7, 2023$)	(10,00,000)	-	2,083.92
5,000	10.00%	June 20, 2025	1,00,000	4,985.83	4,981.44
12,500	10.00%	August 20, 2025	1,00,000	12,462.74	12,451.75
1,01,00,000	10.36%	November 3, 2025	100	10,459.68	10,440.46
				41,024.83	**43,018.39**

Note : Previous Year figures have been disclosed in 'Brackets'

(i) Redeemable Non-Convertible Debentures are secured by hypothecation of specified term loans amounting to Rs. 48,636.25 lakhs as at March 31, 2022 (March 31, 2021 -Rs. 51,314.08 lakhs) and specified immovable property amounting to Rs. 64.57 lakhs as at March 31, 2021 (March 31, 2020 - Rs. 64.57 lakhs).

(ii) Debentures issued by the subsidiary aggregating to Rs. 2,813.57 lakhs as at March 31, 2022 (March 31, 2021 - Rs. 4,874.26 lakhs) has been guaranteed by Aptus Value Housing Finance India Limited, the Holding Company.

(iii) The Group has not defaulted in the repayment of borrowings and interest during any of the years presented.

Repayable on quarterly basis and $ repayable on half yearly basis, other NCDs are repayable as bullet payments on the due date of redemption.

14 Borrowings (Other than Debt Securities)

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Secured - At Amortised cost (Within India)		
Term loans		
Scheduled banks	1,27,081.75	1,31,391.89
Other Financial Institutions	87,602.46	57,720.37
Securitisation Loans	9,865.70	15,166.79
Working Capital Loans	6,487.96	3,500.00
	2,31,037.87	**2,07,779.05**

(a) Terms of repayment and tenure of term loans are as follows:

Rs. in lakhs

Rate of Interest	Tenure	Balance Outstanding	
		As at March 31, 2022	As at March 31, 2021
5.05%	1 year	7,500.00	3,209.80
7.00%-8.00%		6,926.34	-
8.00%-9.00%	2- 5 years	5,414.62	6,905.85
9.00%-10.00%		5,140.89	7,307.97
10.00%-11.00%		-	2,482.67
6.00%-7.00%	5- 7 years	1,930.01	1,778.87
7.00%-8.00%		33,424.99	44,850.02
8.00%-9.00%		44,549.55	16,461.65
9.00%-10.00%		-	207.89
5.85%-6.00%	7-10 years	-	41,980.43
6.00%-7.00%		74,535.59	2,826.00
7.00%-8.00%		-	330.63
8.00%-9.00%		29,653.70	41,685.93
9.00%-10.00%		-	11,782.72
6.90%-7.00%	> 10 years	5,566.88	7,152.23
8.00%-9.00%		-	149.60
Total		**2,14,684.21**	**1,89,112.26**

(b) Terms of repayment and tenure of securitisation loans are as follows:

Rs. in lakhs

Rate of Interest	Tenure	Balance Outstanding	
		As at March 31, 2022	As at March 31, 2021
7.50%-8.00%	5-7 years	7,523.35	9,110.56
10.00%-11.00%		2,342.35	6,056.23
Total		**9,865.70**	**15,166.79**

(i) Term loans from scheduled banks and other financial institutions are secured by hypothecation of specified term loans amounting to Rs. 2,53,851.88 lakhs as at March 31, 2022 (March 31, 2021 - Rs. 2,25,680.53 lakhs).

(ii) The Group has not defaulted in the repayment of borrowings and interest during any of the years presented.

(iii) Term Loans from other financial institution (National Housing Bank) aggregating to Rs. Nil (March 31, 2021 - Rs. 9,295.50 lakhs) has been guaranteed by the promoter Mr. M Anandan.

(iv) Loans aggregating to Rs. 25,117.45 lakhs as at March 31, 2022 (March 31, 2021 -Rs. 16,779.57 lakhs) has been guaranteed by Aptus Value Housing Finance India Limited, the Holding Company.

(v) Working Capital loans have been availed at Interest rate of 7.15%-8.25% p.a and are secured by hypothecation of specified term loans amounting to Rs. 9,975.26 lakhs as at March 31, 2022 (March 31, 2021 - Rs. 4,029.25 lakhs).

(vi) The secured term loans are availed from various scheduled banks and other financial institutions. These loans are repayable as per the individual contracted terms in one or more instalments.

(vii) The Group has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.

(viii) The Group has borrowed funds from banks and financial institutions on the basis of security of current assets. It has filed quarterly returns or statements of current assets with banks and financial institutions and the said returns/statements are in agreement with books of accounts.

15 Other financial liabilities

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
At Amortised Cost		
Advances from customers	93.79	43.62
Remittances Payable - Securitised Assets	-	22.31
Accrued employee benefits	759.35	568.25
Other payables	1,194.16	700.58
	2,047.30	**1,334.76**

16 Current tax liabilities (Net)

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax (net) (Refer note (i) below)	311.07	444.89
	311.07	**444.89**
(i) Net of Advance Tax	33,281.10	21,596.44

17 Provisions

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer Note 31)		
Provision for gratuity	185.21	164.24
Provision for leave encashment	216.51	159.02
Provisions for Undrawn commitments	8.21	6.92
	409.93	**330.18**

17.1 Loan commitment

17.1.1 An analysis of changes in the gross carrying amount is as follows

Rs. In Lakhs | Rs. In Lakhs

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure	11,050.25	78.72	4.00	11,132.97	3,493.69	1,555.84	1.00	5,050.53
New exposure	8,849.81	8.00		8,857.81	10,908.94	-	-	10,908.94
Exposure derecognised or matured/lapsed	(10,074.88)	(235.04)	(43.09)	(10,353.01)	(4,491.29)	(334.21)	(1.00)	(4,826.50)
Transfers to Stage 1	33.51	(33.51)		-	1,324.34	(1,324.34)	-	-
Transfers to Stage 2	(194.33)	194.33		-	(185.43)	185.43	-	-
Transfers to Stage 3	(34.59)	(4.50)	39.09	-	-	(4.00)	4.00	-
Gross carrying amount closing balance	**9,629.77**	**8.00**	**-**	**9,637.77**	**11,050.25**	**78.72**	**4.00**	**11,132.97**

17.1.2 Reconciliation of ECL balance is given below:

Rs. In Lakhs | Rs. In Lakhs

Particulars	As at March 31, 2022				As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure	5.68	0.91	0.33	6.92	1.34	10.03	0.05	11.42
New exposure	3.66	0.23		3.89	5.63	-	-	5.63
Exposure derecognised or matured/lapsed	(5.76)	(0.68)	(0.48)	(6.92)	(9.51)	(0.88)	0.26	(10.13)
Transfers to Stage 1	0.50	(0.50)		-	8.45	(8.45)	-	-
Transfers to Stage 2	(0.34)	0.34		-	(0.23)	0.23	-	-
Transfers to Stage 3	(0.09)	(0.06)	0.15	-	-	(0.02)	0.02	-
Gross carrying amount closing balance	**3.65**	**0.24**	**(0.00)**	**3.89**	**5.68**	**0.91**	**0.33**	**6.92**

18 Other non-financial liabilities

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues	309.55	229.12
Deferred Income	77.64	37.64
	387.19	**266.76**

19 Equity Share capital

Rs. in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
(i) Authorised share capital				
Equity shares of Rs. 2 each	53,00,00,000	10,600.00	53,00,00,000	10,600.00
(ii) Issued and Subscribed share capital				
Equity shares of Rs. 2 each - Fully paid-up	49,69,18,095	9,938.36	47,39,16,290	9,478.33
Equity shares of Rs. 2 each - Partly paid-up	-	-	75,00,000	15.00
	49,69,18,095	**9,938.36**	**48,14,16,290**	**9,493.33**

Notes:

(a) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	Opening Balance	Fresh issue	Conversion of partly paid into fully paid (Note (c))	ESOP	Closing Balance
Equity shares					
Year ended March 31, 2022					
- Number of shares	48,14,16,290	1,41,64,305	75,00,000	13,37,500	49,69,18,095
- Amount (Rs. in lakhs)	9,493.33	283.29	135.00	26.74	9,938.36
Year ended March 31, 2021					
- Number of shares	47,93,16,290	-	-	21,00,000	48,14,16,290
- Amount (Rs. in lakhs)	9,451.33	-	-	42.00	9,493.33

(b) The Partly Paid-up Shares were made fully paid up on May 5, 2021, pursuant to a resolution of the board of directors of our Company dated May 5, 2021 for the first and final call for the balance amount of Rs. 525.03 per equity share of face value of Rs. 10 each being made on the Partly Paid-up Shares. Further, please note that pursuant to a resolution of the board of directors of our Company passed in their meeting held on May 5, 2021 and a resolution of the shareholders of our Company passed in their extraordinary general meeting held on May 6, 2021, each fully paid up equity share of our Company of face value Rs. 10 was split into 5 Equity Shares of face value Rs. 2 each, and accordingly, 9,62,83,258 equity shares of our Company of face value Rs. 10 each were split into 48,14,16,290 Equity Shares of face value Rs. 2 each.

(c) The Company had completed an Initial Public Offer ("IPO") of 7,87,55,000 equity shares of face value of Rs. 2 each, at an issue price of Rs. 353 per equity share, comprising of offer for sale of 6,45,90,695 equity shares by selling shareholders and fresh issue of 1,41,64,305 shares. The equity shares of the Company were listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on 24th August 2021.

The details of utilisation of the net IPO proceeds of Rs. 47,978.96 lakhs (net of share issue expenses of Rs. 2,021.03 lakhs), is as follows;

(Rs. In Lakhs)

Objects of the issue	IPO Proceeds (net)	Utilisation during the year	Un-utilisation balance as at March 31, 2022
Augmenting tier I Capital	47,978.96	47,978.96	-

(d) During the year ended March 31, 2022, the company has allotted 11,50,000 and 1,87,500 equity shares to eligible employees under Employee Stock Option 2015 at excersise price of INR 15 and INR 26 per equity share respectively.

(e) Terms/rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs.2 each. Each holder is entitled to one vote per equity share. Dividends proposed by the Board of Directors, if any is subject to the approval of the shareholders at the Annual General Meeting except in case of interim dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

Class of shares / Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
M Anandan	9,61,64,165	19.35%	9,61,64,165	19.98%
Padma Anandan	2,25,00,000	4.53%	2,50,00,000	5.19%
Westbridge Cross Over Fund LLC	17,17,29,755	34.56%	17,17,29,755	35.67%
JIH II LLC	1,34,75,485	2.71%	4,18,54,620	8.69%

(g) Details of shareholding of Promoters:

Name of the promoter	As at March 31, 2022			As at March 31, 2021		
	No of shares	% of total shares	% change during the current year	No of shares	% of total shares	% change during the current year
M Anandan	9,61,64,165	19.35%	0.63%	9,61,64,165	19.98%	0.08%
Padma Anandan	2,25,00,000	4.53%	0.66%	2,50,00,000	5.19%	(0.03)%
Westbridge Cross Over Fund LLC	17,17,29,755	34.56%	1.11%	17,17,29,755	35.67%	(0.16)%
Total	**29,03,93,920**	**58.44%**	**2.40%**	**29,28,93,920**	**60.84%**	**(0.11)%**

Note: There are no shares held by Holding / Ultimate holding company and / or their subsidiaries / associates.

(h) Shares reserved for issue under options:

Refer Note 41 for details of shares reserved for issue under options.

20 Other Equity

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium reserve	1,72,126.46	1,16,276.43
Employee Stock Options Reserve	437.70	72.86
Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987 (Statutory Reserve - I)	2,985.22	1,885.20
Special Reserve under 36(1)(viii) of Income-tax Act, 1961	18,297.28	13,233.29
Statutory Reserve under Section 45-IC of Reserve Bank of India Act, 1934 (Statutory Reserve - II)	3,034.32	1,785.39
Impairment Reserve	761.93	761.93
Retained Earnings	84,068.26	54,467.19
Remeasurement gain / (loss) on defined benefit plan	(33.28)	(30.47)
	2,81,677.89	**1,88,451.82**

20.1 Movement in Other Equity

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Securities premium reserve (Refer Note 20.2.1)		
Balance at the beginning of the year	1,16,276.43	1,15,856.61
Add : Premium on ESOP exercised during the year	194.50	314.25
Add : Premium on fresh issuance of equity shares pursuant to initial public offerings ('IPO') during the year	49,716.71	-
Add : Premium on partly paid equity share converted into fully paid equity shares during the year	7,740.45	-
Add : Transfer from Employee Stock Options Reserve on ESOP exercised during the year	72.86	105.57
Less : Share issue expenses pursuant to initial public offerings ('IPO') during the year	(1,874.49)	-
Balance at the end of the year	**1,72,126.46**	**1,16,276.43**
(b) Employee Stock Options Reserve (Refer Note 20.2.2 & Note 41)		
Balance at the beginning of the year	72.86	173.81
Add: Share based payments to employees during the year	437.70	4.62
Less: Transfer to Securities Premium on options exercised during the year	(72.86)	(105.57)
Balance at the end of the year	**437.70**	**72.86**
(c) Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987 (Refer Note 20.2.3)		
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of NHB Act, 1987	1,885.20	1,058.38
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	13,233.29	9,705.26

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Addition/Appropriation/withdrawal during the year		
Add: a) Amount transferred u/s 29C of NHB Act, 1987	1,100.02	826.82
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory reserve u/s 29C of the NHB Act, 1987	5,063.99	3,528.03
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of provision u/s 29 C of NHB Act 1987	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of NHB Act, 1987	2,985.22	1,885.20
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987	18,297.28	13,233.29
	21,282.50	**15,118.49**
(d) Statutory Reserve under Section 45-IC of Reserve Bank of India Act, 1934 (Refer Note 20.2.4)		
Balance at the beginning of the year	1,785.39	795.94
Add: Transfer from retained earnings during the year	1,248.93	989.45
Balance at the end of the year	**3,034.32**	**1,785.39**
(e) Impairment Reserve (Refer Note 20.2.5 & Note 44)		
Balance at the beginning of the year	761.93	90.26
Add: Transfer from retained earnings during the year	-	671.67
Balance at the end of the year	**761.93**	**761.93**
(f) Retained Earnings (Refer Note 20.2.6)		
Balance at the beginning of the year	54,467.19	33,788.67
Add: Profit for the year	37,014.01	26,694.49
Less: Transfer to Special reserve u/s 36(1)(viii) of Income-tax Act, 1961 (Refer Note 20.2.3)	(5,063.99)	(3,528.03)
Less: Transfer to Special reserve u/s 29C of the NHB Act, 1987 (Refer Note 20.2.3)	(1,100.02)	(826.82)
Less: Transfer to Statutory Reserve u/s 45-IC of Reserve Bank of India Act, 1934 (Refer Note 20.2.4)	(1,248.93)	(989.45)
Less: Transfer to Impairment reserve (Refer 20.2.5)	-	(671.67)
Balance at the end of the year	**84,068.26**	**54,467.19**
(g) Remeasurement gain / (loss) on defined benefit plan		
Balance at the beginning of the year	(30.47)	(19.22)
Other Comprehensive Income for the year	(2.81)	(11.25)
Balance at the end of the year	**(33.28)**	**(30.47)**
Total	**2,81,677.89**	**1,88,451.82**

20.2 Nature and purpose of reserves:

20.2.1 Securities premium reserve

Securities premium is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes in accordance with the provisions of the Companies Act, 2013. During the year ended March 31, 2022, Securities premium was utilised to the extent of Rs. 1,874.49 lakhs on account of expenses incurred for the issue of Equity shares, in line with Section 52 of the Companies Act 2013.

20.2.2 Employee Stock Options Reserve

The amount represents reserve created to the extent of granted options based on the Employees Stock Option Schemes. Under Ind AS 102, fair value of the options granted is to be expensed out over the life of the vesting period as employee compensation costs reflecting period of receipt of service. Also refer note 40.

20.2.3 Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987 (Statutory Reserve - I)

As per Section 29C(1) of the National Housing Bank Act, 1987, the Holding Company is required to transfer at least 20% of its net profit after tax every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Holding Company under Section 36(1)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer. During the year ended March 31, 2022, the Company has transferred Rs. 5,063.99 lakhs (March 31, 2021 - Rs. 3,528.03 lakhs) in terms of section 36(1)(viii) to the Special Reserve.

The Holding Company has transferred an amount of Rs. 1,100.02 lakhs during the year ended March 31, 2022 (March 31, 2021 - Rs. 826.82 lakhs) to Statutory Reserve u/s 29C of the National Housing Bank Act, 1987. Total amount clearly earmarked for the purposes of Statutory Reserve u/s 29C is Rs. 21,282.50 lakhs (March 31, 2021 - 15,118.49 lakhs) out of which Rs. 2,985.22 lakhs (March 31, 2021 - Rs. 1,885.20 lakhs) is distinctly identifiable above and the balance of Rs. 18,297.28 lakhs (March 31, 2021 - Rs. 13,233.29 lakhs) is included in the Special Reserve created u/s 36(1)(viii) of the Income-tax Act, 1961.

The Holding Company has resolved not to make withdrawals from the Special reserve created under Section 36(1)(viii) of the Income-tax Act, 1961.

20.2.4 Statutory Reserve under Section 45-IC of Reserve Bank of India Act, 1934 (Statutory Reserve - II)

Statutory reserve represents the reserve created as per Section 45-IC of the Reserve Bank of India Act, 1934, pursuant to which a Non-Banking Financial Company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the Statement of Profit and Loss account, before any dividend is declared.

20.2.5 Impairment Reserve

In terms of the requirement as per RBI notification no. RBI/2020-21/100 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated 17 February 2021, Housing Finance Companies (HFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). Accordingly the Parent Company has transferred such shortfall amount to Impairment Reserve. No withdrawal from the reserve is permitted without prior permission from the Department of Supervision, RBI.

20.2.6 Retained earnings

Retained earnings are the profits that the Company has earned till date less any transfer to statutory reserves, general reserves and dividend distributed to shareholders.

20.2.7 The Holding Company and in its Subsidiary Company has not declared or paid any dividend during the current year.

21 Revenue from operations

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Interest Income		
On financials assets measured at amortised cost		
Interest on term loans	78,107.49	61,228.53
Interest on fixed deposits with banks	1,059.26	1,457.10
	79,166.75	**62,685.63**
(B) Net gain on fair value changes		
Investment in mutual funds measured at FVTPL - trading portfolio		
Realised	491.17	52.74
Unrealised	41.64	23.34
	532.81	**76.08**
(C) Fees and commission Income	1,768.81	1,196.46
	81,468.37	**63,958.17**

22 Other income

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Charges for Marketing / Display	2,491.23	1,862.10
Other Non Operating Income	62.10	0.65
	2,553.33	**1,862.75**

23 Finance costs

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on Financial liabilities measured at amortised cost		
- Debt securities	4,410.89	6,266.27
- Borrowings (other than debt securities)	16,379.27	14,315.11
- Others	68.48	72.01
	20,858.64	**20,653.39**

24 Employee benefits expense

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, bonus and commission	7,111.16	6,439.42
Employee Stock options expense (Refer Note 41)	437.70	4.62
Contributions to provident and other funds (Refer Note 31.1)	613.61	493.55
Gratuity expense (Refer Note 31.2)	36.10	30.46
Staff welfare expenses	236.95	170.29
	8,435.52	**7,138.34**

25 Impairment on Financial Instruments

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expected Credit Loss Expense		
- On terms loans measured at amortised cost	2,942.42	586.31
- On undrawn commitment at amortised cost	1.29	(4.50)
Bad Debts Write off	503.57	-
	3,447.28	**581.81**

26 Other expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Repairs and maintenance		
- Computers	34.91	28.54
- Others	1.19	5.22
Insurance	7.66	8.88
Information Technology expenses	79.24	61.70
Rates and taxes	377.15	324.67
Communication Costs	173.77	140.56
Travelling and conveyance	401.91	267.19
Office expenses	400.38	665.76
Printing and stationery	77.76	64.21
Commission to Directors	68.50	68.50
Sitting fees to non-whole time directors	29.30	11.55
Charges paid to rating agencies	71.60	80.67
Electricity Charges	40.07	33.51
Bank charges	70.49	34.38
Advertisement and publicity	31.34	9.78
Legal and professional	181.99	153.07
Auditor's fees and expenses (Refer Note 26.1 & Note 26.2)	54.45	45.85
Corporate Social Responsibility Expenditure (Refer Note 37)	497.32	338.49
Miscellaneous expenses	18.45	27.31
	2,617.48	**2,369.84**
26.1 Auditor's fees and expenses		
(i) As Auditors:		
Statutory Audit fee	25.00	22.00
Tax Audit	3.00	1.00
Limited Review fee	10.00	6.00
Others	8.45	12.60
Reimbursement of expenses	0.25	0.25
Sub-Total	**46.70**	**41.85**
26.2 Details of Subsidiary Auditor's fees and expenses		
As auditors:		
Statutory Audit fee	5.00	2.50
Tax Audit	1.00	0.75
Limited review	1.25	0.50
Reimbursement of expenses	0.50	0.25
Sub-Total	**7.75**	**4.00**

27 Tax expense

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax expense	11,550.85	8,266.66
Tax relating to previous years	-	(28.74)
Deferred tax charge / (credit)	(563.27)	(423.26)
	10,987.58	**7,814.66**

27.1 Reconciliation of Effective tax rate

The income tax expense for the year can be reconciled to the accounting profit/ (loss) as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(A) Profit before tax	48,001.59	34,509.15
(B) Enacted tax rates in India (including surcharge and cess)	25.17%	25.17%
(C) Income tax on profit before tax based on the enacted rate	12,081.04	8,685.26
(D) Other than temporary differences		
- Effect of change in tax rate	-	-
- Effect of income that is exempt from taxation	-	-
- Effect of inadmissible expenses	193.14	154.84
- Effect of admissible deductions	(1,442.96)	(996.70)
- Effect of reversal of opening balance of deferred tax liability on Special Reserve created u/s 36(1)(viii) of Income Tax, Act	-	-
- Others	156.36	-
(E) Income tax expense recognised in Profit and Loss	**10,987.58**	**7,843.40**

The income tax rate used for the above reconciliations are the corporate tax rate payable by the Group in India on taxable profits under the Income-tax Act, 1961.

27.2 The Group had elected to exercise the option of a lower tax rate provided under Section 115BAA of the Income tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Company has recognised provision for income tax for the year ended March 31, 2022 and March 31, 2021 basis the rate provided in the said section.

28.1 i) Matters wherein management has concluded the Group's liability to be probable have accordingly been provided for in the books. Also refer note 17.

ii) Matters wherein management has concluded the Group's liability to be possible have accordingly been disclosed under Note 28.2 Contingent liabilities below.

iii) Matters wherein management is confident of succeeding in these litigations and have concluded the Group's liability to be remote. This is based on the relevant facts of judicial precedents and as advised by legal counsel which involves various legal proceedings and claims, in different stages of process.

28.2 Contingent Liabilities

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Corporate undertakings for securitisation of receivables for which the outflow would arise in the event of a shortfall, if any, in the cashflows of the pool of the securitised receivables. (Refer note (i) below)	-	55.54

Note:

(i) In respect of these undertakings, management does not believe, based on currently available information, that the maximum outflow that could arise, will have a material adverse effect on the Group's financial condition. This securitisation deal is closed during the FY2021-22.

(ii) The Group does not have any pending litigations which would impact its financial position.

29 A Micro, Small and Medium Enterprises

Based on the extent of information available with the Management, there are no transactions with Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) during the year ended March 31, 2022 and March 31, 2021. This has been relied upon by the Auditors.

29B Trade Payable Ageing details;

Rs. in lakhs

31-Mar-22	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed - MSME	-	-	-	-	-
(ii) Undisputed - Others	789.67	-	-	-	789.67
(iii) Disputed Dues - MSME	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-
Total	**789.67**	**-**	**-**	**-**	**789.67**

Rs. in lakhs

31-Mar-21	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed - MSME	-	-	-	-	-
(ii) Undisputed - Others	188.36	-	-	-	188.36
(iii) Disputed Dues - MSME	-	-	-	-	-
(iii) Disputed Dues - Others	-	-	-	-	-
Total	**188.36**	**-**	**-**	**-**	**188.36**

30 Commitments

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans sanctioned to Borrowers pending disbursement	14,738.85	15,987.63
	14,738.85	**15,987.63**

Disclosures under Accounting Standards

31 Employee benefit plans

31.1 Defined contribution plans

The Group makes Provident Fund contributions for qualifying employees to the Regional Provident Fund Commissioner. Under the Scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognized Rs. 472.06 lakhs (March 31, 2021 - Rs. 370.49 lakhs) for provident fund contributions in the Statement of Profit and Loss. The contributions payable to the scheme by the Group are at rates specified in the rules of the scheme.

31.2 Defined benefit plans

The Group provides for gratuity, a defined benefit plan (the “gratuity plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The gratuity plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee’s last drawn salary and years of employment with the Holding Company. The Holding Company does not have a funded gratuity scheme for its employees.

The Group is exposed to various risks in providing the above gratuity benefit such as: interest rate risk, longetivity risk and salary risk.

Interest risk: A decrease in the bond interest rate will increase the plan liability.

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

Salary escalation risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Gratuity provision has been made based on the actuarial valuation done as at the year end using the Projected Unit Credit method. The details of actuarial valuation as provided by the Independent Actuary is as follows:

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Change in defined benefit obligations during the year		
Present value of obligation as at beginning of the year	164.24	126.64
Current service cost	31.07	23.99
Interest cost	7.31	6.47
Benefits paid	(23.22)	(7.90)
Actuarial (gains) / losses	3.75	15.04
Present value of obligation at end of the year	**183.15**	**164.24**
Change in fair value of assets during the year		
Plan Assets at the beginning of the year	-	-
Expected Return on Plan Assets	-	-
Actual Company Contributions	-	-
Actuarial (gains) / losses	-	-
Plan Assets at the end of the year	**-**	**-**
Liability recognized in the Balance Sheet		
Present value of obligation	183.15	164.24
Fair value of Plan Assets	-	-
Net Liability recognized in the Balance Sheet	**183.15**	**164.24**

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expenses Recognised in the Statement of Profit and Loss:		
Current service cost	31.07	23.99
Past service cost	-	-
Net Interest on Net Defined Benefit Obligations	7.31	6.47
Expenses recognized in the statement of profit and loss	**38.38**	**30.46**
Amount Recognized for the current year in the Statement of Other Comprehensive Income [OCI]		
Actuarial (gain)/loss on Plan Obligations	3.75	15.04
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	-	-
Amount recognized in OCI for the current year	3.75	15.04
Actual return on Plan Assets	-	-

The key assumptions used in the actuarial valuation as provided by independent actuary are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate	5.15%	4.79%
Future Salary Increase	5.00%	5.00%
Attrition rate	8% to 46%	8% to 46%
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

Notes:

1. The estimate of the future salary increase takes into account inflation, seniority, promotion and other relevant factors.
2. Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

Sensitivity analysis

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

The following table summarizes the impact on defined benefit obligation arising due to increase / decrease in key actuarial assumptions by 50 basis points:

As at March 31, 2022		
Defined Benefit Obligation	**Discount rate**	**Salary increase rate**
Impact of decrease	3.33	(3.47)
Impact of increase	(3.20)	3.58

As at March 31, 2021		
Defined Benefit Obligation	**Discount rate**	**Salary increase rate**
Impact of decrease	3.15	(3.25)
Impact of increase	(3.03)	3.35

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of-the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Additional disclosures required under Ind AS 19;

Particulars	As at March 31, 2022	As at March 31, 2021
Average Duration of Defined Benefit Obligations (in years)	4.60	4.60
Projected undiscounted expected benefit outgo (mid year cash flows) (in Rs. Lakhs)		
Year 1	48.04	41.70
Year 2	29.68	23.24
Year 3	27.51	24.25
Year 4	21.13	21.60
Year 5	17.28	16.07
Year 6 to 10	61.60	56.86
Expected Benefit Payments for the next annual reporting period (Rs. In lakhs)	48.04	41.70

31.3 Compensated absences

The key assumptions used in the actuarial valuation as provided by independent actuary are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount Rate	5.15%	4.79%
Future Salary Increase	5.00%	5.00%

31.4 The date on which the Code on Social Security. 2020 (the "Code') relating to employee benefits during employment benefits will come into effect is yet to be notified and the related rules are yet to be finalized. The Group will evaluate the code and its rules, assess the impact, if any, and account for the same when they become effective.

32 Earnings and Expenditure in foreign currency - Nil (March 31, 2021: Nil)

33 Segment Reporting:

The Chairman and Managing Director of the Group takes decision in respect of allocation of resources and assesses the performance basis the report/ information provided by functional heads and are thus considered to be CODM.

The Group operates under the principal business segment viz. "providing long term housing finance, loans against property and refinance loans". CODM views and monitors the operating results of its single business segment for the purpose of making decisions about resource allocation and performance assessment. Accordingly, there are no separate reportable segments in accordance with the requirements of Ind AS 108 'Operating segment' and hence, there are no additional disclosures to be provided other than those already provided in the consolidated financial statements. The Group's operations are predominantly confined in India.

34 Related party transactions

34.1 Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. M Anandan, Chairman & Managing Director
	Mr. P Balaji, ED & Chief Financial Officer
	Mr. Sanin Panicker, Company Secretary (from August 11, 2020)
	Ms. Jyoti Suresh Munot, Company Secretary (up to August 10, 2020)
Directors	Mr. Shailesh J Mehta, Non-executive Director
	Mr. K M Mohandass, Independent Director
	Mr. S Krishnamurthy, Independent Director
	Mr. Krishnamurthy Vijayan, Independent Director
	Mr. K P Balaraj, Nominee Director
	Mr. Suman Bollina, Non-executive Director
	Mr. Sumir Chadha, Nominee Director
	Ms. Mona Kachhwaha, Independent Director (from May 05, 2021)
	Mr. V G Kannan, Independent Director (from March 09, 2021)
Individuals having Significant Influence	Mr. M Anandan, Chairman & Managing Director
Entities having Significant Influence	Westbridge Cross Over Fund LLC
Wholly owned Subsidiary	Aptus Finance India Private Limited

Note: Related party relationships are as identified by the Management and relied upon by the Auditors.

34.2 Details of related party transactions for the year

Rs. in lakhs

Transactions during the year	Names of related parties	For the year ended March 31, 2022	For the year ended March 31, 2021
Remuneration *	Mr. M Anandan		
	- Salary	600.00	400.20
	- Commission	400.00	200.00
	- Others	0.82	0.92
Director commission and sitting fee	Mr. Shailesh J Mehta		
	- Commission	7.50	7.50
	- Sitting fee	2.95	1.20
Director commission and sitting fee	Mr. K M Mohandass		
	- Commission	11.50	11.50
	- Sitting fee	6.15	3.80
Director commission and sitting fee	Mr. S Krishnamurthy		
	- Commission	11.50	11.50
	- Sitting fee	7.00	3.80
Director commission and sitting fee	Mr. Krishnamurthy Vijayan		
	- Commission	7.50	7.50
	- Sitting fee	3.75	1.00
Director commission and sitting fee	Mr. Suman Bollina		
	- Commission	11.50	11.50
	- Sitting fee	3.30	1.05
Director commission and sitting fee	Ms. Mona Kachhwaha		
	- Commission	7.50	7.50
	- Sitting fee	2.50	0.50
Director commission and sitting fee	Mr. V G Kannan		
	- Commission	7.50	7.50
	- Sitting fee	2.25	-

Transactions during the year	Names of related parties	For the year ended March 31, 2022	For the year ended March 31, 2021
Remuneration *	Mr. P Balaji		
	- Salary	116.62	95.79
Remuneration *	Mr. Sanin Panicker		
	- Salary	12.32	9.10
Remuneration *	Ms. Jyoti Suresh Munot		
	- Salary	1.63	0.59
Rent paid	Mr. M Anandan	8.02	7.64
Proceeds from converion of partly paid-up shares into fully paid-up shares	Mr. M Anandan	7,875.45	-

Rs. in lakhs

Balances as at year end	Names of related parties	As at March 31, 2022	As at March 31, 2021
Personal guarantee given for Borrowings taken by the Holding Company as at year end	Mr. M Anandan	-	9,295.50

Note:

* As the future liabilities of gratuity and leave encashment are determined on actuarial basis for the entities of the Group as a whole, the amounts pertaining to key managerial personnel is not separately ascertainable and therefore not included above.

35 Financial Instruments

35.1 Capital management

The Group actively manages its capital to meet regulatory norms and current and future business needs, considering the risks in its businesses, expectations of rating agencies, shareholders and investors, and the available options of raising capital. Its capital management framework is administered by the risk committee of the Group. There has been no change in objectives, policies or processes for managing capital.

The Holding Company is subject to the capital adequacy requirements of the National Housing Bank ('NHB') / Reserve Bank of India ('RBI'). As per the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021, the Holding Company is required to maintain a minimum ratio of total capital to risk adjusted assets as determined by a specified formula, at least half of which must be Tier 1 capital, which is generally shareholders' equity.

The Holding Company has complied with all regulatory requirements related to regulatory capital and capital adequacy ratios as prescribed by NHB / RBI.

The Group sets the amount of capital in proportion to its overall financing structure, i.e. equity and financial liabilities.

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

Rs. in Lakhs

	31-Mar-22	31-Mar-21
Tier I Capital	2,73,188.20	1,86,138.43
Tier II Capital	711.88	(376.22)
Total Capital	**2,73,900.07**	**1,85,762.21**
Risk Weighted assets	**3,19,928.65**	**2,52,280.98**
Capital Adequacy Ratio	85.61%	73.63%
Tier I Capital %	85.39%	73.78%
Tier II Capital %	0.22%	(0.15%)

Note: As of March 31, 2021, Tier II Capital includes general provisions and loss reserves on Stage I assets of Rs. 394.95 Lakhs reduced by first loss credit enahancement of Rs. 771.70 Lakhs on securitized assets, resulting in negative Tier II Capital of Rs. 376.22 Lakhs.

Below is the further break up of the Tier I and Tier II Capital as at March 31, 2022 and March 31, 2021:

Rs. in Lakhs

	31-Mar-22	31-Mar-21
Tier I Capital :		
Paid up Equity share capital	9,938.36	9,493.33
Special Reserve (Section 36(1)(viii) Income Tax Act, 1961	18,297.28	13,233.29
Statutory Reserve Us.29C of the NHB Act, 1987	2,985.22	1,885.20
Share premium	1,72,126.46	1,16,276.43
Credit balance in Profit and Loss Account	72,194.18	47,538.14
ESOP Reserve	437.70	-
Deferred Revenue Expenditure	(60.38)	-
Deferred Tax Assets	(2,046.76)	(1,490.01)
Other Intangible Assets	(61.65)	(26.78)
50% of First loss guarantee given on securitised assets	(622.21)	(771.17)
Net Tier I Capital	**2,73,188.20**	**1,86,138.43**
Tier II Capital :		
General provisions and loss reserves (including provisions for standard assets)	1,334.08	394.95
50% of First loss guarantee given on securitised assets	(622.21)	(771.17)
Net Tier II Capital	**711.87**	**(376.22)**
Total Capital	**2,73,900.07**	**1,85,762.21**

35.2 Categories of Financial Instruments

Particulars	As at March 31, 2022			As at March 31, 2021		
	Measured at			Measured at		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Cash and Cash equivalents	-	-	40,519.95	-	-	42,273.99
Bank Balance other than cash and cash equivalents	-	-	4,074.24	-	-	1,506.07
Loans	-	-	5,07,874.52	-	-	3,98,980.01
Investments	10,165.19	-	-	5,275.22	-	-
Other Financial assets	-	-	2,054.62	-	-	1,162.15
Total Financial Assets	**10,165.19**	**-**	**5,54,523.33**	**5,275.22**	**-**	**4,43,922.22**
Financial liabilities						
Trade Payables	-	-	789.67	-	-	188.36
Debt Securities	-	-	41,024.83	-	-	43,018.39
Borrowings (Other than Debt Securities)	-	-	2,31,037.87	-	-	2,07,779.05
Lease Liabilities	-	-	780.13	-	-	709.05
Other Financial Liabilities	-	-	2,047.30	-	-	1,334.76
Total Financial liabilities	**-**	**-**	**2,75,679.80**	**-**	**-**	**2,53,029.61**

35.3 Fair Value Measurements

Fair Value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value disclosure are required in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard.

(a) Fair Value of financial instruments recognised and measured at fair value

Rs. in lakhs

Particulars	As at March 31, 2022				As at March 31, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	10,165.19	-	-	10,165.19	5,275.22	-	-	5,275.22

(b) Fair value of financial instruments not measured at fair value

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables and, as such, may differ from the techniques and assumptions.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and cash equivalents, bank balances other than cash and cash equivalents, other financial assets, trade payables and other financial liabilities without a specific maturity. Such amounts have been classified as Level 3 except for cash and cash equivalents and bank balances other than cash and cash equivalents which have been classified as Level 1.

Loans

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, probability of default and loss given default estimates. Where such information is not available, the Group uses historical experience and other information used in its collective impairment models.

Fair values of lending portfolios are calculated using a portfolio-based approach. The Group then calculates and extrapolates the fair value to the entire portfolio, using discounted cash flow models that incorporate interest rate estimates considering all significant characteristics of the loans. The credit risk is applied as a top-side adjustment based on the collective impairment model incorporating probability of defaults and loss given defaults.

Debt securities & Borrowings other than debt securities

The fair values of Debt Securities and Borrowings other than Debt securities are estimated by discounted cash flow models that incorporate interest cost estimates considering all significant characteristics of the borrowing. They are classified as Level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

Set out below is a comparison, by class, of the carrying amounts and fair values of the Group's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

Rs. in lakhs

Particulars	As at March 31, 2022					As at March 31, 2021				
	Carrying Value	Fair Value hierarchy				Carrying Value	Fair Value hierarchy			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
Financial assets										
Cash and cash equivalents	40,519.95	40,519.95	-	-	40,519.95	42,273.99	42,273.99	-	-	42,273.99
Bank Balance other than cash and cash equivalents	4,074.24	4,074.24	-	-	4,074.24	1,506.07	1,506.07	-	-	1,506.07
Loans	5,07,874.52	-	-	5,11,473.00	5,11,473.00	3,98,980.01	-	-	4,07,295.87	4,07,295.87
Investments	10,165.19	10,165.19	-	-	10,165.19	5,275.22	5,275.22	-	-	5,275.22
Other Financial assets	2,054.62	-	-	2,054.62	2,054.62	1,162.15	-	-	1,162.15	1,162.15
Total Financial Assets	**5,64,688.52**	**54,759.38**	**-**	**5,13,527.62**	**5,68,287.00**	**4,49,197.44**	**49,055.28**	**-**	**4,08,458.02**	**4,57,513.30**
Financial liabilities										
Trade Payables	789.67	-	-	789.67	789.67	188.36	-	-	188.36	188.36
Debt Securities	41,024.83	-	-	40,625.55	40,625.55	43,018.39	-	-	42,735.53	42,735.53
Borrowings (Other than Debt Securities)	2,31,037.87	-	-	2,34,770.15	2,34,770.15	2,07,779.05	-	-	2,14,711.43	2,14,711.43
Lease Liabilities	780.13	-	-	780.13	780.13	709.05	-	-	709.05	709.05
Other financial liabilities	2,047.30	-	-	2,047.30	2,047.30	1,334.76	-	-	1,334.76	1,334.76
Total Financial Liabilities	**2,75,679.80**	**-**	**-**	**2,79,012.80**	**2,79,012.80**	**2,53,029.61**	**-**	**-**	**2,59,679.13**	**2,59,679.13**

35.4 Market risk management

Market Risk is the risk of loss in on-balance sheet and off-balance sheet positions arising from movements in market place, in particular, changes in interest rates, exchange rates and equity. In line with the regulatory requirements, the Group has in place a Board approved Market Risk Management and ALM policy in place. The Policy provides the framework for assessing market risk, in particular, tracking of events happening in market place, changes in policies / guidelines of government and regulators, exchange rate movement, equity market movements, money market movements etc.

35.5 Interest rate risk management

Interest rate risk is managed through ALM policy framed by the Group. The ALM policy is administered through the ALCO (Asset Liability Management Committee) which monitors the following on a monthly basis:

- Borrowing cost of the Group as on a particular date
- Interest rate scenario existing in the market
- Gap in cash flows at the prevalent interest rates
- Effect of Interest rate changes on the Gap in the cash flows
- Fixing appropriate interest rate to be charged to the customer based on the above factors

Interest rate sensitivity analysis

The sensitivity analysis below has been determined for borrowings where interest rates are variable, assuming the amount outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points increase or decrease in interest rates is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

Rs. in lakhs

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			0.50% increase	0.50% decrease
Sensitivity analysis as at March 31, 2022				
Loans	5,07,874.52	5,11,473.00	5,03,498.76	5,19,665.40
Debt Securities	41,024.83	40,625.55	39,952.77	40,616.46
Borrowings (Other than Debt Securities)	2,31,037.87	2,34,270.15	2,31,361.59	2,37,266.50
Sensitivity analysis as at March 31, 2021				
Loans	3,98,980.01	4,07,295.87	4,00,590.19	4,14,237.12
Debt Securities	43,018.39	42,735.53	42,240.76	43,237.86
Borrowings (Other than Debt Securities)	2,07,779.05	2,14,711.43	2,12,793.80	2,18,287.85

35.6 Credit risk

Credit risk in the Group arises due to default by customers on their contractual obligations which results to financial losses. Credit Risk is a major risk in the Group and the Group's asset base comprises loans for affordable housing and loans against property. Credit Risk in the Group stems from outright default due to inability or unwillingness of a customer to meet commitments in relation to lending, settlement and other financial transactions. The essence of credit risk assessment in the Group pivots around the early assessment of stress, either in a portfolio or an account, and taking appropriate measures.

35.6.1 Credit risk management

Credit risk in the Group 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 Group's prime risk which is the default risk. There is a Credit Risk Management Committee in the Group for the review of the policies, process and products on an ongoing basis, with approval secured from the Board as and when required. There is a robust Credit Risk Management set-up in the Group at various levels.

1. 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.
2. The credit sanction is done through a delegation matrix where credit sanctioning powers are defined for respective levels.
3. Portfolio analysis and reporting is used to identify and manage credit quality and concentration risks.
4. Credit risk monitoring for the Group 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.

35.6.2 Significant increase in credit risk

The Group monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group measures the loss allowance based on lifetime rather than Stage 1 (12-month) Expected Credit Loss (ECL). Pending the adoption of scoring models to assess the change in credit status at an account level and at portfolio level, the Group has adopted SICR (Significant Increase in Credit risk) criteria based on Days Past Due (DPD).The following table lists the staging criteria used in the Group: Staging Criterion

Stage-1: 0 up to 30 days past due

Stage-2: 31 up to 90 days past due

Stage-3: 90 and above days past due

Stage 2 follows the rebuttable presumption stated in Ind AS 109, that credit risk has increased significantly since initial recognition no later than when contractual payments are more than 30 days past due.

The Group also considers other qualitative factors and repayment history and considers guidance issued by the Institute of Chartered accountants of India (ICAI) for staging of advances to which moratorium benefit has been extended under the COVID regulatory package issued by RBI and as approved by the Board.

35.6.3 Measurement of ECL

The key inputs used for measuring ECL on term loans issued by the Group are:

Probability of default (PD): The PD is an estimate of the likelihood of default over a given time horizon (12 Month). It is estimated as at a point in time. To compute Expected Credit Loss (ECL) the portfolio is segregated into 3 stages viz. Stage 1, Stage 2 and Stage 3 on the basis of Days Past Dues. The Group uses 12 month PD for the stage 1 borrowers and lifetime PD for stage 2 and 3 to compute the ECL.

Loss given default (LGD): LGD is an estimation of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from eligible collateral.

Exposure at default (EAD): EAD is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date including expected drawdowns on committed facilities.

Probability of Default

To arrive at Probability of Default, 'Vintage Analysis' was done considering monthly defaults of borrower since origination.

The analysis considered Monthly Default Rates starting from inception until the end of observation period i.e. March 2022 to calculate default rates for each vintage month. Cumulative PD was calculated from the marginal PDs for each vintage month. Simple Average and Weighted Average PD was computed for each Month on Book (MOB) period starting from MOB 0 until MOB "n" (end of observation period). The Group has used Simple average to eliminate the bias that can be possible due to weighted average effect.

Loss Given Default

LGD was calculated using First time NPA (FTN) date and recovery data for each of these FTN dates. FTN date was taken from inception until March 2022. For each pool, recovery data was mapped to the subsequent months until March 2021 from the respective default month i.e. recovery data was retrieved and plotted against the flow of month i.e. Months on Book MOB 0, MOB 1, MOB 2, MOB 3 till MOB (n) against each default month. Considering time value of money, recoveries in each month was discounted to arrive at the value as of FTN date. Average Interest Rates charged for each disbursement year was used as the Effective Interest Rates (EIR) for the loans.

Marginal Recovery rates was computed for each month as Discounted Recovery amount for a given month divided by the total outstanding amount for the given FTN date. Cumulative recovery rates were computed for each FTN date and LGD for corresponding FTN date was computed by using the formula (1- Recovery Rate). Weighted average LGD was computed for the entire observation period, weights being the total outstanding amount for each FTN date.

Exposure at Default :

EAD is the total outstanding balance at the reporting date including principal and accrued interests at the reporting date. EAD calculation for all portfolios is as under:

Stage 1 Assets:

• [(The total outstanding balance drawn) + (Undrawn Portion*CCF undrawn)].

Stage 2 Assets:

• [(The total outstanding balance drawn) + (Undrawn Portion*CCF undrawn)].

Stage 3 Assets:

• [(The total outstanding balance drawn) + (Undrawn Portion*CCF undrawn)].

Credit Conversion Factor (CCF) for undrawn portion has been taken at 100% based on historical experience and other information available with the Group.

The Group measures ECL as the product of PD , LGD and EAD estimates for its Ind AS 109 specified financial obligations.

Credit Risk Concentrations

In order to manage concentration risk, the Group, considering the regulatory limits, focuses on maintaining a diversified portfolio across housing loans and loans against property. An analysis of the Group's credit risk concentrations is provided in the following tables which represent gross carrying amounts of each class.

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Loans (at amortised cost) - Gross amount		
Concentration by products		
Housing Loans	2,73,891.92	2,06,848.94
Loans against property (including Loans subordinated as Credit Enhancements for assets de-recognised)	2,38,081.16	1,93,547.53
Total Advances	**5,11,973.08**	**4,00,396.47**

35.6.4 The tables below analyse the movement of the loss allowance during the year per class of assets.

Rs. in lakhs

Loss allowance on Loans at amortised cost	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Loss allowance as at March 31, 2022	1,512.94	1,020.69	1,564.93	4,098.56
Loss allowance as at March 31, 2021	433.05	224.38	759.03	1,416.46
Movement for the year ended March 31, 2022	1,079.89	796.31	805.90	2,682.10

The table below provides an analysis of the gross carrying amount of Loans by past due status.

Rs. in lakhs

Particulars	As at March 31, 2022		As at March 31, 2021	
	Gross carrying	Loss allowance	Gross carrying	Loss allowance
Receivables under Financing Activities - Gross amount				
0 DPD	4,53,342.27	1,461.34	3,17,289.09	374.57
1 up to 30 days	7,827.77	51.60	40,330.66	58.48
31 up to 90 days	44,619.38	1,020.69	40,014.76	224.38
90 days and above	**6,183.66**	**1,564.93**	**2,761.96**	**759.03**
Total	**5,11,973.08**	**4,098.56**	**4,00,396.47**	**1,416.46**

Note:
The count of borrowers for 90 days and above is 807 as at March 31, 2022 (March 31, 2021 count of borrowers is 353)

35.6.5 Collateral held as security and other credit enhancements

The Group holds collateral or other credit enhancements to mitigate credit risk associated with financial assets. The main types of collateral and the types of assets these are associated with are listed in the table below.

Particulars	Type of Collateral held
Housing Loans	Mortgage of the immovable property
Loan Against Properties	Mortgage of the immovable property

Although collateral can be an important mitigation of credit risk, it is the Group's practice to lend on the basis of the customer's ability to meet the obligations out of cash flow resources other than placing primary reliance on collateral and other credit risk enhancements.

The Group obtains first and exclusive charge on all collateral that it obtains for the loans given. The loans are secured by collateral at the time of origination. The value of the property at the time of origination will be arrived by obtaining two valuation reports from in-house valuers.

Immovable Property is the collateral for Housing and non-housing loans. Security Interest in favour of the Group is created by Mortgage through deposit of title deed which is registered wherever required by law.

The Group does not obtain any other form of credit enhancement other than the above. All the Group's term loans are secured by way of tangible Collateral.

Any surplus remaining after settlement of outstanding debt by way of sale of collateral is returned to the customer / borrower.

35.6.6 Offsetting financial assets and financial liabilities

The Group has not recognised any financial asset or liability on a net basis.

35.7 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the its reputation.

Exposure to liquidity risk

The Group manages and measures liquidity risk as per its ALM policy and the ALCO (Asset Liability Management Committee) is responsible for managing the liquidity risk. The Group not only measures its current liquidity position on an ongoing basis but also forecasts how liquidity position may emerge under different assumptions. The liquidity position is tracked through maturity or cash flow mismatches across buckets spanning all maturities.

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

35.7.1 Following are the contractual maturities of financial liability/financial assets at the reporting date. Loans, debt securities and borrowings include estimated interest receipts / payments.

Rs. in lakhs

As at March 31, 2022	1 day to 30/31 days (One Month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Financial assets											
Cash and cash equivalents	22,929.04	17,723.61	-	-	-	-	-	-	-	-	40,652.65
Bank Balance other than cash and cash equivalents	-	2,612.64	-	-	233.90	815.70	-	563.92	-	-	4,226.16
Loans	14,812.35	9,712.42	9,719.71	29,110.41	58,093.48	2,29,656.38	2,17,539.31	1,85,797.46	1,74,798.89	67,257.68	9,96,498.09
Investments	10,165.19	-	-	-	-	-	-	-	-	-	10,165.19
Other Financial assets	1,804.19	-	-	-	-	248.93	-	-	-	1.50	2,054.62
Total (A)	**49,710.77**	**30,048.67**	**9,719.71**	**29,110.41**	**58,327.38**	**2,30,721.01**	**2,17,539.31**	**1,86,361.38**	**1,74,798.89**	**67,259.18**	**10,53,596.71**
Financial liabilities											
Trade payables	717.55	-	-	-	-	-	-	-	-	-	717.55
Debt Securities	185.91	1,481.82	164.02	1,224.67	2,463.79	31,384.43	11,143.49	-	-	-	48,048.13
Borrowings (Other than Debt Securities)	3,269.19	4,059.67	18,976.20	15,551.54	29,561.13	99,316.10	62,864.89	24,722.85	21,528.47	-	2,79,850.04
Lease Liabilities	42.30	41.93	40.06	116.75	200.70	419.11	20.02	5.50	-	-	886.37
Other financial liabilities	2,119.48	-	-	-	-	-	-	-	-	-	2,119.48
Total (B)	**6,334.43**	**5,583.43**	**19,180.28**	**16,892.96**	**32,225.62**	**1,31,119.64**	**74,028.40**	**24,728.35**	**21,528.47**	**-**	**3,31,621.57**
Net Financial Assets / Liabilities (A-B)	**43,376.34**	**24,465.24**	**(9,460.57)**	**12,217.45**	**26,101.76**	**99,601.37**	**1,43,510.91**	**1,61,633.03**	**1,53,270.42**	**67,259.18**	**7,21,975.14**

As at March 31, 2021	1 day to 30/31 days (One Month)	Over one month to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years to 7 years	Over 7 years to 10 years	Over 10 years	Total
Financial assets											
Cash and cash equivalents	40,724.19	1,557.43	-	-	-	-	-	-	-	-	42,281.62
Bank Balance other than cash and cash equivalents	-	-	-	-	99.34	258.02	773.44	789.51	-	-	1,920.31
Loans	8,070.96	7,675.98	7,673.17	23,004.69	45,937.33	1,81,651.05	1,73,485.23	1,48,209.19	1,45,045.66	67,261.56	8,08,014.82
Investments	5,275.22	-	-	-	-	-	-	-	-	-	5,275.22
Other Financial assets	896.57	-	-	-	-	264.08	-	-	-	1.50	1,162.15
Total (A)	**54,966.94**	**9,233.41**	**7,673.17**	**23,004.69**	**46,036.67**	**1,82,173.15**	**1,74,258.67**	**1,48,998.70**	**1,45,045.66**	**67,263.06**	**8,58,654.12**
Financial liabilities											
Trade payables	188.36	-	-	-	-	-	-	-	-	-	188.36
Debt Securities	183.93	1,502.19	181.17	1,277.24	3,095.26	36,371.74	12,195.59	-	-	-	54,807.12
Borrowings (Other than Debt Securities)	3,319.57	2,711.90	5,653.55	17,455.92	32,155.66	1,00,921.70	64,367.95	23,934.47	13,826.89	-	2,64,347.61
Lease liabilities	36.61	36.61	36.35	104.42	182.46	364.09	33.28	11.09	1.64	-	806.55
Other financial liabilities	1,334.76	-	-	-	-	-	-	-	-	-	1,334.76
Total (B)	**5,063.23**	**4,250.70**	**5,871.07**	**18,837.58**	**35,433.38**	**1,37,657.53**	**76,596.82**	**23,945.56**	**13,828.53**	**-**	**3,21,484.40**
Net Financial Assets / Liabilities (A-B)	**49,903.71**	**4,982.71**	**1,802.10**	**4,167.11**	**10,603.29**	**44,515.62**	**97,661.85**	**1,25,053.14**	**1,31,217.13**	**67,263.06**	**5,37,169.72**

35.8 Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The Group recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

36 Earnings per share

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year after considering the share split mentioned in Note 19(b).

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares after considering the share split mentioned in Note 19(b).

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit After Tax (A)	37,014.01	26,694.49
Weighted Average Number of Equity Shares (Face Value Rs. 2 Each) - Basic (B)	**48,84,76,676**	**48,00,06,701**
Add: Effect of dilutive potential equity shares		
- Employee stock options	28,06,581	9,62,830
Weighted Average Number of Equity Shares (Face Value Rs. 2 Each) - Diluted (C)	**49,12,83,257**	**48,09,69,531**
Earnings Per Share - Basic (Rs.) (A / B)	**7.58**	**5.56**
Earnings Per Share - Diluted (Rs.) (A / C)	**7.53**	**5.55**

37 Corporate Social Responsibility expenditure:

Rs. In Lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Amount required to be spent by the company during the year	497.78	338.49
b) Amount of expenditure incurred	220.18	116.64
c) Shortfall at the end of the year *	277.60	221.85
d) total of previous years shortfall	Nil	Nil
e) reason for shortfall **		
f) Nature of CSR activities	Promoting Healthcare and Education	Promoting Healthcare and Education
g) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	Nil	Nil
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	Nil

* The Group has provided for the shortfall in CSR expenditure as at March 31, 2022 and March 31, 2021.

** The Group was unable to identify suitable CSR initiatives in alignment with the initiatives already undertaken by the Company, the business of the Company and the areas in which it operates.

(i) CSR projects undertaken by the Company falling under the definition of "On-going Projects" are given below. The holding Company has transferred Unspent amount on such projects within a period of 30 days from the end of the financial year FY2021-22 to a separate bank account. There were no ongoing projects during the FY 2020-21.

Rs. in Lakhs

Project Name	Unspent Amount
Construction of classrooms for Government Girl's Hr. Sec.School, Ayyapakkam, Chennai	21.07
Construction of class rooms, bathrooms and purchase of furniture for Vijnana Bharathi School of Bharateeya Vidya Kendram , Arakuvalley, Vizag	6.65
Early Detection of Development Deficiency in small children	22.2
Total	**49.92**

(ii) The Unspent amount apart from ongoing projects mentioned above amounting to INR 227.68 lakhs is required to be transferred to any of the funds mentioned in the Schedule VII of the Companies Act, 2013 within six months from the end of the financial year March 31, 2022. The Group has transferred amount of INR 221.85 lakhs pertaining to shortfall at the end of FY2020-21 within six months from the end of March 31, 2021 to the schedule VII funds.

(iii) There is no amount required to be contributed to specified fund u/s 135 (6) by the Group.

38 Additional Information as required by paragraph 2 of the General Instruction for preparation of Consolidated Financial Statements to Division III-Schedule III to the Companies Act, 2013.

As at March 31, 2022

Name of the entity	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount (Rs. in lakhs)	As a % of Consolidated Profit and loss	Amount (Rs. in lakhs)	As a % of Consolidated other comprehensive income	Amount (Rs. in lakhs)	As a % of consolidated Total comprehensive income	Amount (Rs. in lakhs)
Parent Company								
Aptus Value Housing Finance India Limited	89.65%	2,61,422.90	83.13%	30,769.34	100.00%	(2.81)	83.13%	30,766.53
Indian Subsidiary								
Aptus Finance India Private Limited	10.35%	30,193.35	16.87%	6,244.67	0.00%	-	16.87%	6,244.67
Total	**100%**	**2,91,616.25**	**100%**	**37,014.01**	**100%**	**(2.81)**	**100%**	**37,011.20**

As at March 31, 2021

Name of the entity	Net Assets (i.e total assets less total liabilities)		Share in Profit and Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of Consolidated Net Assets	Amount (Rs. in lakhs)	As a % of Consolidated Profit and loss	Amount (Rs. in lakhs)	As a % of Consolidated other comprehensive income	Amount (Rs. in lakhs)	As a % of consolidated Total comprehensive income	Amount (Rs. in lakhs)
Parent Company								
Aptus Value Housing Finance India Limited	87.90%	1,73,996.47	81.47%	21,747.23	100.00%	(11.25)	81.46%	21,735.98
Indian Subsidiary								
Aptus Finance India Private Limited	12.10%	23,948.68	18.53%	4,947.26	0.00%	-	18.54%	4,947.26
Total	**100%**	**1,97,945.15**	**100%**	**26,694.49**	**100%**	**(11.25)**	**100%**	**26,683.24**

39 Maturity analysis of assets and liabilities

Rs. in lakhs

Assets	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial Assets						
Cash and cash equivalents	40,519.94	0.01	40,519.95	42,273.99	-	42,273.99
Bank Balance other than cash and cash equivalents	2,836.80	1,237.44	4,074.24	93.70	1,412.37	1,506.07
Loans	37,997.70	4,69,876.82	5,07,874.52	27,838.82	371,141.19	3,98,980.01
Investments	10,165.19	-	10,165.19	5,275.22	-	5,275.22
Other Financial assets	1,804.19	250.43	2,054.62	896.57	265.58	1,162.15
Non-financial Assets						
Deferred tax assets (Net)	-	2,263.53	2,263.53	-	1,699.32	1,699.32
Property, plant and equipment	-	339.75	339.75	-	248.17	248.17
Intangible assets	-	61.65	61.65	-	26.78	26.78
Right-of-use assets	-	795.12	795.12	-	680.69	680.69
Other non-financial assets	99.13	-	99.13	164.19	-	164.19
Assets held for sale	-	156.54	156.54	-	-	-
TOTAL ASSETS	**93,422.95**	**4,74,981.29**	**5,68,404.24**	**76,542.49**	**3,75,474.10**	**4,52,016.59**
LIABILITIES						
Financial Liabilities						
Trade Payables	717.55	72.12	789.67	188.36	-	188.36
Debt Securities	2,892.73	38,132.10	41,024.83	2,899.33	40,119.06	43,018.39
Borrowings (Other than Debt Securities)	56,473.31	1,74,564.56	2,31,037.87	44,104.56	1,63,674.49	2,07,779.05
Lease Liabilities	397.88	382.25	780.13	330.27	378.78	709.05
Other financial liabilities	2,047.30	-	2,047.30	1,334.76	-	1,334.76
Non-Financial Liabilities						
Current tax liabilities (Net)	311.07	-	311.07	444.89	-	444.89
Provisions	-	409.93	409.93	-	330.18	330.18
Other non-financial liabilities	387.19	-	387.19	266.76	-	266.76
TOTAL LIABILITIES	**63,227.03**	**2,13,560.96**	**2,76,787.99**	**49,568.93**	**204,502.51**	**254,071.44**
NET ASSETS / (LIABILITIES)	**30,195.92**	**2,61,420.33**	**2,91,616.25**	**26,973.56**	**1,70,971.59**	**1,97,945.15**

40 Change in liabilities arising from financing activities

Rs. in lakhs

	1-Apr-21	Cash flows	Other *	31-Mar-22
Debt securities	43,018.39	(2,083.33)	89.77	41,024.83
Borrowings (other than debt securities)	2,07,779.05	23,138.99	119.83	2,31,037.87
Lease liabilities	709.05	(475.42)	546.50	780.13
Total liabilities from financing activities	**2,51,506.49**	**20,580.24**	**756.10**	**2,72,842.83**
	1-Apr-20	**Cash flows**	**Other ***	**31-Mar-21**
Debt securities	64,454.96	(21,666.67)	230.10	43,018.39
Borrowings (other than debt securities)	1,37,043.21	71,216.22	(480.38)	2,07,779.05
Lease liabilities	666.36	(414.73)	457.42	709.05
Total liabilities from financing activities	**2,02,164.53**	**49,134.82**	**207.14**	**2,51,506.49**

* Other column includes the effect of interest accrued but not paid on borrowing, amortisation of processing fees, recognition of liabilities on account of new lease etc.

41 Share-based payments

Employee share option plan

41.1 Details of the employee share option plan

(a) In the Board Meeting held on February 11, 2021, the Board approved the issue of up to 55,22,500 options under the Scheme titled "Aptus Employees Stock Option Scheme 2021" (hereinafter referred to as Aptus ESOS, 2021).

The Schemes allow the issue of options to employees of the Company. Each option comprises one underlying equity share.

As per the Scheme, the Nomination and Remuneration Committee ("The Committee") grants the options to the employees deemed eligible and also governs the operation of the scheme.

The difference between the fair price of the the options granted on the date of grant of option and the exercise price of the option representing Stock compensation expense is expensed over the vesting period.

(b) Employee stock options details as on the balance sheet date:

Particulars	Aptus ESOS 2021	Grant 7 under Aptus ESOS 2015 *	Grant 8 under Aptus ESOS 2015 *
Date of Grant	May 20, 2021	August 07, 2015	May 17, 2017
Date of Board approval	February 11, 2021	August 07, 2015	May 17, 2017
Date of shareholders approval	May 06, 2021	August 07, 2015	August 07, 2015
Number of options granted	55,22,500	75,00,000	7,50,000
Method of settlement	Equity	Equity	Equity
Vesting period	20.05.2021 to 20.05.2025	31.03.2016 to 31.03.2019	31.03.2018 to 31.03.2021
Manner of vesting	In a graded manner over a 4 year period with 25% of the grants vesting in each year		
Exercise price per option	140.00	15.00	26.00
Price of Underlying share at the time of the Option Grant	140.00	11.25	22.20

* Number of options granted and the exercise price per option has been adjusted on account of share split mention in note 19(b).

(c) Movement in share options during the year are as follows:

Particulars	ESOS 2021	Grant 7 under Aptus ESOS 2015	Grant 8 under Aptus ESOS 2015	Total
Options outstanding as at April 1, 2020	-	28,75,000	5,62,500	34,37,500
Add: Options granted during the year	-	-	-	-
Less: Options forfeited/lapsed during the year	-	-	-	-
Less: Options exercised during the year	-	(17,25,000)	(3,75,000)	(21,00,000)
Options outstanding as at March 31, 2021	-	11,50,000	1,87,500	13,37,500
Add: Options granted during the year	55,22,500	-	-	55,22,500
Less: Options forfeited/lapsed during the year	(1,57,500)	-	-	(1,57,500)
Less: Options exercised during the year	-	(11,50,000)	(187,500)	(13,37,500)
Options outstanding as at March 31, 2022	53,65,000	-	-	53,65,000

41.2 Fair value of share options granted

During the current year, 55,22,500 shares were granted under the Aptus ESOS 2021 scheme. The fair value of options have been estimated on the date of the grant using Black-Scholes model by an external firm of registered merchant banker. The key assumptions used in the model for calculating fair value are as below:

Assumptions	Date of grant		
	20-May-21	07-08-15 **	17-05-17 **
Risk Free Interest Rate	4.06% to 5.58%	8.04% to 8.26%	8.04% to 8.26%
Expected Life (in years)	1.5 to 4.5	2.65 to 5.65	3 to 6
Expected Annual Volatility of Shares	13.28% - 14.71%	43.15%	35.99%
Expected Dividend Yield	0%	0%	0%
Price of Underlying share at the time of the Option Grant	140.00	11.25	22.20
Fair Value of the Option (Rs.)			
1st Stage	14.44	2.72	5.93
2nd Stage	20.47	3.44	7.37
3rd Stage	27.30	4.12	8.67
4th Stage	34.64	4.73	9.86

** Price of Underlying share at the time of the Option grant and fair value of the option (Rs.) has been adjusted on account of share split mention in note 19(b).

41.3 Expense arising from share based payment transaction recognized in profit or loss statement as employee benefit expense are as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employee benefit expense	437.70	4.62

42 Leases

The Group has lease contracts for buildings used for the branches. Leases of such assets generally have lease terms between 3 and 9 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets.

The Group also has certain leases for buildings with lease terms of 12 months or less. The Group applies the 'short-term lease' recognition exemptions for these leases.

Set out below are the carrying amounts of lease liabilities included under financial liabilities and the movements during the year:

Movement of Lease Liability Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	709.07	666.36
Add: Additions during the year	478.03	385.41
Add / Less: Accretion of Interest	68.46	72.03
Less: Payments during the year	(475.43)	(414.73)
Closing Balance	**780.13**	**709.07**
Current	397.88	349.11
Non Current	382.25	359.96

The incremental borrowing rate for lease liabilities is 10% p.a. for existing lease contracts and 8% p.a. for new lease contracts entered during the FY2021-22.

The maturity analysis of lease liabilities are disclosed in Note 34.7.1.

The following are the amounts recognised in the Statement of profit and loss:

Rs. in lakhs

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expense of right-of-use assets	437.61	352.37
Interest expense on lease liabilities	68.46	72.03
Expense relating to short-term leases (included in other expenses)	-	-
Total	**506.07**	**424.40**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Total cash outflow for leases	475.43	414.73

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

43 Transferred financial assets that are not derecognised

The following tables provide a summary of financial assets that have been transferred in such a way that part or all of the transferred financial assets do not qualify for derecognition, together with the associated liabilities:

The Group has Securitised certain loans, however the Group has not transferred substantially all risks and rewards, hence these assets have not been de-recognised.

Rs. in lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Carrying amount of transferred assets measured at amortised cost	15,554.41	18,759.40
Carrying amount of associated liabilities measured at amortised cost	9,865.70	15,166.79
Fair value of assets	15,593.23	18,798.22
Fair value of associated liabilities	9,865.70	15,166.79
Net position at Fair Value	5,727.53	3,631.43

44 Disclosure pursuant to RBI notification no. RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated October 22, 2020 and RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting Standards

RBI had issued Notification no. RBI/2020-21/60 DOR.NBFC (HFC).CC.No.118/03.10.136/2020-21 dated October 22, 2020 and RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020 in respect of recognition of impairment on financial instruments starting from financial year 2020-21 for Housing Finance Companies. The Company has complied with the requirements of Ind AS and the guidelines and policies approved by the Board in this regard.

Any shortfall in ECL provision compared to the requirements as per IRAC norms are apportioned by the Company to Impairment Reserve at reporting periods. Such balance can be utilised / withdrawn by the Company only with prior permission of the Reserve Bank of India as per the said Circular. The shortfall in ECL provision compared to IRACP requirement as at March 31, 2022 is Rs. Nil (As at March 31, 2021 Rs. 453.11 lakhs). The balance in the impairment reserve as at March 31, 2022 is Rs. 761.93 lakhs (As at March 31, 2021 Rs. 761.93 lakhs) (Refer Note 20.1 and Note 20.2.4).

As at March 31, 2022 Rs. in lakhs

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	4,61,170.04	1,512.93	4,59,657.11	1,503.32	9.61
	Stage 2	44,619.39	1,020.68	43,598.71	692.89	327.79
	Stage 3	-	-	-	-	-
Subtotal		**5,05,789.43**	**2,533.61**	**5,03,255.82**	**2,196.21**	**337.40**
Non-Performing Assets (NPA)						
Substandard	Stage 3	5,623.87	1,426.23	4,197.63	870.30	555.93
Doubtful - up to 1 year	Stage 3	559.79	138.73	421.06	136.48	2.24
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**6,183.66**	**1,564.96**	**4,618.69**	**1,006.78**	**558.18**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**6,183.66**	**1,564.96**	**4,618.69**	**1,006.78**	**558.18**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	8,849.81	3.66	8,846.15	-	3.66
	Stage 2	8.00	0.23	7.77	-	0.23
	Stage 3	-	-	-	-	-
Subtotal		**8,857.81**	**3.89**	**8,853.92**	**-**	**3.89**
Total	Stage 1	4,70,019.84	1,516.59	4,68,503.26	1,503.32	13.27
	Stage 2	44,627.39	1,020.91	43,606.48	692.89	328.02
	Stage 3	6,183.66	1,564.96	-	1,006.78	558.17
	Total	**5,20,830.89**	**4,102.46**	**5,12,109.74**	**3,202.99**	**899.46**

As at March 31, 2021 Rs. in lakhs

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,57,619.75	433.05	3,57,186.70	1,207.02	(773.97)
	Stage 2	40,014.76	224.38	39,790.38	139.95	84.43
	Stage 3	-	-	-	-	-
Subtotal		**3,97,634.51**	**657.43**	**3,96,977.08**	**1,346.97**	**(689.54)**

Non-Performing Assets (NPA)						
Substandard	Stage 3	1,753.35	141.68	1,611.67	241.89	(100.21)
Doubtful - up to 1 year	Stage 3	701.81	305.88	395.93	153.98	151.90
1 to 3 years	Stage 3	293.68	296.32	(2.64)	118.50	177.82
More than 3 years	Stage 3	13.12	15.15	(2.03)	15.15	-
Subtotal for doubtful		**2,761.96**	**759.03**	**2,002.93**	**529.52**	**229.51**
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		**2,761.96**	**759.03**	**2,002.93**	**529.52**	**229.51**
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	10,270.29	5.68	10,264.61	-	5.68
	Stage 2	78.71	0.90	77.81	-	0.90
	Stage 3	4.00	0.34	3.66	-	0.34
Subtotal		**10,353.00**	**6.92**	**10,346.08**	**-**	**6.92**
Total	Stage 1	367,890.04	438.73	367,451.31	1,207.02	(768.29)
	Stage 2	40,093.47	225.28	39,868.19	139.95	85.33
	Stage 3	2,765.96	759.37	3.66	529.52	229.85
	Total	**4,10,749.47**	**1,423.38**	**4,07,323.16**	**1,876.49**	**(453.11)**

45 The Group has adopted all the norms issued under 'Prudential norms on Income recognition, Asset classification, and provisioning pertaining to advances – clarifications' issued by the Reserve Bank of India (RBI) vide circular no.DOR.STR.REC.68/21.04.048/2021-22 dated November 12, 2021. Such alignment has resulted in the transition of sub 90 DPD assets as additional non-performing assets as of March 31, 2022, and provided as per norms.

46 Disclosure made vide notification no. RBI/2020-21 /16 DOR No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 on resolution framework for COVID-19 related stress (Resolution framework 1.0).

(Rs. In Lakhs)

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of the previous half year (A)	Of(A), aggregate debt that slipped into NPA during the half year	Of(A), amount written of during the half year	Of(A), amount paid by the borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this half year
	(A)	(B)	(C)	(D)	
Personal Loans	3,825.77	639.69	-	326.01	2,860.06
Corporate persons	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	3,673.66	666.54	-	352.65	2,654.47
Total	**7,499.44**	**1,306.23**	**-**	**678.66**	**5,514.54**

47 The listed Non-Convertible Debentures of the Company aggregating Rs. 29,001.78 Lakhs as at March 31, 2022 are secured by way of an exclusive charge on identified standard receivables of the Company and also by a subservient charge over immovable property. The total asset cover is more than one hundred percent of the principal amount of the said debentures.

48 Disclosure pursuant to RBI notification dated September 24, 2021 on "Transfer of Loan Exposures" are given below:

(a) The Company has not transferred or acquired, any loans not in default during the quarter and year end March 31, 2022.

(b) The Company has not transferred or acquired, any stressed loans during the quarter and year ended March 31, 2022.

49 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

50 The Group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Group has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

51 The disclosure on the following matters required under Schedule III as amended are not made, as the same are not applicable or relevant for the Group.

a) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

b) No proceedings have been initiated or are pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act 1988 (45 of 1988) and rules made thereunder.

c) The Group has not been declared as a wilful defaulter by any bank or financial Institution or other lender.

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

e) All charges or satisfaction are registered with ROC for the financial years ended March 31, 2022 and March 31, 2021. No charges or satisfactions are yet to be registered with ROC.

f) There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

g) The Group has no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

h) No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person and accordinlgy no disclosures have been made on account of such loans or advances.

i) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended March 31, 2022 and March 31, 2021.

52 The impact of COVID-19 on the Group's future performance will depend on the ongoing and as well as future developments, including, among other things, any new information concerning COVID 19 pandemic and any measure to contain the spread or mitigate its impact, whether mandated by the Government or adopted by us. The management has considered events up to the date of these standalone financial statements to determine the financial implications including in respect of expected credit loss provisioning and has created required provisions.

53 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year classification / presentation.

As per our report of even date

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala
Partner
Membership No: 235031

Place : Chennai
Date : May 05, 2022

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

Place : Chennai
Date : May 05, 2022

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/associate companies/joint ventures.

(Rs. In Lakh)

Sl. No	Particulars	Details
1	Name of the subsidiary	Aptus Finance India Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
4	Share capital	10,080.00
5	Reserves and surplus	20,113.35
6	Total assets	69,170.88
7	Total Liabilities	38,977.53
8	Investments	Nil
9	Turnover	14,353.73
10	Profit before taxation	8,416.67
11	Provision for taxation	2,172.00
12	Profit after taxation	6,244.67
13	Proposed Dividend	Nil
14	Extent of shareholding (in percentage)	100%

Notes:

1. Names of subsidiaries which are yet to commence operations: Nil
2. Names of subsidiaries which have been liquidated or sold during the year: Nil

Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Since the Company does not have any Associate Company or Joint venture, the disclosure under this section is not applicable.

For and on behalf of the Board of Directors of
Aptus Value Housing Finance India Limited

M Anandan
Chairman & Managing Director
DIN: 00033633

K M Mohandass
Director
DIN: 00707839

P Balaji
ED & Chief Financial Officer

Sanin Panicker
Company Secretary
Membership No: A32834

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