

Ref No: APTUS/09-JUL/2024-25 July 22, 2024

То,	То,
BSE Limited,	National Stock Exchange of India Ltd.,
Phiroze Jeejeebhoy Towers,	Exchange Plaza, C-1, Block G,
Dalal Street,	Bandra Kurla Complex,
Mumbai- 400001	Bandra (E)
Scrip Code: 543335	Mumbai – 400 051
	Scrip Symbol: APTUS

Dear Sir/Madam,

Sub: Submission of Annual Report for FY 2023-24 and Notice of the 15th AGM

Pursuant to Regulation 34 and 53 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2023-24 along with the Notice convening the 15th Annual General Meeting of shareholders of the Company, which is being circulated to the shareholders through electronic mode on July 22, 2024.

The Annual Report and the Notice of AGM is also uploaded on the Company's website at www.aptusindia.com

We request you to kindly take the same on records.

Thanking you,
For Aptus Value Housing Finance India Limited

Sanin Panicker Company Secretary & Compliance Officer





Expanding Excelling Empowering

APTUS VALUE HOUSING FINANCE INDIA LIMITED

Integrated Annual Report 2023-24

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Corporate **Information**

EXECUTIVE CHAIRMAN

Mr. M. Anandan

BOARD OF DIRECTORS

Mr. S. Krishnamurthy

Mr. K.M. Mohandass

Mr. Krishnamurthy Vijayan

Ms. Mona Kachhwaha

Mr. V.G. Kannan

Mr. Sumir Chadha

Mr. K.P. Balaraj

MANAGING DIRECTOR

Mr. P. Balaji

MANAGEMENT TEAM

Mr. C.T. Manoharan

ED & Chief Business Officer

Mr. John Vijayan Rayapppa Chief Financial Officer

Mr. V. Krishnaswami Chief Technology Officer

Mr. V. Sundara Kumar

Sr. VP - Legal & Receivable

Mr. N. Srikanth

Sr. VP - Human Resource

Mr. Naveen Kumar

/P - Operations & Compliance

Mr. S. Krishna Kishore

Associate VP - Credit

Mr. K. Srinivasan

Associate VP - Credit

Mr. Vijayaraghavan Kannan Chief Risk Officer

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Sanin Panicker

SECRETARIAL AUDITORS

S. Sandeep & Associates Flat No. 10, Second Floor, Sucons Padmalaya, No.5, Venkatnarayana Road, T. Nagar, Chennai - 600 017.

STATUTORY AUDITORS

T R Chadha & Co LLP Door No. 5D, Vth floor, Mount Chambers, 758, Anna Salai, Chennai - 600002. Tamil Nadu. Tel: +91 44 42694571

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

Axis Bank
State Bank of India
Federal Bank
IndusInd Bank
Indian Bank
Indian Overseas Bank
Yes Bank
Bank of Baroda
Bank of Maharashtra
DCB Bank
Bank of India
Canara Bank
ICICI Bank
Kotak Mahindra Bank
Karur Vysya Bank
AU Small Finance Bank
South Indian Bank
CSB Bank

HDFC Bank

REGISTRAR & 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: cs@aptusindia.com

Website: www.aptusindia.com

Chairman's Letter I

Dear Shareholders,

I am elated to present the **Annual Report of your Company** for the financial year 2023-24. It was another transformative year for Aptus Value Housing Finance India Ltd (Aptus), marked by robust growth, strategic expansions, and an unwavering commitment to sustainable and inclusive finance. As we reflect on our achievements and prepare for future opportunities, I would like to share insights into our strategic outlook, financial performance, corporate governance, and Achievements . This year has been a journey of reaching new horizons, delivering excellence in our services, and empowering our customers and communities. Precisely, we are "Expanding, Excelling, Empowering".

Affordable Housing Finance in India

The need for affordable housing finance in India is rapidly increasing. With a population of over 1.4 billion and growing, there is a pressing need for homes that people can actually afford. Individuals from all walks of life are searching for a place to call their own without breaking the bank. India's low and middle income segment is growing rapidly and is expected to have one of the largest labor markets in the world by 2050, with a population of over 1 billion people of working age. Further, the COVID-19 pandemic has led to a trend of reverse migration, particularly in tier II and tier III cities. This, along with greater spaces and lower construction costs, has increased the demand for affordable housing in these cities.

At Aptus, we focus on meeting this demand by offering tailored financial products that cater to the unique needs of low- and middle-income families. Our deep penetration into Tier-3 and Tier-4 cities enables us to support the government's mission of 'Housing for All,' ensuring that even the remote and underserved areas have access to affordable housing finance.

The total allocation to the Housing and Urban Affairs Ministry for 2024-25 is ₹77,523 crore, up from ₹76,431 crore in 2023-24. The total allocation for the Pradhan Mantri Awas Yojana (PMAY) is ₹80,671 crore, out of which ₹54,500 crore is earmarked

for PMAY (Rural). These substantial allocations highlight the government's commitment to enhancing housing infrastructure across the country, particularly in rural regions. At Aptus, we align our strategies with these national priorities, ensuring that our efforts contribute significantly to the broader goal of affordable housing.

Strategy

Looking ahead, we are poised for continued growth and innovation. Our strategic priorities include expanding our geographic footprint in all existing markets, focusing on deeper penetration in the markets we ventured in recent times such as Odisha

and Maharashtra. We are committed to strengthening cyber security to protect data, maintain trust and reputation and ensure business continuity. We have been leveraging technology to automate our operations, using Al/ML-driven credit scoring models and digital platforms for customer engagement. Additionally, we plan to strengthen our analytics capabilities to drive better decision-making and improve customer experiences.

We recognise the importance of sustainable practices and are dedicated to incorporating them into our business model. Our initiatives aim to reduce our environmental impact, promote energy efficiency, and support community development. By fostering a culture of sustainability, we contribute to a healthier planet and enhance our long-term viability and competitiveness.

Performance

The financial year 2023-24 has been remarkable for Aptus. Despite a challenging macroeconomic environment. we have demonstrated strong economic performance. Our Assets Under Management (AUM) grew by 29% year-on-year to ₹8,722 crores, reflecting our robust market presence and customer trust. We achieved a 31% increase in disbursements, amounting to ₹3,127 crores. Our Net Interest Margin (NIM) remained healthy at 13.45%, and we reported a Profit After Tax (PAT) of ₹612 crores, a significant 22% increase from the previous year. Our Return on Assets (RoA) and Return on

Equity (RoE) stood at 8.00% and 17.25%, respectively, underscoring our operational efficiency and financial resilience. The decision to declare dividend of Rs. 4.50 per share to the shareholders was driven by the strong and consistent financial performance of your Company. We have maintained a strong capital adequacy ratio of 73.03%, ensuring a solid financial foundation for future growth.

Governance in Aptus

At Aptus, we are unwavering in

our commitment to upholding the highest standards of corporate governance and compliance. Our governance framework, which is designed to ensure transparency, accountability, and integrity in all our operations, is further strengthened by a diverse and experienced Board of Directors. Several regulatory and supervisory measures were implemented by the Reserve bank of India in line with global best practices towards further strengthening of governance and risk management practices in the recent times in the areas of fair lending practices, transparency in disclosure of terms and conditions of service, and the like, which highlights the importance given to governance by the regulator. Over the years, we have fortified our governance mechanisms by imbibing a culture of compliance, implementing continuous, stringent compliance measures, enhancing our internal controls, and fostering a culture of ethical business practices. We are focused at ensuring that Aptus remains a trusted and responsible leader in the affordable housing finance sector.

Achievements

Since our inception in 2010, Aptus has been dedicated to providing affordable housing finance to underserved segments, particularly in Tier-3 and Tier-4 cities, making a remarkable change in the lives of our customers. Over the years, we have built a strong foundation based on trust, customercentricity, and innovation. Our legacy is reflected in our consistent growth, industry recognition, and our positive impact on the communities we serve. We are proud of our journey and our milestones, including being awarded 'India's Leading Housing Finance NBFC (Mid)' by Dun & Bradstreet at the BFSI & FinTech Awards 2023 and best NBFC for 2022-23 by Financial Express. Our success is a testament to our commitment to making homeownership accessible and affordable.

Before concluding, I extend a heartfelt thanks to our shareholders, Board of Directors, customers, employees, regulators and partners for their unwavering support and trust. We will continue to drive sustainable growth and create long-term value for all our stakeholders. We remain committed to providing affordable housing finance and supporting the dreams of millions of aspiring homeowners. We wish you continue supporting us while entrusting us with your faith.

Sincerely,

M. ANANDAN

Executive Chairman

Review by **Managing Director**

Dear Shareholders,

I am pleased to present the Annual Report of your Company for the financial year 2023-24. This year has seen significant growth and strategic advancements for Aptus Value Housing Finance India Ltd (Aptus). Despite the challenging macroeconomic environment, we have demonstrated resilience and strong performance thanks to our robust business model and dedicated team.

Performance in FY24

The financial year 2023-24 has been a landmark year for Aptus. We achieved a 29% year-on-year growth in Assets Under Management (AUM), reaching ₹8,722 crores, up from ₹6,738 crores in FY23. Our disbursements saw an impressive increase of 31%, amounting to ₹3,127 crores compared to ₹2,395 crores in the previous year. This growth is a testament to our strategic focus on expanding our market presence and enhancing customer engagement.

Our Net Interest Margin (NIM) remained robust at 13.45%, reflecting our efficient asset-liability management and strong operational performance. The Profit After Tax (PAT) for the year was ₹612 crores, marking a significant 22% increase from ₹503 crores in FY23. Additionally, our Return on Assets (RoA) and Return on Equity (RoE) stood at 8.00% and 17.25%, respectively, underscoring our operational efficiency and financial resilience.

Asset Quality and NPAs

Maintaining a high-quality loan

book is a priority for us. Our Gross Non-Performing Assets (GNPA) ratio improved to 1.07% in FY24, down from 1.15% in FY23. Similarly, our Net Non-Performing Assets (NNPA) ratio improved to 0.80% from 0.86% in the previous year. These asset quality improvements result from our stringent credit evaluation processes, robust risk management practices, and effective collection strategies. Our provision coverage ratio remains consistent at 1.06%, ensuring we are well-prepared to handle potential credit risks.

Performance Catalysts

Several factors contributed to our strong performance in FY24. Our strategic focus on serving the lowand middle-income segments in Tier-3 and Tier-4 cities has allowed us to tap into a large, underserved market. Our deep penetration in these regions and our customer-centric approach have enabled us to build a loyal customer base.

Our emphasis on leveraging technology has been a key driver of efficiency and growth. About 18% of our business in Q4 FY24 came from digital channels, including our customer referral app, construction ecosystem app, and social media platforms. This digital push has expanded our reach and enhanced the customer experience by providing quick and convenient access to our services.

Our most valuable performance catalyst is our dedicated workforce. We have implemented practices that is constantly focused on giving employees the best opportunities to nurturing their skills thus helping them



contribute to the success of the Company. We provide equal access to training, career growth, and leadership opportunities for all employees, which motivates our employees to become better at what they are already good at. Further, we offer Employee Stock option Plan (ESOP) benefits, to share the benefits of long-term success and profitability of the company with employees, who are partners in success of Aptus.

Market Expansions and Strategies

During FY24, we expanded our geographic footprint by opening 31 new branches, including our first branch in Maharashtra. This expansion is part of our strategy to increase our presence in existing markets and enter new regions. We also focused on strengthening our middle management across key IT, credit, technical, legal, and collections functions to support our growing operations.

To support our expansion plans, we will focus on enhancing productivity, managing credit costs, and maintaining a diversified funding base.

Strong Underwriting Capabilities

Our strong underwriting capabilities have been instrumental in maintaining the quality of our loan book. We employ rigorous credit evaluation processes that include detailed financial analysis, risk assessment, and stringent due diligence. This ensures we lend to creditworthy borrowers, thereby minimising default risks and maintaining asset quality.

Strong Capital Profile to Support Long-Term Growth

Our robust capital profile is a key enabler of our growth strategy. We maintain a strong capital adequacy ratio of 73.03%, well above the regulatory requirement. This provides us with a solid financial foundation to support medium-term growth and absorb potential shocks. Our diversified funding base, comprising 63% from banks, 24% from the National Housing Bank (NHB), and 13% from Non-Convertible Debentures (NCDs) and securitisation, ensures stable and cost-effective funding sources at competitive rates owing to the AA- stable credit rating from ICRA and CARE. Further, we maintained strong on-balance sheet liquidity of ₹1,022 crores, including undrawn sanctions of ₹620 crores from banks/NHB.

Digital Capabilities and ESG Initiatives

Our digital capabilities are a cornerstone of our operational strategy. We have invested in advanced technologies such as Al/ML-driven credit scoring models, digital KYC, and robust CRM systems to streamline our processes and improve decision-making. These technologies have enabled us to offer our customers a seamless and efficient service, reducing turnaround times and enhancing customer satisfaction. We have further fortified our erstwhile IT infrastructure by strengthening and automating operations at multiple levels of a loan's lifecycle, which we expect to result in larger efficiency and measurable results in the year ahead.

Sustainability and social responsibility are integral to our business philosophy. We are committed to implementing sustainable practices across our operations. Our initiatives include promoting paperless processes, encouraging energy-efficient practices, and supporting community development programs. We believe that by integrating Environmental, Social, and Governance (ESG) principles into our business model, we can create long-term value for our stakeholders and contribute to a better future.

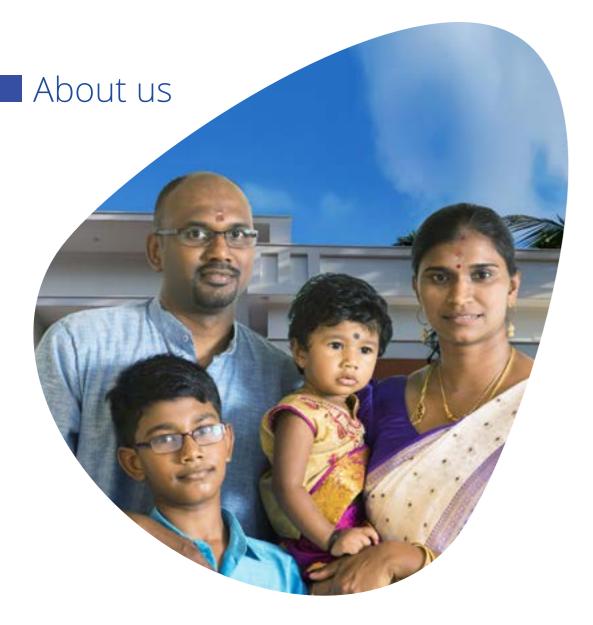
As we close the chapter on another exceptional year, my gratitude goes to our dedicated, hardworking, and committed team. Their excellent efforts have been pivotal to our success. Looking forward, I am thrilled about the prospects and challenges. I am confident that we will continue to broaden our reach and positively impact more lives.

Thank you all for your unwavering support and enduring partnership.

Best,

P. BALAJI

Managing Director



Empowering Sustainable Homeownership

INTRODUCTION

Aptus Value Housing Finance India Ltd, established in 2009 and headquartered in Chennai, has been realising customers' homeownership aspirations for 15 successful years. Celebrating its 15th anniversary, Aptus has demonstrated remarkable growth and resilience, continually evolving to meet the diverse needs of individuals from low and middle-income segments residing in rural and semi-urban areas. Over these years, Aptus has cultivated a robust housing finance platform by consistently improving the processes and addressing the distinct needs of individuals from low and middle-income segments residing in rural and semi-urban areas. Your Company actively drives financial inclusion by extending its services to society's financially excluded and marginalised sections. At Aptus, we believe in the transformative power of sustainable housing finance in shaping brighter futures for individuals, families, and communities.

DIVERSE RANGE OF PRODUCTS AND SERVICES

Our comprehensive range

of financial solutions is meticulously designed to cater to the varied needs of our valued customers. Our strength lies in our distinctive feature of offering diverse range of home loans tailored for self-construction, property purchase, home improvement, and extension loans. Additionally, we extend support through loans against property and business loans, ensuring a holistic approach to fulfilling the diverse requirements of customers. This extensive portfolio of loan offerings not only empowers our customers by providing flexible financial solutions but also contributes significantly to our income stream, creating a stable and diversified revenue base that enhances our financial resilience and supports sustainable growth.

TARGETING FIRST-TIME HOMEBUYERS

At Aptus, we target firsttime homebuyers with selfoccupied residential property as their primary collateral. We offer loans to self-employed customers, whose main source of income is their profession or their business and salaried customers, whose main source of income is salary from their employment. Many of our customers who are individuals do not have formal income proofs, pay slips, or file income tax returns, and as such may be excluded from being served by banks or large financial institutions. Since our inception, we have assisted over 1,33,000 customers in

achieving their dream of owning a home. Our unwavering commitment to our customers and their aspirations has propelled us to operate through 262 branches across Tamil Nadu, Andhra Pradesh, Telangana, Karnataka, Odisha, Maharashtra and Puducherry.

RESILIENCE AMID CHALLENGES

Despite encountering some of the most challenging macroeconomic cycles, including the impact of the Covid-19 pandemic, Aptus has demonstrated impressive and consistent growth. We take immense pride in maintaining a high-quality portfolio and achieving the best financial outcomes. Our success can be attributed to the cornerstones of our resilient business model, which include a sharp focus on our core business, disciplined underwriting practices, a customercentric approach, enhanced productivity, the application of appropriate technology, and efficient operational expense management through meticulous cost control and resource optimization.

BUILDING A STABLE PORTFOLIO

We have continued to strengthen our focus on developing a stable and granular retail portfolio backed by self-occupied residential properties. Our portfolio has demonstrated remarkable stability, owing to the lower default risk associated with properties that serve as the primary residence for borrowers. While approving a loan application, we review, among others, the customer's repayment capacity, which is determined by factors such as the customer's

age, educational qualification, family details, the customer's business and income profile of the customer. This strategy is central to our commitment to maintaining high quality of our asset portfolio. Recognising the immense potential in India's retail mortgage lending sector, we continue to invest strategically in our key pillars of strength, which includes, among others, best in class underwriting quality.

A SHARED VISION

Aptus's shared vision is to empower underserved individuals, families, and communities in need through affordable housing finance. We believe in home ownership's power to positively create societal impact. By putting to use our expertise, dedication, and innovative solutions, we strive to make home ownership a reality for even more individuals nationwide. We remain committed to our customers, values, and mission as we forge ahead. Together, we will continue to build a brighter future, Home for All.





Our Strategic Foundations



To be an efficient, innovative, and admired housing finance company focused on positively impacting our customers' standard of living through appropriate housing finance solutions at an affordable cost and personalised service.



To be a leader in the affordable housing finance segment and impact 2.5 million people's lives by 2030.



ACCOUNTABILITY:

We take responsibility for the financial, social, environmental, and economic impacts of our decisions and actions and disclose our performance transparently. We honour the trust placed in us by the customers by taking care of their financial needs.

PROFESSIONALISM:

We consistently produce the highest quality results 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.

TEAMWORK:

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

UNITY

We believe unity inspires more substantial personal commitment and greater collective achievement.

SUCCESS

We believe 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.

AUM & Milestones



Strategic **Roadmap**

Affordable housing is a rapidly growing segment within the financial services industry. Despite India's low mortgage penetration rate, this situation worsens in rural and semiurban areas, highlighting the significant untapped potential of the affordable housing finance market. To navigate this landscape successfully, customers must consider three key factors: availability, affordability, and awareness. Consumers need access to suitable properties and reliable financing options. For Aptus to make a substantial impact, a focused strategy is necessary, including a deep understanding of customer behaviours across different states, the ability to serve the underbanked consumer segment, and implementing policies that effectively address the needs of this stratum.









We primarily cater to self-employed customers, many of whom are new to credit and do not have formal income proofs such as income tax returns or pay slips. We assess their income through various methods and conduct a cash flow assessment of their income to determine their ability to repay loans. By understanding their specific requirements and challenges, we tailor our loan offerings and services to provide accessible and affordable financing options. 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 be replicated in our geographies.



EXPANSION IN UNDER-PENETRATED MARKETS

Under-penetrated rural and semi-urban markets, represent substantial opportunities for growth and have significant untapped potential. By catering to these markets, we can reach a broader customer base and address these areas' unique housing finance needs. We intend to continue to expand our presence after conducting in-depth studies and market research considering a number of factors such as regional demographics, level of urbanisation and the competitive landscape.





Our expansion strategy is focused on strategically spreading our geographic presence across new states, ensuring contiguous growth and deep penetration in already served states. We aim to become one of India's largest housing finance companies by extending our footprint methodically across regions. This calibrated expansion approach allows us to effectively capture market share while maintaining financial sustainability and operational efficiency. We believe our operating model is scalable and will assist us expand our operations with lower incremental costs to drive efficiency and profitability.

Strategic Business Model and Financial Metrics





PROFITABLE BUSINESS OPERATIONS

Aptus operates on a profitable business model, consistently delivering strong financial performance and value creation. We prioritise sustainable growth, prudent risk management, and a robust credit portfolio. Our commitment to maintaining a healthy financial matrix enables us to provide long-term value to our stakeholders, including customers, investors, and employees.



CONTINUOUS PROCESS IMPROVEMENT

We recognise the importance of continuous process improvement to enhance productivity, product/service experience, and risk management. We invest in advanced technology solutions and empower our talented workforce to drive efficiency and innovation across all aspects of our operations. By leveraging technology and nurturing our people, we strive to deliver exceptional services and maintain high-quality loan portfolios.



DIVERSIFIED FUNDING SOURCES

We maintain a diversified lender base, which enhances our funding capabilities and reduces dependency on any single source. As of March 31, 2024, we had borrowing relationships with the NHB and 19 banks and other financial institutions. Our access to diversified and cost-effective sources of borrowing has helped us reduce our credit costs, in turn, passing on the benefit to the customers. We believe that we are able to access borrowings at a competitive cost due to our credit ratings, stable credit history and strong brand equity, which we expect to gain more strength going forward reaping benefits in funding cost.

Our Business Model

VALUE WE CREATE FOR CUSTOMERS



ACCESSIBILITY:

Making housing finance accessible to lower and middle-income segments through tailored loan solutions. Providing easy access to loan against property and business loans, ensuring that a wide range of financial needs are met with personalised and convenient solutions.

AFFORDABILITY:

Aptus's ticket sizes, ranging between 5 lakhs and 25 lakhs, and competitive interest rates compared with peers make our loans affordable to low—and middle-income customers.

TRANSPARENCY:

Maintaining clear communication in English and vernacular languages about loan terms, conditions, and repayment schedules, through direct communication channels at our branches and digital communication channels such as SMS, WhatsApp, Website, customer applications, robust customer service system fosters trust among customers.

CONVENIENCE:

Digital loan application, quick disbursal processes, wide array of payment alternatives, continuous interaction with customers to gather feedback on their requirements during the tenor of the loan make it convenient for Aptus's customers to manage their loan.

CUSTOMER SERVICE:

We seek to maintain high levels of customer service and have set up a centralized customer relationship management department which provide prompt query resolution, analyses the root cause of queries of customer and ensure necessary actions are taken to prevent occurrence of similar queries/issues.

STABILITY AND SECURITY:

By tailoring our loan solutions that could be afforded by lower and middle-income segment customers, who are otherwise underserved, we create financial stability and security to our customers.

EMPOWERMENT:

Through comprehensive financial services and transparent communication, Aptus paves the way towards fulfilling dreams, which empower individuals to make informed decisions, seize opportunities, conquer hurdles, and take charge of their future.

OUR PROCESSES

LOAN ORIGINATION:

Our digital on-boarding process, backed by robust technological strengths involves document verification, credit assessment, and underwriting. We manage risk and evaluate borrower creditworthiness, offering tailored loan solutions for affordable housing and SME loans.

LOAN DISBURSEMENT:

Aptus offers an exemplary customer service experience by leveraging a digital disbursement process. This system ensures that customers receive their funds with remarkable speed, eliminating the delays typically associated with traditional loan disbursements. By prioritizing prompt fund delivery, Aptus ensures to address the fund requirement of the customers at right time. By continuously enhancing the digital infrastructure, Aptus stays ahead in the competitive

housing finance market while fostering a more inclusive financial environment.

LOAN SERVICING:

Providing customers with ease and convenience, quick documentation at their doorstep helps us become their lender of choice. We offer our customers with end-to-end smooth journey, spanning origination, disbursement, servicing and closure of loans. Prioritizing customer relationships, Aptus ensures that customer queries are addressed promptly and effectively. We offer a wide array of payment options and enable loan tracking through our customer application.

APTUS RESOURCES

HUMAN CAPITAL:

Aptus has a skilled workforce comprising professionals across all functions to drive operations efficiently, enhancing productivity and ensuring resilience against any kind of uncertainties that are inherent in our lending business.

TECHNOLOGY INFRASTRUCTURE:

Our technology driven processes aid in product innovation, reduced turnaround times, cost optimization and superior customer experience. Widespread adoption of data-driven customer-centric digital technologies lead to paperless lending processes.

BRANCH NETWORK:

We have established a wide physical branch network across various regions strategically located within states providing close proximity to facilitate effective customer interactions, loan origination, and servicing.

FINANCIAL CAPITAL:

Our source of financial capital includes shareholder equity, retained earnings, borrowings from banks and financial institutions. Aptus focuses on maintaining a healthy balance of equity and borrowed funds. Further, our strength lies in efficiently managing the funds sourced to meet our repayment obligations, lending activities, and to fund our growth, while still maintain a healthy liquidity position.

FUNDING SOURCES:

Through our stable, long-term relationships with our lenders, we have been able to borrow from a range of sources at competitive rates. Our core strength lies in robust liquidity arising from optimum management of funds by our professional team.

REGULATORY COMPLIANCE FRAMEWORK:

Regulatory compliance in Aptus, guided by the Board approved Compliance policy is managed by the Chief Compliance officer and compliance team. Aptus ensures strict observance of all statutory and regulatory requirements for the Company, including standards of market conduct, managing conflict of interest, treating customers fairly and ensuring the suitability of customer service. Aptus' compliance framework involves periodical compliance tracking systems, periodic Board review of compliance status and policies, continuous monitoring and audit of compliance activities that fosters the compliance culture of Aptus and ensures good corporate governance, growth and reputation.

BRAND REPUTATION:

Our customer-centric approach, fair practices, competitive pricing and servicing of loans have established a high brand repute and recognition which has enabled us to achieve a steady progress over the years.

REVENUE AND PROFIT FORMULA

-

CONTINUOUS INNOVATION:

Our industry leading innovation helps us stay ahead of the competition and meet the evolving needs of our customers better. By embracing diversity and ensuring equal participation, we unlock the full potential of our employees fostering a growth culture, entrepreneurship and drive innovation at every level. We continuously monitor market trends and customer needs to develop innovative loan products and services.

RISK MANAGEMENT:

By conducting meticulous risk assessments, evaluating potential impact and developing mitigation strategies, we ensure proactive risk management. The risk management and mitigation plan are reviewed by the risk management committee and assessed by the Board of Directors, providing a robust framework to manage risks. Further, we carry out various risk assessments

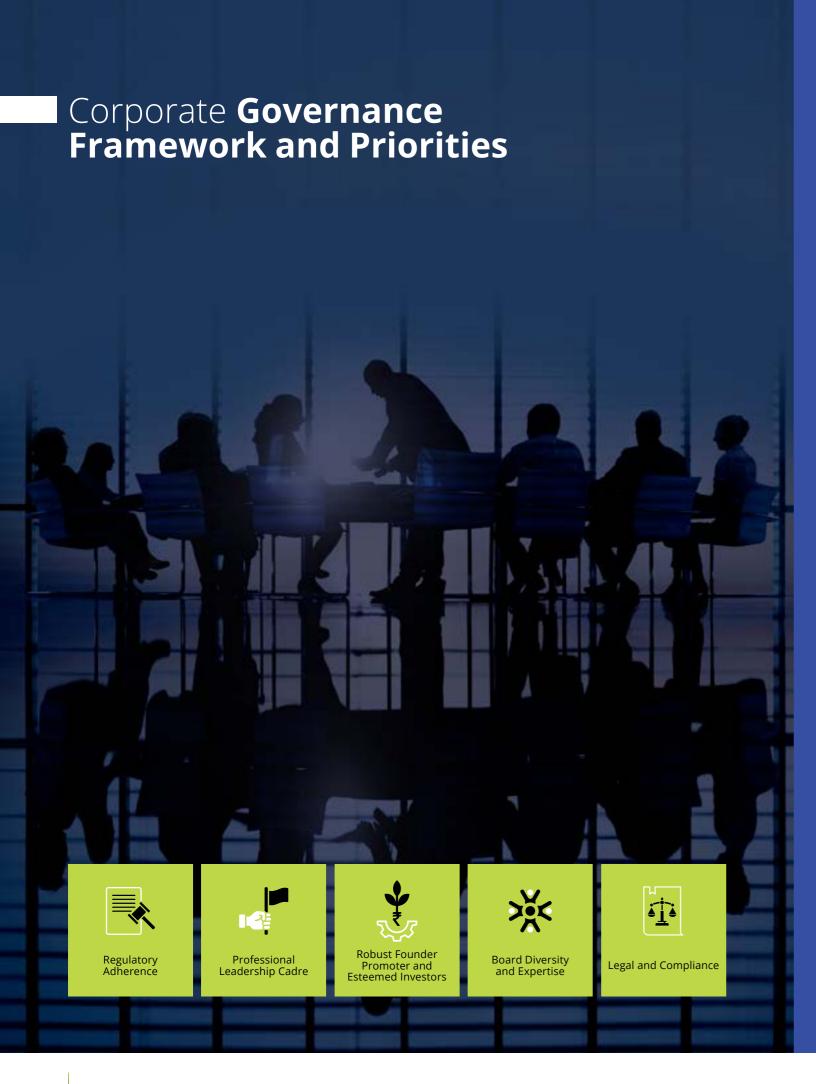
including stress-testing to identify, assess and mitigate probable risks, to safeguard the growth of the business.

OPTIMUM OPERATIONAL EXPENSES:

Our impressive low operating expenses to assets ratio of 2.7% underscores our commitment to operational efficiency and best in class cost management. It ensures that we can sustain profitability even during economic downturns or market fluctuations, providing a solid foundation for long-term growth and profitability.

GROWTH IN ASSETS UNDER MANAGEMENT (AUM):

As our AUM grows, our market position strengthens. A larger AUM enhances our credibility and reputation in the market, attracting more borrowers and investors. This virtuous cycle of growth and trust further fuels our revenue generation capabilities.



REGULATORY ADHERENCE

Corporate governance is the key to smooth business operations. Aptus strives to adopt best practices and ensures adherence to all applicable regulatory requirements. By prioritising transparency, accountability, and integrity, and going beyond mere compliance to adopt best practices, Aptus's governance processes aim to sustainably navigate challenges and capitalize on growth opportunities, ensuring stability and success.

We trust transparency in operations and timely disclosures in accordance with the applicable regulations are crucial to building a good corporate governance.

PROFESSIONAL LEADERSHIP CADRE

At the helm of Aptus is a cadre of seasoned professionals, epitomising its commitment to efficient and effective corporate governance. We have an experienced management team supported by qualified and experienced professional personnel. Leveraging the expertise of its leadership, Aptus drives sustainable growth while safeguarding stakeholder interests. Further, we are dedicated to fostering gender diversity and providing equal opportunities within our leadership ranks. Promoting a diverse and inclusive leadership team ensures a wide range of perspectives and ideas, further enhancing our decision-making process and reinforcing our commitment to equitable growth and innovation. We believe that the knowledge and experience of our senior and mid-level management team members provides us with a significant competitive advantage as we seek to grow our business and expand to new geographies.

ROBUST FOUNDER PROMOTER AND ESTEEMED INVESTORS

Aptus boasts a stalwart Founder Promoter with a proven track record, a testament to its governance ethos and dedication to enduring success. The long standing relationship with our marquee investors evidences the trust built by Aptus among them with regard to its governance and growth potential. Further, our investors enrich Aptus with invaluable insights, resources, and oversight, elevating governance practices and nurturing sustainable growth.

BOARD DIVERSITY AND EXPERTISE

The contribution of the Board is critical for ensuring appropriate guidance with regard to leadership, vision, strategy, policies, monitoring, supervision, accountability to shareholders and other stakeholders, and for achieving greater levels of performance on a sustained basis as well as adherence to the best practices of corporate governance. Aptus prioritises diversity and expertise in its board composition, fostering a holistic representation of knowledge and experience. This diverse board facilitates astute decision-making, strategic planning, and risk mitigation. We have and expect to continue to benefit from strong capital sponsorship and professional expertise of our marquee investors.

LEGAL AND COMPLIANCE

The Company follows a system whereby all the Acts, Rules and Regulations applicable to it are identified, and compliance with such Acts, Rules and Regulations is monitored by dedicated team on a regular basis. A consolidated compliance report based on the compliance status in respect of various laws, Rules and Regulations applicable to the Company is placed before the Board on a regular basis and reviewed by the Board. Necessary reports are also submitted to the various regulatory authorities as per the requirements from time to time. The policies and processes are periodically reviewed by the Board to make necessary amendments from time to time in order to be compliant with the guidelines of NHB/RBI/SEBI as well as other regulatory bodies.

Aptus has a robust compliance team comprising of professionals to establish a culture of good governance and compliance.

Compliance to rules and regulations helps us maintain good relationships with the local and central governments and also sustain our goodwill over the years.

Aptus's proactive approach to legal matters is evident from the lack of litigation. This indicates that the company has effectively managed its legal obligations, reducing the risk of legal issues. With few legal problems, Aptus demonstrates its commitment to careful corporate governance.

Board of **Directors**



M. Anandan

Executive Chairman

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 Aptus and has served as the Chairman and Managing Director on the Board since inception.



S. Krishnamurthy Independent Director





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 Índia Private Ltd.



K.M. Mohandass Independent Director





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.



Krishnamurthy Vijayan Independent Directo



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.



Mona Kachhwaha Independent Directo

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



V.G. Kannan Independent Director

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.



Sumir Chadha Nominee Director

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.



K.P. Balaraj Nominee Directo

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.



P Balaji Managing Director

P Balaji is the Managing Director of our Company. He joined Aptus as the CFO in August, 2010. Prior to joining Aptus, he was associated with the Bombay Dyeing and Manufacturing Company Limited, Hutchison Max Telecom Limited, Cholamandalam MS General Insurance Company Limited and SKS Microfinance Limited. He holds a bachelor's degree in commerce from the University of Madras. He is also a member of the Institute of Chartered Accountants of India. He has various years of experience in the textiles, telecom and finance sectors.

Committee Indications

AC Audit Committee

NRC Nomination & Remuneration Committee

CSR CSR Committee

IT Strategy Committee

RMC Risk Management Committee

Resourcing and Business Committee

Stakeholder's Relationship Committee

Senior Management



Mr. P. Balaji Managing Director





Mr. C.T. Manoharan ED & Chief Business Officer

Manoharan C T, Executive Director & Chief Business Officer (ED & CBO): Over 24 years of experience in the housing finance industry with roles in sales, credit, and channel management. Holds a postgraduate degree in Physics from Calicut University and a Financial Management certificate from ICFAI



Mr. R. Naveen KumarVice President - Operations & Compliance

Naveen Kumar R, Vice President – Operations & Compliance: 12 years of experienec in financial services, specifically in housing finance with expertise in supervising the Loan Origination System and Loan Management System, Portfolio analytics, Risk assessment and customer service operationsHolds an engineering degree and an MBA from Anna University.



Mr. S. Krishna Kishore
Associate Vice President - Credit

Krishna Kishore S, Associate Vice President – Credit:
Over 17 years of experience in manufacturing and financial sectors, with previous roles at IIFL Home Finance, ICICI Bank, Aditya Birla Housing Finance, and PNB Housing Finance. Holds an MBA in Finance from Kakatiya University and is a member of the Institute of Chartered Accountants of India.



Mr. John Vijayan Rayappa Chief Financial Officer

John Vijayan Rayappa, Chief Financial Officer: 28 years of experience in financial services, covering operations, finance, and customer servicing. An Associate member of the Institute of Chartered Accountants of India and the Institute of Cost Accountants of India anda Certified Information Systems Auditor (CISA).



Mr. V. Krishnaswami Chief Technology Officer

Krishnaswami V, Chief Technology Officer (CTO): Over 24 years of experience in IT consulting, project management, and technology solutions. Holds an M.Sc in IT from the Institute of Advance Studies and Education with a diploma in Design Thinking from Stanford University and is certified as a Scrum Master.



Mr. K. Srinivasan Associate Vice President - Credit

Srinivasan K, Associate Vice President – Credit:
Over 15 years of experience in credit, risk management, audit, operations and product management in retail finance, with previous roles at Hinduja Leyland Finance, Equitas Small Finance Bank, Cholamandalam Investment, and Bajaj Auto Finance. Commerce graduate from University of Calicut, ICWAI (Inter).



Mr. Vijayaraghavan Kannan Chief Risk Officer

Vijayaraghavan Kannan, Chief Risk Officer
Over 14 years of experience in Audit & Assurance, Tax & regulatory
compliances, and advisory services. A certified Information Systems Auditor
from Information Systems Audit and Control Association and an associate
member of the Institute of Chartered Accountants of India.



Mr. N. Srikanth Senior Vice President - Human Resource

Srikanth N, Senior Vice President – HR: Over 25 years of experience in Human Resources, with previous roles at CSS Corp Pvt Ltd, Viveks Ltd, and Sundaram Fasteners Ltd. Holds a master's degree in Human Resources from Pondicherry University.



Mr. V. Sundara Kumar Senior Vice President - Legal & Receivable

Sundara Kumar V, Senior Vice President – Legal & Receivable: Over 20 years of experience in legal roles within financial services, with previous roles at Standard Chartered Bank and King & Partridge law firm. Holds B.com, B.L. from Madras University, ICWAI (Inter), and ACS (Inter).



Mr. P. SaninCompany Secretary & Compliance Officer

Sanin Panicker, Company Secretary & Compliance Officer: Expertise in secretarial compliance, listing regulations, and corporate governance, with previous stint at Madura Micro Finance Limited. Holds a bachelor's degree in commerce from the University of Kerala and is an Associate Member of the Institute of Company Secretaries of India.

How We Create Value

Manufactured Capital



Financial Capital



Intellectual Capital Relationship and Social Capital

Manufactured Capital

WHAT WE HAVE:

Strategically positioned Branch Network comprising of 262 branches in total across 6 states and 1 Union territory, Innovative products and IT infrastructure.

WHAT WE DO:

In order to make our tailored loan products reach our target customer, we invest in expanding branch networks strategically providing close proximity to facilitate effective customer interactions, loan origination, and servicing.

Our loan products are tailored to suit our target segment and continuously improvised through innovation.

Our investment in state-of-the-art technology infrastructure, and operational systems streamline processes and enhance service delivery, ensuring we rightly meet the needs of our customers.

ECONOMIC, FINANCIAL AND SOCIAL OUTCOMES IN FY24:

Economic Outcomes:

Increased loan disbursement volumes by 31%, reaching more low and middle-income families.

Financial Outcomes:

Achieved a 22% increase in net profit, driven by efficient operations and a broader customer base.

Expanded by opening 31 new branches across 6 states

to accommodate growing demand.

Provided affordable housing

Social Outcomes:

solutions to 37,535 families, improved community living standards, and contributed to local economic development by supporting significant number of small and medium businesses through tailored loan products. Been an aiding pillar to our entrepreneurial customers with potential ideas of business by extending financial support to

turn their ideas into reality.

Financial Capital



WHAT WE HAVE:

Healthy mix of financial capital including shareholder equity, retained earnings, borrowings from banks and financial institutions.

WHAT WE DO:

Aptus uses its financial capital to fund growth of portfolio to increase revenue, make optimum investment of liquid funds, fund repayments.

Aptus Value Housing Finance ensures efficient management of funds through a combination of strategic financial planning, prudent risk management, and robust operational framework.

ECONOMIC, FINANCIAL AND SOCIAL OUTCOMES IN FY24:

Economic Outcomes:
Achieved a 29% increase in
AUM which made us serve lar

AUM which made us serve larger number of low and middle-income customers with financial needs.

Financial Outcomes:

ICRA and CARE maintained their rating at AA- (Stable) giving us an edge in borrowing cost. Improved profitability with a 22% increase in net profit. Delivering value to shareholders through ROA of 8%, ROE of 17.25%, EPS of Rs. 12.27 and dividend payout of 37%.

Social Outcomes:

Facilitated access to affordable housing for many thousands of new families, enhancing their standard of living. Empowered significant number of SMEs with better access to funding, contributing to local job creation and economic stability.

Human Capital

WHAT WE HAVE:

Human Resources

WHAT WE DO:

Our HR processes are tailored to foster employee engagement and welfare, thereby enhancing value delivery.



In line with our commitment to gender equality and unbiased opportunity, we promote diversity in our workforce and provide equal access to training, career growth, and leadership opportunities for all employees.

Further, we offer Employee Stock option Plan (ESOP) benefits, to share the benefits of long-term success and profitability of the company with employees.

ECONOMIC, FINANCIAL AND SOCIAL OUTCOMES IN FY24:

Economic Outcomes:

Increased productivity due to improved employee skills and

efficiency. Improved innovation and creativity among employees.

Financial Outcomes:

Reduced employee turnover resulting in lower recruitment and training costs, contributing to overall financial stability.

Social Outcomes:

Enhanced employee satisfaction and well-being, leading to higher engagement and motivation. 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.





Aptus possesses innovative loan products, sophisticated underwriting models, user friendly customer applications, data analytic tools including machine learning models for analysis and predictions.

WHAT WE DO:

We focus on continuous innovation of product and processes.

Data security and privacy are ensured through role based permissions/access to customer data.

User-friendly features in customer application to facilitate easy management of loan by customer and a mode of interaction between customer and Aptus.

Video tutorials that educate customers on various aspects relating to their loan in social media.

Facilitate customers to make UPI instalment payments.

Time Series Forecast Using Statistical Model and Tensor Flow for Bounce Prediction.

Machine learning is used to carry out Customer Profile Analysis, Loan Foreclosure Prediction, Probability of Default analysis.

ECONOMIC, FINANCIAL AND SOCIAL OUTCOMES IN FY24:

Economic Outcomes:

Improved processes resulting in efficiency and reduced manual intervention.

Financial Outcomes:

Collection efficiency has improved due to digital payments. Outcome of Analysis and predictions through data analytic tools have allowed us to mitigate NPAs resulting in pristine asset quality.

Social Outcomes:

Financial inclusion by making innovative financial solutions accessible to the underserved segments.

Improved customer satisfaction and trust, demonstrated by notable enhancements in positive customer feedback. Relationship and Social Capital

WHAT WE HAVE:

Our positive relationship with customers, communities, investors, and other stakeholders within our ecosystem

WHAT WE DO:

Aptus prioritises long standing customer relationship and satisfaction by personalised communication, ensuring transparency, offering valueadded services.

Contributing to Financial conclusion by bridging the gap between the financiers and the informal segment.

Earn and sustain the trust and confidence of our financial partners.

Our CSR initiatives for upliftment of the community focuses on education, health care and skill development.

ECONOMIC, FINANCIAL AND SOCIAL OUTCOMES IN FY24:

Economic Outcomes:

Expanded customer base through enhanced customer satisfaction and trust.

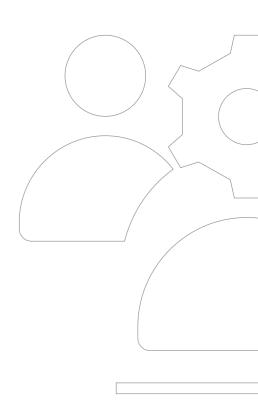
Financial Outcomes:

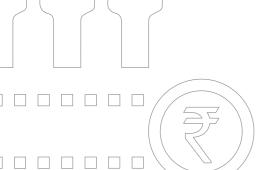
Increased loan portfolio through strengthened relationships with financial partners, leading to diversified funding and improved financial stability.

Social Outcomes:

With our **total spends on CSR of Rs. 8.15 crores,** we had impacted as follows:

- Better school infrastructure and transportation facilities for kids
- Better health care assistance to those who cannot afford quality health care.
- Empowered women from economically weaker sections of the society through skill development that generates employment.
- Enhanced brand reputation, contributing to an increase in brand awareness and positive public perception.





Manufactured Capital

Aptus extends financial solutions to the low and middle income segments and caters to the diverse financial needs of its customers. As a part of its manufactured capital, Aptus seeks to broaden its customer reach to underserved areas. The company leverages its extensive branch network and diverse loan products to create substantial value for its stakeholders, aligning its operations with various Global Reporting Initiative (GRI) standards.

NUMBER OF BRANCHES



BRANCH OPERATIONS

Aptus has established a wide distribution network to cater to the needs of its customers, especially in semiurban and rural areas. This widespread presence ensures close proximity and convenience for customers seeking finance solutions.

Strategic Branch Network: Aptus operates 262 branches strategically located across six states and one Union territory, ensuring a strong local presence with footprints in Tamil Nadu (86 branches), Andhra Pradesh (99 branches), Telangana (46 branches), Karnataka (28 branches), Odisha (2 branches) & Maharashtra (1 branch). This strategic placement underscores our commitment to accessibility and our deep understanding of the housing and business needs of our target market.

CUSTOMER ENGAGEMENT:

Aptus recongnizes the importance of customer convenience. Our Branches serve as critical touchpoints for customer interaction, enabling personalised service and support. Our Branch staff are well equipped and trained to provide tailored financial advice and assistance, ensuring customer satisfaction and loyalty.



OPERATIONAL EFFICIENCY:

Our branch network is optimised for operational efficiency, with digital platforms for loan applications, approvals, and disbursements. Aptus has equipped branches to be highly efficient through random branch / customer visits, process assessments, training of branch staff on process errors and eradicating them at the root, highlight early warning signals and industry developments enabling proactive field risk management. At Aptus, we are committed to leveraging technology to streamline processes and enhance service delivery.



AUM PER BRANCH:

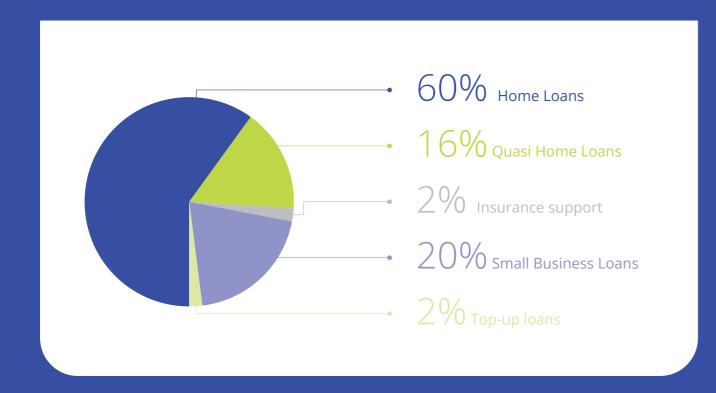
As of March 31, 2024, the AUM per branch varies with the age of the branch, showing significant growth as branches mature. For branches less than 1 year old, the AUM is ₹4.47 crore; for branches 1-3 years old, it is ₹22.03 crore; and for branches older than 3 years, it is ₹41.63 crore. This progressive increase in AUM with branch maturity signifies the company's ability to effectively expand its market share, optimise operational efficiency, and generate higher revenue over time and maturity.



AUM with branch maturity signifies the company's ability to effectively expand its market share, optimise operational efficiency, and generate higher revenue over time and maturity.

Loan **Products**

Aptus offers an innovative range of loan products to appropriately suit needs of its customers, which are customer friendly with an objective to simplify and enrich their lives.



HOME LOANS:

Aptus provides home loans for the purchase, construction, and renovation of residential properties. These loans are tailored to suit the financial capabilities of low- and middleincome customers. Home loans constitute 60% of the secured portfolio.

QUASI HOME LOANS:

This product is intended to offer flexibility to customer who require funds to refinance their

investment in construction or purchase of their house. These loans account for 16% of the secured portfolio.

INSURANCE SUPPORT:

In order to safeguard the security of the customer, we provide them with the option to opt for credit shield insurance through collaboration with insurance companies relieving them from the burden of repayment in the event of adverse occurrence. Further our Property Insurance

safeguards our customers' valuable assets provided as collateral. This constitutes 2% of the secured portfolio.

SMALL BUSINESS LOANS (SBL):

Aptus offers small business loans, which constitute 100% of the NBFC portfolio and 20% of the consolidated AUM. These loans support entrepreneurship and economic growth in local communities.

Creating Value For Customers

Aptus places significant emphasis on offering the right product to niche customer segment. Our business growth strategy is led by focus on optimal geographical and product mix, enhancing value creation through targeted products and services.

SELF-EMPLOYED BORROWERS:

Aptus has targeted self-employed population in financial need to support their small businesses as part of its commitment to create societal impact. 74% of the company's borrowers are self-employed, reflecting on Aptus' mission.

RURAL FOCUS:

With 78% of its operations concentrated in rural areas, Aptus is dedicated to fostering development in semi-urban and rural regions, ensuring that economic growth and housing opportunities extend beyond urban centers. This dual focus highlights Aptus' strategic efforts to make a meaningful impact, driving progress and uplifting communities that are often overlooked.

AFFORDABLE TICKET SIZE:

With our average ticket size, Aptus makes housing finance accessible and affordable for a more significant population segment.

740/0 Self-employed

78% Rural Focus

Financial Capital

Aptus creates significant value through its financial capital by maintaining robust growth in assets under management (AUM), efficient profit and loss management, and strong balance sheet health. In FY24, Aptus achieved a 29% increase in AUM, driven by strategic expansions and effective market penetration. The company reported substantial income growth, stable net interest margins, and improved profitability, with a profit after tax of ₹612 crores. Aptus also enhanced asset quality, achieving better GNPA and NNPA ratios, and maintained strong liquidity with significant undrawn sanctions from NHB. This comprehensive approach to financial management ensures sustainable growth and long-term value creation for its stakeholders.

+31%
YoY Disbursements

+29%
YoY AUM Growth

100.15% FY24 Q4 Collection Efficiency

TOTAL DISBURSEMENTS DURING FY24

Disbursements: In FY24, total disbursements were ₹3,127 crores, up from ₹2,395 crores in FY23, marking a significant 31% increase year-on-year.

The 31% disbursement growth reflects our robust loan origination processes and effective market penetration strategies. This increase underscores our ability to meet the growing demand for affordable housing finance and small business loans in our target markets, particularly in Tier-3 and Tier-4 cities.

ASSETS UNDER MANAGEMENT (AUM)

AUM Growth: As of March 31, 2024, AUM was ₹8,722 crores, up from ₹6,738 crores in FY23.

Growth Rate: This represents a robust 29% annual growth.

Branch Contribution: Branches less than 1-year-old have an AUM of ₹4.47 crore; 1-3 years old, ₹22.03 crore; and older than 3 years, ₹41.63 crore.

The significant growth in AUM showcases our ability to expand our customer base and enhance our loan portfolio. The higher AUM in older branches reflects successful market penetration and sustained customer relationships, highlighting our effective growth strategies and operational efficiency. Our strategic focus on low- and middle-income segments in Tier-3 and Tier-4 cities, supported by government initiatives, plays a crucial role in this substantial AUM growth.

COLLECTION EFFICIENCY

Collection Efficiency of 100.15% was achieved in Q4 FY24.

Achieving a collection efficiency of over 100% demonstrates our strong credit management practices and robust collections infrastructure. This high collection efficiency reduces the risk of defaults and ensures a steady cash flow, crucial for maintaining financial stability and investor confidence.

BORROWING AND LIQUIDITY

Borrowings: Increased to ₹5,200 crores from ₹3,786 crores in FY23.

Liquidity: Maintained strong on-balance sheet liquidity of ₹1,022 crores, including undrawn sanctions of ₹620 crores from banks/NHB.

The increase in borrowings supports our expansion plans and ability to fund new loans. Maintaining significant liquidity, including undrawn sanctions, ensures we have sufficient funds to meet our operational and growth requirements without compromising financial stability.

Financial Capital

FINANCIAL METRICS

Total Income: FY24 total income was ₹1,417 crores, up from ₹1,134 crores in FY23.

Net Interest Margin (NIM): NIM for FY24 was 13.45%.

Profit After Tax (PAT): FY24 PAT was ₹612 crores, up from ₹503 crores in FY23.

Return on Assets (ROA): ROA for FY24 was 8.00%.

Return on Equity (ROE): Improved to 17.25% in FY24 from 16.34% in FY23.

The increase in total income and PAT demonstrates our strong revenue generation capabilities and profitability. The improvement in ROE reflects better utilisation of shareholders' equity, enhancing value creation. Our focus on productivity, collection efficiencies, and cost management has been key in maintaining these solid financial metrics.

BALANCE SHEET HIGHLIGHTS

Net Worth: Increased to ₹3,768 crores from ₹3,339 crores in FY23.

Borrowings: Rose to ₹5,200 crores from ₹3,786 crores in FY23.

Asset Quality: GNPA improved to 1.07% from 1.15%, and NNPA to 0.80% from 0.86%.

The increase in net worth and borrowings reflects our financial strength and capacity to leverage debt for growth. Improved asset quality showcases effective credit risk management, reducing potential losses from non-performing assets and ensuring financial stability. Our provision coverage ratio of 1.06% and strong capital adequacy ratio indicate robust financial health and preparedness for future growth.

REVENUE MARGINS

Interest Income: FY24 interest income was ₹1,320 crores, up 25% from ₹1,058 crores in FY23.

Fee and Other Income: Grew ₹97 crores from ₹75 crores.

Operating Margin: Maintained strong margins with effective cost management.

The substantial interest and fee income growth underscores our success in expanding lending operations and enhancing service offerings. Maintaining strong operating margins despite increased expenses highlights our operational efficiency and strategic cost management. Our focus on increasing leads through digital channels and improving collection efficiencies supports these solid financial results.

+25%
Revenue YoY

13.45%

NIM

+22%PAT YOY

17.25%

RoE

SANCTIONS AVAILABLE FROM BANKS/NHB

Undrawn sanctions amount to ₹620 crores as of FY24.

The substantial undrawn sanctions from Banks/NHB provide reliable funding, enabling us to pursue growth opportunities without facing liquidity constraints. This support from lenders enhances our financial flexibility and ability to scale our operations efficiently.

UNDERWRITING, MONITORING, AND COLLECTIONS

At Aptus, we maintain a comprehensive and efficient underwriting, monitoring, and collections process, ensuring optimal performance and risk management.

In-House Sourcing

We generate leads exclusively through our in-house channels, including the customer app, Bandhu app, social media and 262 branches. We do not rely on DSAs or builders for sourcing.

Technology Utilization

Our advanced technology suite includes digital onboarding, KYC processes, credit verification, property verification, and digital agreement execution with e-sign and e-stamp. Aptus has developed various mobile applications such as the sales app, referral app, credit verification app, and property verification app to facilitate a seamless onboarding experience for customers.

Stringent Credit Underwriting

We implement a rigorous underwriting process that includes detailed personal as well as acquaintances and neighbours in order to assess the source of income and pattern of cash inflows and outflows as well as the stability and habits of the customer both pre- and post-disbursement. We also use established credit evaluation methodologies such as credit bureau checks to determine the credit history of the customers. Further, we evaluate a customer's earning capacity by verifying customer's place of work and residence to enable our nderwriting team to make well

informed decisions. We also have a credit application, which helps verify details of a customer's residence and business and is integrated with our core lending

Collection Management System

We have set up a robust and tiered, collections management system with prescribed collection action at each stage of severity of default. We employ a structured collection process wherein we remind our customers of their payment schedules through text messages and automated calls to maintain adequate balance in their account on the due date. Our collection management system involves monitoring early default signs for 15-24 months and initiating legal actions, including SARFAESI, at 90 days past due (DPD).

Through these integrated processes, Aptus ensures effective risk management and sustained financial health, delivering value and stability to our stakeholders

I Financial Highlights

Ratios

Number of Customer	s	Disbursements	(₹ Crores)	AUM	(₹ Crores)
FY20	43,987	FY20	1,280	FY20	3,183
FY21	58,069	FY21	1,298	FY21	4,068
FY22	83,565	FY22	1,641	FY22	5,180
FY23	1,07,146	FY23	2,395	FY23	6,738
FY24	1,33,499	FY24	3,127	FY24	8,722
Total Income	(₹ Crores)	Interest Expenses	(₹ Crores)	Net Interest Margin	(₹ Crores)
FY20	523	FY20	185	FY20	339
FY21	655	FY21	207	FY21	449
FY22	840	FY22	209	FY22	632
FY23	1,135	FY23	276	FY23	859
FY24	1,417	FY24	388	FY24	1,029
Operating Expenses	(₹ Crores)	Profit Before Tax	(₹ Crores)	Profit After Tax	(₹ Crores)
FY20	88	FY20	247	FY20	211
FY21	98	FY21	345	FY21	267
FY22	117	FY22	480	FY22	370
FY23	165	FY23	654	FY23	503
FY24	207	FY24	793	FY24	612

NIM to Assets	(%)	Opex to Assets	(%)	ECL to Assets	(%)
FY20	12.48	FY20	3.26	FY20	0.10
FY21	12.38	FY21	2.70	FY21	0.16
FY22	13.66	FY22	2.53	FY22	0.75
FY23	13.88	FY23	2.75	FY23	0.68
FY24	13.45	FY24	2.70	FY24	0.38
ROA (PBT)	(%)	ROA (PAT)	(%)	GNPA	(%)
FY20	9.12	FY20	7.78	FY20	0.70
FY21	9.52	FY21	7.97	FY21	0.70
FY22	10.38	FY22	8.01	FY22	1.19
FY23	10.45	FY23	8.44	FY23	1.15
FY24	10.37	FY24	8.00	FY24	1.07
NNPA	(%)	ROE	(%)		
FY20	0.54	FY20	17.53		
FY21	0.49	FY21	14.47		
FY22	0.88	FY22	14.45		
FY23	0.86	FY23	16.34		
FY24	0.80	FY24	17.25		

Relationship Capital

Aptus places its customers at the centre of its business strategy. It offers affordable housing finance solutions tailored to the low- and middle-income segments, especially in Tier-3 and Tier-4 cities. By understanding and addressing the unique needs of its customer base, Aptus delivers specialised financial products and services. The company's commitment to digital transformation, efficient processes, and personalised customer service significantly enhances customer satisfaction and loyalty. Strong governance and proactive risk management further bolster customer confidence, establishing Aptus as a trusted leader in the affordable housing finance sector.

INCLUSIVE PRODUCTS FOR CUSTOMERS

Creating financial inclusion is the mission of Aptus. Aptus' inclusive financial products cater to the diverse needs of its customer base. The way through which Aptus achieves its mission is offering tailored loan products for low- and middle-income groups, self-employed individuals, and small business owners, who are otherwise underserved by Banks due to them being in informal segment. By understanding the unique financial circumstances of these segments, Aptus provides flexible repayment options, competitive interest rates, and minimal documentation requirements. This inclusivity ensures that more individuals and families are benefitted and provided with resources to change their lives in a progressive

LEAD GENERATION AND CUSTOMER ACQUISITION

Aptus generates 100% of its leads in-house in an organic way through its customer app, Bandhu app, social media campaigns, and network of 262 branches.

The company does not rely on DSAs or builders, ensuring direct and personalised customer interactions. This approach helps Aptus maintain control over the quality of customer acquisition and build long lasting relationships.

LEVERAGING TECHNOLOGY FOR CUSTOMER BENEFIT

Aptus extensively uses digital technology to enhance customer experience and streamline processes.

Key implementations include mobile applications for onboarding, credit verification, customer interaction and property evaluation. These technologies enable quick, accurate customer interactions, seamless onboarding, and efficient verification processes.

Aptus integrates credit scorecards with lending applications, using data analytics and machine learning to improve credit evaluation, predict customer default, and personalised services. This tech-driven approach ensures faster, more accurate credit assessments and enhances customer satisfaction and loyalty.

COMPREHENSIVE CREDIT EVALUATION

KEY HIGHLIGHTS AND ACHIEVEMENTS

The company employs a thorough credit evaluation process, including detailed cash flow assessments both pre- and post-disbursement. Centralised underwriting ensures consistent and fair loan evaluations, enhancing customer trust and satisfaction. This meticulous approach helps minimise defaults and maintain a high-quality loan book.



Aptus has expanded its reach to **262 branches**, **adding 31 new branches in FY24**, including its first branch in Maharashtra.

The company has achieved an AUM of ₹8,722 crores, reflecting a 29% year-on-year growth.

Disbursements increased by **31% year-onyear** to **₹3,127 crores.**

Aptus maintains a **low GNPA** of **1.07%** and a **high NIM** of **13.45%**.

The company's customer base grew by **25%** to **1,33,499 customers in FY24.**

Aptus continues to focus on **expanding** its footprint in existing geographies and **entering new markets** like **Odisha** and **Maharashtra**.

Customer Feedback &

Retention Mechanisms

We engage customers through direct communication channels. This feedback helps us enhance services and address customer needs effectively. Customers seek more personalised service and faster loan processing. We address these through digital enhancements, improved customer service training, and simplified communications.



CUSTOMER SATISFACTION METRICS



There have been no substantiated complaints regarding breaches of customer privacy or data losses this year due to our stringent data protection processes and regular security audits.

DIGITAL INCLUSION INITIATIVES



Our digital inclusion efforts encompass encouraging customers to make digital payments and providing training on digital transactions, empowering them to manage their repayments online. We have an user-friendly digital customer application, Aptus – E seva to serve the customer's needs in relation to the availed loan.

CUSTOMER SUPPORT AND SERVICE QUALITY



We prioritise service quality with a dedicated customer support team and regular training to ensure our staff can provide exceptional service, informed by continuous customer feedback.

CUSTOMER RETENTION STRATEGIES



We focus on long-term customer relationships through personalized engagement at branches, Tele – customer care, Customer application, Whatsapp, Social media platform and loyalty programs. Regular feedback helps us adapt to customer needs and improve retention.

Concerns about continuous personalised service expected from the Company by customers are addressed through real-time redressal of concerns, leading to improved customer loyalty and satisfaction.

Relationship Capital **Enhancing Human Capital**

At APTUS our most valuable asset is our people. Our Human Capital initiatives are designed to foster a high-performing and engaged workforce, promoting continuous learning, skill development, and personal growth. Through leadership initiatives, talent acquisition strategies, and comprehensive HR programs, we aim to empower our employees and drive organisational success.

KEY LEADERSHIP INITIATIVES DURING FY24

Leadership Training:

We invest in extensive leadership training to enhance the capabilities of our managers and executives. These programs provide valuable insights, tools, and strategies to drive effective organizational leadership practices. Aptus invests in its employees at all levels by continuously providing opportunities to take the initiative to lead their processes, innovate, and thereby become leaders organically.

Mentoring:

Our mentoring programs create opportunities for knowledge-sharing, guidance, and professional growth. Experienced leaders impart their expertise, supporting the development of emerging talent. Aptus has cultivated a culture of collaboration, openness, direct communication and faster decision-making at all levels.

Skill & Personality Development Initiatives:

We emphasise the continuous development of our employees' skills and personal attributes. Our initiatives focus on fostering a growth mindset, enhancing communication skills, and nurturing leadership qualities. Employees are courageed and nominated to participate in various workshops, webinars, training programmes to develop their skills both on and off their job.

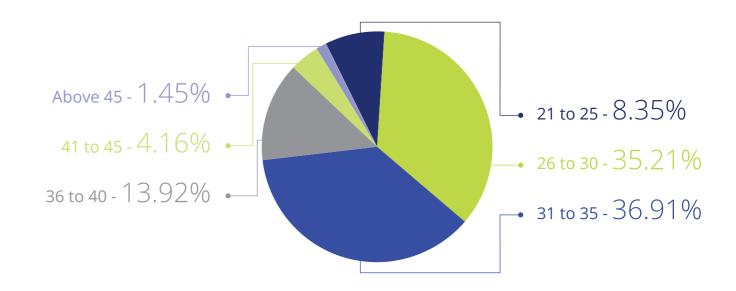
Diversity and inclusion:

Aptus ensures diversity, equity and inclusion in its workforce. We encourage a diverse work environment and are an equal opportunity employer. We are committed to hiring the right people for the right job and upskilling them to produce the best results.

Key Outcomes:

Our leadership initiatives have produced significant outcomes, including improved decision-making, increased employee engagement, increased retention rate, innovative and creative ideas from employees, and enhanced organisational performance.

AGE DIVERSITY







KEY INITIATIVES FOR RETAINING AND ACQUIRING TALENT IN FY24

Employee Engagement
Programs: We prioritise
employee engagement to foster
a positive work environment and
strengthen the bond between
employees and the organisation.
Our programs include teambuilding activities, recognition
initiatives, and opportunities for
collaborative problem-solving.

Appraisal Systems: Performance appraisals occur periodically, and our open-door culture encourages ongoing employee feedback. All eligible employees undergo regular performance appraisals. All targets are set in consultation with the teams. Each manager and employee has a say on the targets. This has resulted in improved employee engagement, performance, and organizational alignment.

Salaries & Benefits: To attract and retain top talent, we offer competitive salaries and a comprehensive benefits package. Our compensation structure reflects our commitment to rewarding performance and creating a motivating work environment.

Grievance Process Handling:

We ensure a fair and transparent grievance redressal process to address employee concerns promptly. We aim to maintain a harmonious and respectful workplace by providing a supportive work environment that makes the employees feel safe and protected.

Talent Acquisition: Acquiring exceptional talent is a key focus for us. We employ comprehensive

talent acquisition strategies, including targeted recruitment efforts, talent pipelines, and educational institution partnerships to ensure a diverse and skilled workforce.

ESOP: The company has allocated 10 million shares to employees through the Employee Stock Option Plan (ESOP). By extending these benefits, we empower our dedicated workforce and align their interests with the growth and success of the organisation.





OTHER KEY HR INITIATIVES DURING FY24

DMS – Digitalization of employee's documents

We have successfully implemented a Document Management System (DMS). This initiative focuses on digitalising all employee documents, ensuring secure, efficient, and paperless storage and retrieval of records. This digital transformation led to Enhanced Accessibility, Improved Security, positive environmental impact.

Paperless Appraisal System

We have introduced a paperless appraisal system in our continuous efforts to enhance operational efficiency and promote a sustainable work environment. This system marks a significant step towards digital transformation within our organisation by making appraisal letters available directly on the HRMS (Human Resource Management System) portal.

Focused hiring of key roles

We have focused on hiring for key role positions to drive our strategic goals and enhance organisational capabilities.
During the year, the focus was on Strategic Recruitment, Diversity and Inclusion, Competency-Based Hiring and Onboarding Excellence.

Intellectual Capital

Information Technology

APTUS has developed an advanced information technology infrastructure tailored to the dynamics of the affordable housing finance industry. This in-house IT backbone enhances efficiency and value across various business functions:



CUSTOMER ONBOARDING

Utilizing applications like the Sales App, Bandhu App, Credit Verification App, and Property App, APTUS streamlines the onboarding process with E-KYC, E-Nach, and Account Aggregator tools.



LENDING SOFTWARE

End-to-end tightly integrated solution ensures seamless lending operations.



CUSTOMER RELATIONSHIP & SERVICE

An automated CRM system efficiently handles customer service requests, improving customer satisfaction. A mobile-based Customer application enables query raising and enquiries to be made with a single click.



COLLECTIONS APP

Automated payment systems via Bharat Bill Pay, Google Pay, and Paytm facilitate easy collections.



BUSINESS INTELLIGENCE & ANALYTICS

The analytics platform provides complete visibility, deep insights, and enables informed decision-making.



HUMAN RESOURCES

A human resources management system application supports HR functions, enhancing employee management and engagement.

Intellectual Capital Omni-Channel Lead Generation

Aptus has developed a robust digital infrastructure for seamless omnichannel lead generation, one of the company's most significant intellectual properties. This system integrates multiple channels to optimise lead acquisition and enhance customer engagement.



CUSTOMER APP

Existing customers can refer through a dedicated customer service app, leveraging customer networks for organic growth.

DIGITAL MARKETING

Social media campaigns and digital marketing initiatives drive lead generation, expand reach, and effectively target potential customers.

BANDHU APP

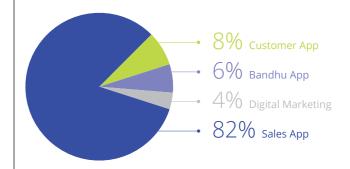
This mobile-based application unifies the construction ecosystem and acts as a referral platform to generate leads within the construction sector.

SALES APP

In-house sourcing through a mobile based sales application allows sales executives to source leads organically, ensuring a substantial portion of lead generation is managed internally.

This integrated approach maximises lead generation and ensures a high quality of leads, thereby adding significant value to Aptus' business operations.

LEAD GENERATION IN FY24



Intellectual Capital

Robust and Scalable Digital Landscape

APTUS has established a scalable and robust digital landscape by integrating advanced mobility, data analytics, digital marketing, and tech infrastructure solutions.



MOBILITY

Mobile applications for customer onboarding, credit verification, technical valuation, collections, and customer service enhance field operations with tools like digital KYC, Account Aggregator, and E-nach mandates. Leegality's eStamp and eSign Digital Agreement streamline legal processes.

DATA ANALYTICS

Advanced analytics using statistical models and machine learning for bounce prediction, customer profile analysis, loan foreclosure prediction, and default probability models. "Power BI" dashboards for real-time insights.

DIGITAL MARKETING

Campaign-based lead generation, lead enrichment, brand

awareness, location awareness, and product and service promotion through platforms like Tuskmelon.

TECH INFRA

End-to-end ERP solutions, robotic process automation (RPA), electronic payments, cloud backups, and payment automation via Bharat Bill Pay Services and Razorpay API integration.

INTEGRATION OF DIGITAL AND IT INITIATIVES

The above four components are seamlessly integrated to create a cohesive digital ecosystem at APTUS. Mobility solutions feed real-time data into the data analytics platform, enhancing the accuracy of predictive models and insights. The digital marketing efforts generate leads and

customer engagement metrics, which are tracked and analysed using data analytics tools. This information is then used to refine marketing strategies and improve customer service through the CRM system. The tech infrastructure supports this entire process by ensuring smooth operations, automated workflows, and secure transactions, making the system robust and scalable. This integrated approach ensures operational efficiency, data-driven decision-making, and enhanced customer experiences, driving overall business growth.

Intellectual Capital

Digitally Enabled Underwriting and Risk Management

APTUS's digital underwriting and risk management capabilities showcase its commitment to leveraging technology for superior credit evaluation, efficient processing, and proactive risk mitigation, setting a high standard in the affordable housing finance industry.



100% IN-HOUSE SOURCING

Lead generation is conducted through the Customer App, Bandhu App, social media, and the 262 branches, ensuring no external dependencies.

LEVERAGING TECHNOLOGY

Digital onboarding and KYC processes are streamlined using credit verification and property apps, ensuring efficient processing.

STRINGENT CREDIT UNDERWRITING

APTUS maintains rigorous standards by focusing on cash flow assessment, both preand post-disbursement and centralised underwriting.

ROBUST COLLECTION MANAGEMENT SYSTEM

Monitoring early default signs within 15-24 months and taking legal action at 90 DPD ensures proactive collections management.

RISK AND DATA SCIENCE BACKED UNDERWRITING

Utilizing over 50 key data points for customer profile analysis, stage-wise disbursement, and thorough verification, APTUS leverages tech interventions for better and faster credit decisions. Integrating credit scorecards with lending applications and using machine learning for continuous improvement highlights APTUS's commitment to advanced risk management.

CENTRALISED PROCESSING

To ensure consistency in underwriting with state-wise expertise and linguistic skills, APTUS emphasises practical training, knowledge sharing, and quick adoption of process changes. As a result, over 90% of loans are approved within 72 hours.

Relationship Capital **Partners in Progress**

APTUS has cultivated substantial relationship capital with various financial institutions and banks, integral to its robust funding management and credit profile. This diversified and balanced funding mix is essential for sustaining its growth and stability in the affordable housing finance industry.

Diverse Funding Mix: APTUS's funding sources are diverse, with 63% from banks, 24% from the National Housing Bank (NHB), 5% in the form of Non-Convertible Debentures (NCDs), and 8% from other sources, including securitisation. This diverse funding base not only mitigates risk but also enhances financial flexibility, providing reassurance about APTUS's financial stability.

Long-term valued partnership:

With about 20 lender relationships and no exposure to short-term loans, APTUS ensures a stable funding environment. The company maintains strong connections with development finance institutions (DFIs) such as the International Finance Corporation (IFC) and through continued refinance from the National Housing Bank (NHB).

Private Sector Partnerships:

APTUS collaborates with prominent private sector banks, including HDFC Bank, Federal Bank, Axis Bank, YES Bank, Kotak Mahindra Bank, and more. These partnerships provide substantial financial support and collaborative growth opportunities.

Public Sector Collaborations:

The company also partners with leading public sector banks, such as the State Bank of India (SBI), Bank of Maharashtra, Bank of Baroda, Indian Bank, and Bank of India. These relationships enhance APTUS's funding options and credibility.

Credit Profile: APTUS maintains a strong AA- Stable credit rating (from ICRA and CARE), reflecting its solid financial health and prudent risk management practices. The average tenure of borrowings is progressively optimised, at 80.1 months for FY24, ensuring long-term stability.

Private Sector Private Sector PSBI Public Sector Test and the sector Sector

20+ Leader Relationships

No Exposure to Short term long including CPs

Relationship Capital Corporate Social Responsibility

CSR POLICY AND OBJECTIVES

At Aptus, Corporate Social Responsibility (CSR) is a core component of our business philosophy. Our CSR policy emphasises the importance of societal progress by ensuring the inclusion and empowerment of individuals and communities. Our key focus areas are education, healthcare, and skill development. Our CSR Committee and Board of Directors guide these initiatives, ensuring compliance with regulatory requirements and maintaining high standards of accountability and transparency.







Education

SCHOOL TRANSPORTATION SUPPORT

Financial assistance was provided for the purchase of a new 52-seater school bus for Meiyappa Valliammai Kanchi Sankara Vidyalaya Matriculation School in Pudukkottai. This initiative aims to ensure that students from underprivileged backgrounds have safe and reliable transportation to school.



ANGANWADI RENOVATION

In collaboration with Sanitation First NGO, Aptus funded the renovation and upscaling of Anganwadis at Nethaji Salai and Irular Colony, Tiruvallur. The enhancements included erecting play areas, purchasing learning tables, and painting interiors with educational themes based on the Anganwadi syllabus, thus creating a better and conducive learning environment for children.



SUPPORT FOR BLIND STUDENTS

In partnership with Sanitation First NGO, we provided transportation support by offering two buses for blind students at Nethra Vidyalaya, Hyderabad. This initiative ensures that visually impaired students have access to education and can commute safely.

BASIC NECESSITIES FOR SCHOOLS

Contributed to constructing toilet facilities at Swami Dayananda Rotary Matriculation Higher Secondary School, Kadalur Village, Cheyyur. Additionally, provided classroom furniture for Mahila Vidyalaya Nursery & Primary School, Andhra Mahila Sabha, enhancing classroom infrastructure and learning environment for the benefit of students.

Healthcare

EARLY DETECTION OF DEVELOPMENT DEFICIENCY



MEDICAL EQUIPMENT PROVISION

Donated essential medical equipment to Sankara Eye Hospital, Pammal, Chennai, including Visual Fields, Auto Refractor Keratometer, Non-Contact Tonometer, Digital Indirect Ophthalmoscope, Fundus Camera, and Indirect Ophthalmoscope. These instruments play a pivotal role in diagnosing and treating various eye conditions, ensuring that patients belonging to the low and middle income group receive the highest standard of care.





SUPPORT FOR KIDNEY RESEARCH

Provided Epogen Injection and System Upgrades to the Tamil Nadu Kidney Research Foundation, aiding in the treatment of underprivileged patients with kidney ailments. This initiative supports the mission of offering subsidized dialysis and other kidney-related treatments to those in need.



OPERATION THEATRE EQUIPMENT

Supplied operation theatre equipment to Sankara Multi-Speciality Hospital, Kanchipuram, ensuring that the hospital has the necessary tools to perform critical surgeries and provide high-quality medical care to patients.



Skill **Development**

EMPOWERING WOMEN

Collaborated with the Association for Non-traditional Employment for Women (ANEW) to provide 15 desktops, 15 laptops, home nursing equipment, and support for training programs in Python programming, driving, and Tally. This initiative aims to uplift underprivileged women by enhancing their employability and empowering them to achieve financial independence.



SUPPORTING SKILL DEVELOPMENT FOR VULNERABLE GROUPS

Continued efforts to support skill development programs, particularly for women and underprivileged groups, facilitating their employment opportunities and reducing barriers to entry into the workforce. Aptus continuously focuses on sustainable support that enhances the future of those in need and prepares them to attend to their own and family needs.



Directors' Report

The Board of Directors have pleasure in presenting the Fifteenth Annual Report of the Company together with the audited financial statements of the company for the financial year ended March 31, 2024.

1. Financial Results

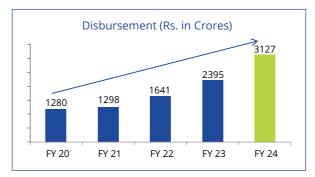
(₹ in crores)

Particulars	Consolidated Financial Results			
	For the financial year ended Mar 31, 2024	For the financial year ended Mar 31, 2023		
Operating income	1,365	1,093		
Other Income	52	41		
Less: Expenditure including Depreciation	624	480		
Profit before taxation	793	654		
Profit after taxation	612	503		
Assets under Management	8,722	6,738		

2. Operations:

2.1 Sanctions and Disbursements

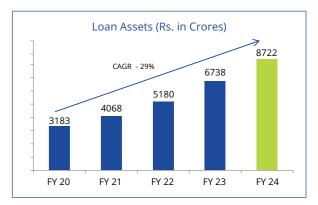
During the year under review, the Company sanctioned loans worth Rs. 3,320 crores, marking an increase from Rs. 2,580 crores sanctioned in the previous year. Loan disbursements during the current year amounted to Rs. 3,127 crores, representing a 31% increase compared to Rs. 2,395 crores disbursed in the previous year. Aptus maintained its focus on serving Low and Middle-Income families in Tier II and III cities, with the disbursement of Rs.3,127crores aiding more than 37,535 families. Additionally, the increase in loan sanctions and disbursements highlights the company's robust management practices and strong market demand. Aptus' comprehensive outreach and support programs have been pivotal in driving this growth, ensuring that a significant number of families can achieve their housing and financial aspirations.



2.2 Loan Assets

Throughout the year under review, the Company demonstrated remarkable momentum in its loan asset management, culminating in robust growth by the year's end. This upward trajectory underscores our commitment to serving diverse customer needs while fostering sustainable financial growth. As of March 31, 2024, our total Assets under Management soared to Rs. 8,722 crores, reflecting a commendable 29% increase over the previous year's figure of Rs. 6,738 crores.

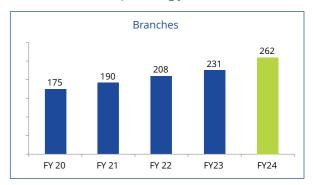
This growth not only attests to the efficacy of our strategic initiatives but also reaffirms our position as a trusted partner in meeting the financial aspirations of our customers.



2.3 Branch Expansion

The Company boasts a strong network of 262 branches across 6 Indian states. During the year under review, the Company further expanded its distribution network in the states of Tamil Nadu, Andhra Pradesh, Telangana, Karnataka, Odisha and Maharashtra.

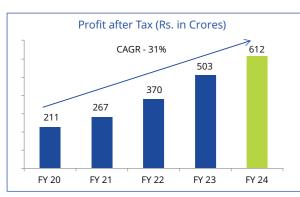
By March 31, 2024, the distribution network had expanded to 262 branches, marking an increase from 231 branches in the preceding year.



2.4 Income, Profits and Net Worth

During the year under review, the Company's financial metrics had grown as follows:

Financial metrics	March 31, 2024	March 31, 2023	Growth
Gross Income	Rs. 1,417 crores	Rs. 1,134 crores	25%
Profit before tax	Rs. 793 crores	Rs. 654 crores	21%
Profit after tax	Rs. 612 crores	Rs. 503 crores	22%
Net worth	Rs. 3,768 crores	Rs. 3,339 crores	13%

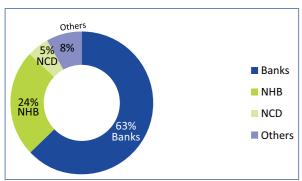


2.5 Asset Quality

The Company ended the financial year 2023-24 with a Gross NPA of 1.07%, an improvement from 1.15% in the financial year 2022-23. We maintained a healthy Net NPA rate of 0.80%, demonstrating our ability to effectively recover loans and minimize credit losses.

Additionally, as a prudent measure to ensure adequate provisions for potential loan losses, we sustained the provision coverage ratio at 1.06% as of March 2024.

2.6 Resource Mobilisation



The Company has well-diversified borrowing sources, with 63% of borrowings from banks, 24% from the National Housing Bank (NHB), 5% from development financial institutions (DFIs) like IFC and large financial institutions, and the balance 8% in the form of securitization. Most of our borrowings consist of long term fixed interest rates from institutions like NHB, HDFC and Federal Bank. This diverse structure of borrowings helps company to optimise cost, enhances financial stability and flexibility. As of March '24, the company had a robust on-balance-sheet liquidity of Rs. 1,022 crores, including an undrawn sanction of Rs. 620 crores from NHB and banks. This liquidity position provides Aptus with the flexibility to meet its funding requirements efficiently.

2.7 Capital Adequacy Ratio

As of March 31, 2024, the Company had a Capital Adequacy Ratio of 73.03%, as against the minimum regulatory requirement of 15%. It reflects Aptus' ability to continue its growth trajectory without compromising financial stability. Furthermore, the significant buffer above the regulatory requirement enhances stakeholder confidence and provides a solid foundation for future expansion and resilience against market fluctuations.

3. Credit Rating

The credit rating details of the Company as at March 31, 2024 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 AA-	Stable
Non-convertible Debentures	CARE	CARE AA-	Stable

4. Deposits

The Company is registered as a non-deposit taking Housing Finance Company with the 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 March 31, 2024. No amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2024.

5. Transfer to Special Reserves

As per Section 29C(i) of National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profit every year to a reserve before declaring any dividend. Accordingly, the Company has transferred Rs. 96.13 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.

6. Dividend

The Board has declared two interim dividends aggregating to Rs. 4.50/- per equity share for the

financial year 2023-24. This translates to a dividend payout ratio of 37% of the consolidated profits of the Company for the financial year ended March 31, 2024. The Board has not recommended any final dividend for the financial year under review.

Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have adopted a dividend distribution policy. The dividend distribution policy is available on the website of the Company. (weblink: <u>Dividend Distribution policy</u>).

During the year under review, an unclaimed dividend of Rs. 9,31,307 was transferred to the unpaid dividend account of the Company.

Those members who have not so far claimed their dividend for the financial year are requested to correspond with the RTA or with the Company Secretary through the e-mail id of the company at cs@aptusindia. com. Further, members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's unpaid dividend account, will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to IEPF as per Section 124 of the Companies Act, 2013, read with applicable IEPF rules.

7. Employee Stock Option Scheme

With a view to attract, reward and retain talented and key employees and encourage them to align individual performance with Company objectives, the Company grants share based benefits to eligible employees under the ESOP Schemes. The Company currently has one ESOP scheme, viz. Aptus Employee Stock Option Scheme, 2021 ("ESOP 2021").

ESOP 2021 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. In terms of Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the disclosures with respect to ESOP 2021 is provided on the website of the Company at (weblink: ESOP Disclosure). In terms of Regulation 13 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, the Certificate from S Sandeep & Associates, Company Secretaries will be available electronically for inspection by the Members during the Annual General Meeting.

8. Share Capital

There has been no change in the authorized share capital of the Company during the financial year ended March 31, 2024.

During the year under review, 8,93,750 equity shares of Rs. 2/- were allotted on exercise of stock options granted to the employees of the Company under ESOP 2021. Consequent to this, the paid-up share capital of the Company has increased

to Rs. 99,78,48,002 comprising of 49,89,24,001 equity shares of Rs. 2/- each as on March 31, 2024 as against Rs. 99,60,60,502 comprising of 49,80,30,251 equity shares of Rs. 2/- each as on March 31, 2023.

9. Directors and Key Managerial Personnel

The composition of the Board of Directors is in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an optimum combination of Executive, Non-executive and Independent Directors.

As of March 31, 2024, the Board of Directors of the Company comprised of 10 Directors; viz. five Independent Directors including one women Independent Director, two Nominee Directors, one Non-executive Non-Independent Director and two Executive Directors.

The following changes happened in the composition of the Board of Directors and office of the Key Managerial Personnel during the financial year 2023-24.

- o The shareholders vide their special resolutions passed through postal ballot on August 02, 2023 approved the following;
 - Re-designation of Mr. M. Anandan (DIN: 00033633) as the Executive Chairman of the Company w.e.f. May 04, 2023.
 - Appointment of Mr. P. Balaji (DIN: 07904681) as the Managing Director of the Company for a period of 5 years commencing from May 04, 2023.
- o Mr. Suman Bollina (DIN: 07136443), who was a Non-executive Non-Independent Director on the Board, resigned on May 04, 2023.
- o Mr. John Vijayan Rayappa was appointed as the Chief Financial Officer of the Company with effect from May 04, 2023.

The following changes took place in composition of Board of Directors between the financial year ended March 31, 2024 and the date of this report.

 Mr. Shailesh J Mehta, who was a Non-executive Non-Independent Director of the Company as on March 31, 2024 resigned from the Board on April 18, 2024 due to personal reasons and other professional commitments.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 the Independent Directors have submitted the Declaration of Independence, stating that each of them meets the criteria of independence as required under Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

During the year under review, the Non-executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any.

Further, in accordance with the provisions of the Companies Act, 2013, Mr. Sumir Chadha, Non-executive Nominee Director of the Company is liable to retire by rotation at the ensuing 15th Annual General Meeting of the Company and being eligible has offered himself for reappointment.

10. Board and committee meetings

The Board met 4 times during the year under review. Details on composition of the Board and various Committees of the Board and number of meetings of the Board and Committees during the year under review are given in the Corporate Governance Report enclosed as **Annexure D** to this Annual Report.

11. Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, Board committees, and individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board after seeking input from all the Directors based on criteria such as the board composition and structure, governance practices, adapting to technology etc.

The performance of the committees was evaluated by the Board after seeking input from the committee members based on criteria such as qualification, experience, independent review, recommendations to the Board etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and Chairman of the Company was evaluated, considering the views of both Executive Directors and Non-Executive Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors based on criteria such as the contribution of the individual Director to the board and committee meetings like meaningful and constructive contribution and inputs in meetings, etc.

The Company has adopted a policy on appointment, remuneration and evaluation of the Directors, Key Managerial Personnel and Senior Management and the same is available on the website of the Company. (weblink: Appointment, Remuneration and Evaluation policy).

12. 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.

13. Corporate Governance Report

A report on corporate governance as per the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 is enclosed and forms part of this Annual Report as **Annexure D.**

A certificate from M/s. S. Sandeep & Associates, Practicing Company Secretaries, confirming compliance with corporate governance norms, as stipulated under the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, is enclosed and forms part of this Annual Report as **Annexure I**.

14. Management Discussion and Analysis

The Management Discussion and Analysis report as required in terms of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, is enclosed and forms part of this Annual Report as **Annexure C.**

15. Auditors & Auditor's Report

Statutory Auditors

M/s T.R. Chadha & Co. LLP were appointed as the Statutory Auditors by the shareholders 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.

As per the guidelines for appointment of Statutory Central Auditors (SCAS)/Statutory Auditors (SAS) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 issued by the Reserve Bank of India, Statutory Auditors who have served for three years with an entity will not be eligible to continue in their role as Auditors. Consequently, in terms of the said RBI Guidelines, M/s T.R. Chadha & Co. LLP shall not be eligible to continue as the Statutory Auditors of the Company from the conclusion of the ensuing 15th Annual General Meeting.

In accordance with the aforesaid RBI guidelines, the Audit Committee and Board of Directors have recommended the appointment of M/s. Sundaram and Srinivasan, Chartered Accountants (Firm Registration Number :004207S) as the Statutory Auditors of the Company from the date of conclusion of the 15th Annual General Meeting till the date of conclusion of the 18th Annual General Meeting subject to the said firm continuing to fulfill the applicable eligibility norms.

M/s. Sundaram and Srinivasan, Chartered Accountants have consented to the said appointment and issued a certificate along with relevant information as mentioned in the RBI Guidelines, to the effect that the appointment, if made, shall be in accordance with the conditions as prescribed in Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

They have also confirmed that they meet the criteria for independence, eligibility and qualification as prescribed in Section 141 of the Companies Act, 2013 and the RBI Guidelines.

The Board, accordingly, recommends the appointment of M/s. Sundaram and Srinivasan, Chartered Accountants, as the Statutory Auditors of the Company for approval of the members.

The Statutory Auditor's Report for the financial year ended March 31, 2024 is annexed to 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 Statutory Auditors under sub-section (12) of section 143 of the Companies Act, 2013 during the year.

Secretarial Auditors

M/s. S. Sandeep & Associates, Company Secretaries were appointed to conduct the secretarial audit of the Company for the financial year 2023-24, 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, 2024 is enclosed and forms part of this Annual report as **Annexure F**.

16. 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.

17. Internal Financial Controls

The Company employs a comprehensive internal control system supplemented by internal audits and regular management reviews. These internal processes ensure the existence of appropriate checks and balances and regulatory compliance at all levels. The internal audit team conducts risk-based audits of these processes to ensure that internal controls for fraud prevention, detection, reporting, and remediation are sufficient and effective.

The Company places significant emphasis on the inspection of process controls, risk monitoring, and fraud prevention methods. Therefore, we have made substantial investments to ensure that our internal audit and control systems are appropriate and sufficient to meet our regulatory requirements and operational scale.

To manage various risks across multiple products and operations, the Company employs the 'three lines of defense' risk governance strategy. The line management function stands as the primary line of defense, fortified by the risk management and compliance functions,

and culminating in the oversight provided by the audit function

In line with our commitment to robust governance practices, the Company has framed a risk based internal audit mechanism to effectively manage and mitigate risks inherent in its operations. This ensures comprehensive coverage and meticulous scrutiny of our operational processes. The internal audit activities are meticulously planned and executed based on an annual audit plan, which undergoes thorough review and approval by the Audit Committee, ensuring alignment with strategic objectives and regulatory requirements.

The Management has assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2024 and found the same to be adequate and effective.

Further, M/s. T.R. Chadha & Co. LLP, the Company's Statutory Auditors, have conducted a comprehensive review of our internal control systems, culminating in an unmodified opinion, thus endorsing the robustness of our internal control environment. This validation underscores our steadfast dedication to upholding the highest standards of corporate governance and financial integrity.

18. Material Changes and Commitments

There are no material changes and commitments between March 31, 2024 and the date of this report having an adverse bearing on the financial position of the Company.

19. Annual Return

The copy of Annual Return in Form MGT-7 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.

20. Risk Management Framework

The Company adheres to a structured and systematic approach to identify and manage risks across the diverse operations. By conducting meticulous risk assessments, evaluating potential impact and developing mitigation strategies, we ensure proactive risk management.

The Company operates within a dynamic financial landscape, inherently exposed to a spectrum of risks inherent to the financing sector. These encompass capital risk, credit risk, interest rate risk, market risk, operational risk, liquidity risk, information technology risk, as well as regulatory and compliance risk. Acknowledging the potential impact of these risks on both our financial resilience and operational efficacy, we have instituted a comprehensive framework of Board-approved risk-related policies.

Under the oversight of the Risk Management Committee, the implementation of these policies is rigorously monitored to ensure proactive identification, assessment, and mitigation of potential risks.

We give due importance to prudent lending practices and have put in place suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of customer's business place and residence, inhouse technical and legal verification, conservative loan to value and required term cover for insurance.

21. Human Resources

As part of our ongoing commitment to nurturing a thriving organizational culture, we prioritize investments in our people, fostering an environment where our core values are not just upheld but lived daily. Through robust learning and development initiatives, skill-building programs, and proactive talent management strategies, we empower our employees to reach their full potential and contribute meaningfully to our collective success.

Moreover, our comprehensive staff welfare measures extend beyond mere benefits to encompass holistic support for our employees' well-being, recognizing that their satisfaction directly correlates with heightened productivity and engagement. By prioritizing equal employment opportunities and creating conducive working conditions, we not only attract top talent but also cultivate a workplace where everyone can thrive and excel

With our unwavering focus on people-centric practices, we are proud to report consistently low attrition rates, a testament to the high levels of job satisfaction experienced throughout our organization. As of March 31, 2024, Aptus boasts a staff strength of 2918, reflecting our enduring commitment to building and sustaining a talented and motivated workforce.

22. 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 forms part of this annual report and is enclosed as **Annexure K**. Further, 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 at cs@aptusindia.com in this regard.

23. 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 half 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 (weblink: Related Party Transaction Policy).

The details of the related party transactions entered during the financial year 2023-24 in Form AOC-2 forms part of this Annual Report and is enclosed as **Annexure A**.

24. Conservation of Energy, Technological Absorption, Foreign Exchange Earnings/Outgo

The Company does not have any activity relating to conservation of energy and technological 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.

The Company does not have any foreign currency earnings or expenditure during the financial year ending March 31, 2024.

25. Disclosure with respect to Non-Convertible Debentures as per the Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021.

- (a) The total number of non-convertible debentures which have not been claimed by the Investors or not paid by the housing finance company after the date on which the non-convertible debentures became due for redemption: **NIL**
- (b) The total amount in respect of such debentures remaining unclaimed or unpaid beyond the date of such debentures became due for redemption: NIL

26. Subsidiaries, Associates, Joint Ventures

The Company has one wholly owned subsidiary, Aptus Finance India Private Limited (AFIPL), which was 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 form part of this 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.

AFIPL being a material subsidiary of the Company, the secretarial audit report of AFIPL forms part of this Annual Report and is enclosed 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: <u>Policy on determining</u> material subsidiaries).

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

27. 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 Aptus Finance India Private Limited, 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.

28. 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.

29. Corporate Social Responsibility (CSR)

The CSR Committee of the Board has formulated and recommended to the Board a CSR Policy indicating the CSR activities which can be undertaken by the Company. The Board approved CSR policy is available on the website of the Company (weblink: CSR policy).

In alignment with Aptus' commitment to Corporate Social Responsibility (CSR), the Company has actively engaged in initiatives aimed at fostering positive impact in the spheres of healthcare, education, social and skill development during the review period. These initiatives are meticulously planned and executed in accordance with the guidelines outlined in Schedule VII of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. By investing in these initiatives, we endeavor to make meaningful contributions to the well-being and progress of the communities we serve, thereby fulfilling our broader societal responsibilities as a corporate entity.

A report on the CSR initiatives of the Company during the year under review is enclosed and forms part of this Annual Report as **Annexure B**.

During the year under review impact assessment was not applicable to the Company.

30. Business Responsibility & Sustainability Report (BRSR)

In terms of regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility and Sustainability Report for the year under review forms part of this Annual Report and is enclosed as **Annexure E**.

31. Whistle Blower Policy & Vigil Mechanism

In our commitment to upholding the highest standards of ethics and transparency, the Company has established a whistle-blower mechanism to foster a culture of accountability and integrity within our organization. This mechanism serves as a vital avenue for our directors and employees to report any instances of unethical behavior or violations of our code of conduct without fear of reprisal.

The Whistle-Blower policy adopted pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is accessible on our website (weblink: Whistle Blower & Vigil Mechanism).

This policy outlines clear procedures for lodging complaints and ensures direct access to the Chairman of the Audit Committee for prompt resolution.

We are dedicated to maintaining an environment where concerns are addressed promptly and confidentially, promoting trust and accountability across all levels of our organization.

32. Policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act. 2013

The Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination.

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has put in place a policy on prevention of sexual harassment of women at workplace. This policy underscores our commitment to providing a safe and respectful workplace for all employees and is accessible on the Company's website (weblink: Policy on prevention of sexual harassment).

To ensure proper redressal of any grievances, an Internal Complaints Committee has been constituted in accordance with the relevant Act.

We are pleased to report that no complaints pertaining to sexual harassment were received during the year under review, reflecting our ongoing efforts to maintain a positive and secure work environment. Regular training sessions and awareness programs are conducted to reinforce our zero-tolerance stance towards any form of harassment.

33. 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 in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The code inter alia requires preclearance 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 said code is available on the website of the Company (weblink: Code of practices & procedures for fair disclosure of UPSI)

34. Directors' Responsibility Statement

The Board of Directors have instituted/put in place a framework for 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, 2024 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, 2024; 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, 2024.

Acknowledgement

Chennai

May 03, 2024

The Directors wish to place on record their appreciation and sincerely acknowledge the contribution and support from shareholders, customers, banks, debenture holders, debenture trustees, Central and State Governments, 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 co-operation and assistance provided to the Company. The Directors also wish to express their sincere gratitude to employees at every level for their invaluable contributions to the Company's growth, made possible through their diligence, dedication, and unwavering support.

For and on behalf of the Board of Directors

M Anandan

Executive Chairman DIN: 00033633

Annexure – A Form No. AOC - 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 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 arm's 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	Aptus Finance India Private Limited, Wholly Owned Subsidiary Company
Nature of contracts/ arrangements/ transactions	Shared support charges
Duration of the contracts/ arrangements/ transactions	Ongoing
Salient terms of the contracts or arrangements or transactions including the value, if any	The holding company would be providing / sharing its infrastructure and resources to / with the wholly owned subsidiary company, 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	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 / accrued by / to the wholly owned subsidiary company, such costs /expenses would need to be shared between the two entities. The same is in the ordinary course of business.
Date of approval by the Board	04/05/2023
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

Annexure - B

Annual Report on Corporate Social Responsibility

1. Brief outline on CSR Policy of the Company

Corporate Social Responsibility (CSR) constitutes a fundamental aspect of our business ethos. We firmly adhere to the conviction that societal advancement thrives when each individual is included and empowered in the developmental trajectory. To steer us on this path, the Company has established a comprehensive CSR Policy delineating key areas of focus, namely Education, Social Development, and Healthcare, as approved by both the CSR Committee and the Board of Directors.

We are committed to fostering positive change, recognizing the significance of empowering individuals and communities for a sustainable future. Through our support of education programs, our goal is to afford underprivileged children access to quality education, thereby nurturing a brighter tomorrow. Furthermore, we actively contribute to healthcare initiatives aimed at enhancing well-being and facilitating access to medical services for those in vulnerable situations. Additionally, we champion skill development programs, particularly for women, facilitating their employment opportunities and reducing barriers to entry into the workforce.

The 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 supervise the execution and monitoring of all CSR projects, programs, and activities, ensuring compliance with regulatory requirements and periodic reports shall be provided for review to the Board as and when necessary.

2. Composition of 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	Chairman, Independent Director	1	-
2	Mr. K M Mohandass	Member, Independent Director	1	1
3	Mr. M Anandan	Member, Executive Chairman	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
 - Composition of CSR committee
 - CSR Policy
 - CSR projects
- **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.** (a) Average net profit of the company as per section 135(5): **Rs. 407.42 crores**
 - (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: Rs. 8.15 crores
 - (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil
 - (d) Amount required to be set off for the financial year, if any: Nil
 - (e) Total CSR obligation for the financial year [5(b)+5(c)-5(d)]: Rs. 8.15 crores

- **6.** (a) Amount spent on CSR Projects (both ongoing project and other than ongoing project): **Rs. 5.68 crores**
 - (b) Amount spent in Administrative Overheads: Nil
 - (c) Amount spent on Impact Assessment, if applicable: Nil
 - (d) Total amount spent for the financial year [6(a)+6(b)+6(c)] : **Rs. 5.68 crores**

Note: The amount spent on CSR projects mentioned above includes amount allocated to ongoing projects during the year.

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (Rs. in crores)#	Amount Unspent (in Rs.)				
	Unspent CSR A	unt transferred to Amount transferred to any fund sp SR Account as per Schedule VII as per second provis tion 135(6) 135(5)*		•	
	Amount (Rs. in crores)	Date of transfer	Name of the Fund	Amount (Rs. in crores)	Date of transfer
5.68	2.47	April 27, 2024	-	-	-

Includes the amount of Rs. 2.27 crores allocated to ongoing projects during the year.

- * Unspent CSR amount for the year will be transferred to the funds specified under Schedule VII on or before September 30, 2024..
- (f) Excess amount for set-off, if any: Nil
- 7. Details of Unspent CSR amount for the preceding three financial years: Nil
- **8.** Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No**
- **9.** Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **Not applicable**

For and on behalf of Board of Directors

For and on behalf of Board of Directors

APTUS Annual Report 2023-24

-Sd-

M. AnandanExecutive Chairman

Krishnamurthy Vijayan
Chairman of CSR Committee

-Sd-

Annexure - C

Management Discussion and Analysis Report

Global Economy

In 2023, the global economy demonstrated resilience despite tightening financial conditions caused by restrictive monetary policies, geopolitical tensions, and geoeconomic fragmentation. The global GDP grew by 3.2% in 2023, slightly down from 3.5% the previous year, primarily supported by robust performance in the US and major emerging markets and developing economies (EMDEs). Global inflation decreased to 6.8% from 8.7% the previous year, aided by monetary tightening and restoring supply chains.

However, pandemic-induced fiscal policies increased global public debt amid slow growth and high interest rates. The volume of international merchandise trade fell by 1.2% in 2023 compared to a 3.0% expansion in 2022, due to rising trade restrictions and a shift in demand from goods to services. Financial markets experienced volatility as market participants reacted to changes in monetary policy outlooks despite central banks maintaining a 'higher for longer' stance on interest rates. Sovereign bond yields increased in the first half of FY 2023-24 and showed significant fluctuations in the second half. The US dollar remained strong throughout the year, exerting downward pressure on emerging market currencies.

Global Efforts to Counter Economic Challenges

In response to these global economic challenges, countries and international organisations like the United Nations (UN), the World Health Organization (WHO), and the International Monetary Fund (IMF) are actively working to mitigate the impacts and foster inclusive growth.

- United Nations (UN): The UN continues to drive efforts towards achieving the Sustainable Development Goals (SDGs) by advocating for policies that promote social inclusion, economic equity, and environmental sustainability. The 2024 SDG Summit has reinvigorated global commitment, with member states pledging to accelerate progress. For instance, the UN's Global Accelerator on Jobs and Social Protection aims to create 400 million jobs and extend social protection to 4 billion people by 2030. These efforts underscore the global commitment to fostering inclusive growth.
- World Health Organization (WHO): The WHO prioritises health equity and strengthens health systems worldwide. In 2024, the WHO launched the Global Health Equity Initiative, which seeks to reduce health disparities by 30% by 2030. This initiative includes a \$10 billion fund to improve healthcare access in low-income countries, targeting vaccination programs, maternal health, and disease prevention.

• International Monetary Fund (IMF): The IMF provides financial assistance and policy advice to countries facing economic instability. In 2024, the IMF approved \$50 billion in emergency financing for countries affected by economic shocks, focusing on measures to control inflation, manage debt, and support economic recovery. The IMF's Resilience and Sustainability Trust also aims to mobilize \$100 billion for climate-related investments and sustainable development projects.

Indian Economy

Despite global uncertainties, the Indian economy demonstrated remarkable resilience in 2023-24, with real GDP growth rising to 7.6% from 7.0% in the previous fiscal year, bolstered by robust fixed investment. On the supply side, economic activity was buoyed by improved profitability in the manufacturing sector, which benefited from lower input prices and sustained momentum in the services sector, offsetting a slowdown in agriculture.

Headline inflation moderated during 2023-24, falling within the tolerance band due to anti-inflationary monetary policies, active supply management measures, and corrections in global commodity prices. Core inflation saw a broad-based decrease, dropping below 4% from December 2023. Throughout the year, domestic financial markets remained orderly. Money market rates increased as liquidity surpluses ebbed, partly due to higher government cash balances. The issuance of certificates of deposit (CDs) rose in response to sustained credit demand.

After remaining stable during the first half of 2023-24, sovereign bond yields softened due to lower domestic inflation, the announcement of Indian sovereign bonds' inclusion in major global bond indices, and the lower-than-expected market borrowing program announced in the interim Union Budget 2024-25. Equity markets saw substantial gains, driven by buoyant economic activity and solid corporate performance. The Indian rupee (INR) remained stable, supported by robust domestic prospects and improvements in India's external position. The current account deficit (CAD) moderated amidst large capital inflows, allowing for an increase in foreign exchange reserves.

Major Financial Reforms and RBI Policies in FY24

- **Monetary Policy:** The Reserve Bank of India (RBI) kept the policy repo rate at 6.5% to balance growth and inflation. This decision followed a cumulative increase of 250 basis points over the previous year.
- Digital Payment Initiatives: The RBI launched Project Nexus, in collaboration with ASEAN countries, to facilitate instant cross-border retail payments and

enhance the efficiency and speed of international transactions.

- **Central Bank Digital Currency (CBDC):** The RBI continued its pilot projects for the Central Bank Digital Currency, aiming to improve the efficiency of the payment system and promote financial inclusion.
- **Financial Inclusion:** Emphasis on expanding financial inclusion through initiatives like the Pradhan Mantri Jan Dhan Yojana (PMJDY), which has opened over 480 million accounts and ensures banking services reach the unbanked populations.
- Credit Enhancement: Credit guarantee schemes for micro, small, and medium enterprises (MSMEs) were introduced to improve access to financing and support business growth.
- **Green Financing:** Policies to promote green bonds and sustainable financing were enhanced to attract investment in renewable energy and environmentally friendly projects.
- **Infrastructure Development:** The focus was on strengthening infrastructure, including setting up a national credit registry database and enhancing the ecosystem for cashless and paperless financial transactions.
- Innovation and Technology: Balancing technology with agent-based models to ensure inclusive growth supported the rise of fintech entities. Continuous oversight and regulation updates were implemented to keep pace with rapid technological advancements.

Affordable Housing in India

India's affordable housing finance segment is poised for significant growth, driven by robust demand and supportive government initiatives. According to the rating agency Care-Edge, the momentum in this segment is expected to continue into FY25, with Affordable Housing Finance Companies (AHFCs) likely to see portfolio growth at around 30% year-on-year. The underlying demand for housing in urban regions remains strong, with even greater potential in rural and semi-urban areas.

Key Drivers of Growth

- **Urbanization:** Increasing urbanisation in smaller cities and towns is a significant growth driver. As urbanisation spreads, the need for affordable housing rises, presenting vast opportunities for AHFCs.
- Income Levels and Home Ownership: Rising income levels and the growing importance of homeownership are additional factors fuelling the demand for affordable housing.
- Government Initiatives: The Government of India has launched several initiatives under the 'Housing For All' mission, aiming to provide shelter to Indian citizens. One of the most prominent schemes under this initiative is the Pradhan Mantri Awas Yojana (PMAY).

Government Support: Pradhan Mantri Awas Yojana (PMAY) The PMAY scheme has been a cornerstone of the government's efforts to boost affordable housing. Here are some key highlights:

- **Budget Allocation:** In the Union Budget 2022-23, the Government of India allocated Rs. 48,000 crore for PMAY, including PMAY-Gramin and PMAY-Urban schemes. This allocation was extended until March 2024 and December 2024 to complete the construction of houses sanctioned by March 31, 2022.
- **Increased Budget:** During the Union Budget 2023-24, the allocation for the PMAY scheme was increased by 66% to Rs. 79,000 crore.
- Sanctioned and Completed Houses: As of June 18, 2024, nearly 1.2 crore houses had been sanctioned under the scheme, of which about 0.84 crore houses had been completed.
- **Commitments and Releases:** The government made commitments worth Rs. 1,99,652 crore, with Rs. 1,63,926 crore already released. Since the scheme's inception (2015-2022), approximately Rs. 42,000 crore has been disbursed.

Overview of Company's performance

Financial Performance

Our total revenue for the financial year ending March 31, 2024 amounted to Rs. 1,417 crores, marking a 25% increase compared to the previous financial year. Our profit before tax has seen a significant increase reaching Rs. 793 crores in FY24, reflecting a 21% year-on-year growth. Our profit after tax rose by 22% to Rs. 612 crores as compared to the previous financial year. Net worth of the Company stood at Rs. 3,768 crores at the end of the financial year under review.

Key Financial Ratios

Our key financial ratios for the year ended March 31, 2024 as compared to the previous financial year are given below:

Particulars	FY24	FY23
Net Interest Margin to Assets	13.45%	13.88%
Opex to Assets	2.70%	2.75%
Return on Equity (ROE)	17.25%	16.34%
Return on Assets (ROA)	8.00%	8.44%
Provision Coverage Ratio (PCR)	1.06%	1.06%
Gross NPA	1.07%	1.15%
Net NPA	0.80%	0.86%
Debt Equity Ratio	1.38:1	1.14:1

Operational Highlights

Aptus is an entirely retail focussed housing finance company primarily serving 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

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and extension loans, loans against property and business loans. We only offer loans to retail customers and do not provide any loans to builders or for commercial real estate. We target first time home buyers where the collateral is a self-occupied residential property.

During the year, the Company sanctioned loans worth Rs. 3,320 crores, marking an increase from Rs. 2,580 crores sanctioned in the previous year. Loan disbursements during the current year amounted to Rs. 3,127 crores, representing a 31% increase compared to Rs. 2,395 crores disbursed in the previous year. As of March 31, 2024, our total Assets under Management was at Rs. 8,722 crores, reflecting a healthy growth of 29% increase over the previous year, indicating a clear testament of the trust and confidence that the customers have in our loan offerings.

Aptus has streamlined the collection processes through technological advancements and enhanced analytics, resulting in more effective tracking and management of loan repayments. This has contributed to a reduction in non-performing assets (NPAs) and improved overall asset quality

Aptus has maintained the ROA at 8%, which reflects effective management of resources and operational efficiency. The ROE of 17.25% remain best in class, which is a positive sign of financial health and strong return for the shareholders.

The customer base of the Company increased by 25% to 1,33,499 in the FY'24 indicating deeper penetration to its target market segments, high levels of customer satisfaction, strong brand recognition and reputation in the market and competitive advantage over the peers.

During FY '24, Aptus augmented its branch network with the addition of 31 branches, increasing the total count to 262 branches, thereby bolstering market presence and improving customer accessibility.

Aptus has well-diversified borrowing sources, with 63% of borrowings from banks, 24% from the National Housing Bank (NHB), 5% from development financial institutions (DFIs) like IFC and large financial institutions, and the balance 8% in the form of securitization. As of March '24, the company had a robust on-balance-sheet liquidity of Rs. 1,022 crores, including an undrawn sanction of Rs. 620 crores from NHB and banks.

Aptus holds a credit rating of AA- with stable outlook from both CARE Ratings Ltd and ICRA Ltd, which demonstrates our reliability, creditworthiness and responsible financial management.

Opportunities and Threats

In 2024, housing finance companies (HFCs) in India are poised to capitalize on several opportunities amidst evolving market dynamics and government initiatives aimed at boosting the housing sector.

Opportunities:

• **Rising Demand for Affordable Housing**: The Indian government's focus on affordable housing schemes

- such as Pradhan Mantri Awas Yojana (PMAY) and initiatives like Housing for All by 2022 have bolstered demand for affordable housing. HFCs can cater to this segment by offering specialized loan products and financing options.
- Urbanization and Migration: Urbanization trends and rural-urban migration continue to drive demand for housing in urban centres. HFCs can tap into this market by providing housing finance solutions tailored to the needs of urban dwellers, including first-time homebuyers and migrant populations.
- Digital Transformation: Increasing digital adoption among consumers presents opportunities for HFCs to streamline operations, enhance customer experience through digital platforms, and leverage data analytics for targeted marketing and risk assessment.
- Government Initiatives and Subsidies: Continued government support through subsidies, interest rate incentives, and tax benefits for homebuyers and developers under schemes like PMAY-Urban and PMAY-Gramin can stimulate housing demand and affordability, benefiting HFCs.
- Expansion of Mortgage Market: The potential expansion of the mortgage market beyond Tier 1 cities to Tier 2 and Tier 3 cities presents growth opportunities for HFCs. These regions offer untapped market potential with increasing disposable incomes and aspirations for homeownership.
- Innovative Financing Models: Adoption of innovative financing models such as co-lending partnerships with banks, real estate developers, and fintech companies can enable HFCs to diversify their product offerings and reach a wider customer base
- Focus on ESG and Sustainability: Growing awareness and emphasis on Environmental, Social, and Governance (ESG) factors among investors and consumers provide an opportunity for HFCs to develop ESG-aligned financing products and contribute to sustainable housing development.
- Regulatory Support and Stability: Regulatory reforms aimed at enhancing transparency, improving governance standards, and ensuring financial stability in the housing finance sector create a conducive environment for growth and investment in HFCs.

Threats:

- Interest Rate Volatility: Fluctuations in interest rates can affect borrowing costs for HFCs and their customers. Higher interest rates could reduce affordability and dampen demand for housing loans, while lower rates may compress margins for HFCs.
- Credit Risk and Asset Quality: Economic uncertainties, job market fluctuations, and changes in borrower profiles can increase credit risk. Nonperforming assets (NPAs) and delinquencies could rise, impacting profitability and requiring higher provisioning.

- Regulatory Changes: Regulatory changes and policy shifts, including changes in lending norms, capital adequacy requirements, and compliance obligations, may necessitate adjustments in business practices and increase operational costs for HFCs.
- Market Competition: Intense competition among HFCs, banks, and new fintech entrants in the housing finance sector could lead to pricing pressures and reduced margins.
- Liquidity and Funding Risks: Dependency on external sources of funding, exposes HFCs to liquidity risks. Market disruptions or a tightening of liquidity conditions could impact their ability to meet funding requirements.
- Cybersecurity and Data Privacy: Increasing digitalization exposes HFCs to cybersecurity threats such as data breaches, phishing attacks, and ransomware. Ensuring robust cybersecurity measures and complying with data privacy regulations are critical to safeguarding customer data and maintaining trust.
- Economic and Political Instability: Macroeconomic factors such as inflationary pressures, geopolitical tensions, and policy uncertainties can affect consumer confidence, housing demand, and overall economic stability, impacting HFCs' growth prospects.
- Environmental and Climate Risks: Risks associated with environmental factors, including natural disasters and climate change impacts, could affect property values, insurance costs, and loan collateral quality, posing risks to HFCs' asset portfolios.

Internal Control Systems and their Adequacy

Aptus boasts a robust organizational framework with clearly delineated structures, well-documented policy guidelines, and a definitive authority matrix. These elements collectively ensure operational efficiency, strict adherence to internal policies, compliance with relevant laws and regulations, and safeguarding of resources. Recognizing the pivotal role of a stringent internal control system, the Company places utmost importance on these processes in facilitating seamless day-to-day operations.

Aptus has implemented a highly effective internal control system that harmonizes its business processes, operations, financial reporting, fraud prevention, and adherence to regulatory guidelines and compliance standards. These stringent internal controls exemplify the Company's commitment to the highest governance principles. The Company maintains a standardized and robust internal control framework across its organization, ensuring the safeguarding of assets and the proper execution of transactions in accordance with authorized procedures outlined in the Company's internal control policies.

The internal control system is fortified by comprehensive internal audits, frequent management reviews, and standardized policies and guidelines, all of which uphold the integrity and accuracy of financial and operational records. The Management undertakes regular assessments to evaluate the framework's robustness, efficacy, and operational efficiency concerning the Company's Internal Financial Controls.

Internal audits are meticulously conducted to scrutinize the adequacy of the internal control systems and ensure rigorous compliance with established policies and procedures. These audits serve as a critical mechanism to verify adherence to regulatory requirements and operational standards. The internal audit reports are reviewed by the Audit committee on a quarterly basis. The Company has developed a comprehensive risk-based internal audit policy as a cornerstone of its oversight function. The primary objective of this policy is to conduct audits that systematically identify key activities and controls within business processes. These audits rigorously assess the effectiveness of business processes and controls while evaluating the operational efficiency of internal controls. The findings from these audits are instrumental in providing strategic recommendations for enhancing both business processes and internal controls. This approach ensures continuous improvement and alignment with the Company's operational objectives and regulatory compliance standards.

Risk Management

Effective risk management is not just a strategic advantage but a fundamental pillar for the sustained success and longevity of any business. By embedding risk management seamlessly into every facet of our operations, we proactively balance risk and reward while steadfastly adhering to all relevant laws, rules, and regulations. This integrated approach serves as a shield against potential losses, reinforcing our Company's reputation as a dependable and responsible financial services provider. We empower our employees with comprehensive awareness of the risks inherent in their roles and equip them with the requisite knowledge and tools to navigate these challenges effectively. This proactive stance ensures that risk management becomes ingrained at all levels, driving informed decision-making and safeguarding the interests of our stakeholders.

The Risk Management Committee plays a crucial role in overseeing and managing various aspects of risk within the organization. The committee formulates and reviews risk management policies and strategies tailored to the specific risk profile and business model of the Company. It regularly assesses the effectiveness of the risk management framework, processes, and controls in place to mitigate identified risks. The committee monitors key risk indicators (KRIs) and other metrics to track the exposure and mitigation efforts across different risk categories.

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Key Risks and Risk Mitigation

Credit Risk

Risk

Credit risk is the risk of loss that may occur from the default by our customers under our loan agreements.

MitigationWe manage credit risk 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 our prime risk which is the default risk.

Our credit team ensures the 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 and loan closure documents and highlight early warning signals and industry developments enabling pro-active field risk management.

Credit sanction is done through a delegation matrix where credit sanctioning powers are defined for respective levels. Portfolio analysis and reporting is used to identify and manage credit quality and concentration risks.

Credit risk monitoring 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 at managing risk concentration in the portfolio as well as identifying stress in certain occupations, markets and states.

Market Risk

Market Risk is the risk of loss in onbalance sheet and off-balance sheet positions arising from movements in marketplace, in particular, changes in interest rates, exchange rates and equity. In line with regulatory requirements, we have a Board approved Risk Management and Asset Liability Management policy. This policy provides the framework for assessing market risk, tracking events happening in marketplace, changes in policies and guidelines of the Government and regulators, exchange rate movement, equity market movements and money market movements.

Interest Rate Risk

Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors.

To manage interest rate risk, we seek to optimize our borrowing profile between short-term and long-term loans. We adopt financing strategies to ensure diversified resource-raising options to minimize cost and maximize stability of funds. Assets and liabilities are categorized into various time buckets based on their maturities and our Asset Liability Management Committee reviews an interest rate sensitivity report periodically for assessment of interest rate risks.

Liquidity Risk

Liquidity risk arises due to the unavailability of adequate amount of capital at an appropriate cost and tenure.

We monitor liquidity risk through our Asset Liability Management Committee. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term. We actively monitor our liquidity position to ensure that we can meet all borrower and lender-related financing requirements.

We have an Asset Liability Management Policy in place, to manage liquidity risk, which provides for several risk management measures including diversifying our sources of capital to facilitate flexibility in meeting our financing requirements and maintaining strong capital adequacy.

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. We endeavour 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. 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.

Risk

Information Technology Risk

The risk stemming from IT infrastructure failure or data loss/threats that lead to operational disruptions and financial losses.

Mitigation

To manage the IT risks that may arise, the Company has put in place an efficient IT risk management mechanism with adequate measures, checks, and controls. A daily automated back up of database to cloud is done, which can be restored in case of smooth business operational continuity. Disaster recovery is implemented in cloud and a mock drill is conducted in every six months to ensure availability and readiness of the disaster recovery. The Company is dedicated to ongoing enhancement of its processes and controls to effectively mitigate cyber threats by establishing an effective Vulnerability Management and Cyber Crisis Management plan. Awareness programmes are conducted for employees through e-mails for effective mitigation of cyber threats. This empowers employees with the knowledge and skills necessary to uphold stringent cybersecurity standards and proactively safeguard company assets against evolving digital risks.

Compliance Risk

Compliance risk refers to the potential threat that an organization faces due to its failure to adhere to laws, regulations, standards, or internal policies and procedures that govern its operations.

The Company effectively manage and monitor compliance risks through the implementation of a comprehensive Compliance Policy under the leadership of the Chief Compliance Officer and a dedicated team. This proactive team conducts systematic reviews of products and processes to ensure strict adherence to regulatory standards. They continuously enhance internal policies to proactively mitigate potential legal or regulatory risks, thereby safeguarding the Company's integrity and ensuring alignment with evolving regulatory landscapes.

Human Resources

We deeply value the contributions of our team members in advancing business growth and achieving operational excellence. Our ongoing commitment is to foster an empowering environment that nurtures both the professional and personal aspirations of every employee. We are dedicated to cultivating workspaces that are not only safe, inclusive, and supportive but also serve as catalysts for inspiring a positive and growth-oriented mindset among all our employees.

At Aptus, we strive to uphold our Core Values of Accountability, Professionalism, Teamwork, Unity and Success. Through regular workshops for both existing staff and new recruits, we aim to instill these core values among our people, steadily progressing towards the fulfilment of our Company's vision. The Company is dedicated to fostering a work environment that embraces and respects individuals and employees irrespective of their backgrounds or identities. The Company promotes merit-based selection criteria that consider skill sets, competency levels, years of work experience, and other relevant factors. Our appraisal processes are transparent, which is purely based on performance and merit. Through the implementation of ESOP schemes, we aim to empower our dedicated workforce and ensure their interests are aligned with the growth and success of our organization. We have also adopted various policies like Anti-bribery & Anti-corruption policy, Health & Safety policy, Appointment Remuneration and Evaluation Policy, Equal Employment Opportunity Policy and Diversity & Inclusion policy to support our employees and to foster an inclusive work

environment. We ensure a fair and transparent grievance process to address employee concerns promptly. By providing a supportive platform, we aim to maintain a harmonious and respectful workplace.

Outlook

The global outlook for the finance industry in recent years has been marked by rapid evolution and transformative shifts driven by technological advancements, regulatory changes, and shifting consumer behaviours. Digitalization continues to reshape traditional banking and financial services, with fintech innovations paving the way for enhanced customer experiences, streamlined operations, and new market entrants challenging incumbents. Moreover, sustainability and ESG (Environmental, Social, and Governance) considerations are increasingly influencing investment decisions and shaping corporate strategies. Financial institutions are not only integrating ESG factors into their risk management frameworks but also responding to growing investor demand for responsible investing options. Geopolitical tensions, trade uncertainties, and economic fluctuations remain significant factors impacting global markets and financial stability. Central banks and policymakers navigate these challenges while striving to support economic recovery post-pandemic and manage inflationary pressures.

Looking ahead, resilience, agility, and innovation will be key for finance industry players to navigate complexities, capitalize on emerging opportunities, and address evolving regulatory landscapes and customer expectations in a rapidly changing global economy.

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Annexure - D

Report on Corporate Governance

1. Company's philosophy on Corporate Governance

The company's corporate governance philosophy guides its business strategies, ensuring fiscal responsibility, ethical conduct, and fairness to all stakeholders, including employees, investors, customers, regulators, and the society at large. Rooted in the Aptus culture and ethos, strong leadership and effective corporate governance practices have become the hallmark of the Company.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to corporate governance.

The details regarding composition of the Board and its various committees that constitute the governance framework of the organization are covered in detail in this report.

2. Board of Directors

As on March 31, 2024, the Board of the Company ("Board") had an optimum number of Executive Directors, Non-executive Directors and Independent Directors having expertise in the fields of banking, finance and business management. The Company has adopted a Board Diversity policy, which ensures diversity by considering various factors such as skills, experience, background, financial expertise, independence etc.

Composition of the Board

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with sections 149 and 152 of the Companies Act, 2013 ("the Act"). None of the Directors on the Board holds

directorships in more than ten public companies or serves as Director or as an Independent Director in more than seven listed entities. None of the Executive Directors of the Company serve as Independent Directors in any other Company.

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

Category	No. of Directors
Independent Directors (including one Woman Director)	5
Non-executive and Non-Independent Directors (including two Nominee Directors)	3
Executive Directors (viz. One Executive Chairman and One Managing Director)	2

None of the Directors are inter-se related to each other.

The Company adheres to the Secretarial Standards on the Board, Committee and General 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, performance of the subsidiary, and other specific matters concerning the Company.

The Boad meets at least once in a quarter to review the quarterly performance and approve the financial results of the Company.

During the financial year ended March 31, 2024, four (4) Board Meetings were held on May 04, 2023, August 01, 2023, November 02, 2023 and February 01, 2024 respectively. The gap between two meetings was not more than 120 days.

Attendance of Directors in the Board meetings / Annual General Meeting (AGM) held during the financial year ended March 31, 2024 are given below:

Name	Nature of Directorship	No. of Board Meetings attended	Whether attended the last AGM
Mr. M Anandan (DIN: 00033633)	Executive Chairman	4	Yes
Mr. K M Mohandass (DIN: 00707839)	Independent Director	4	Yes
Mr. S Krishnamurthy (DIN: 00066044)	Independent Director	4	Yes
Mr. Krishnamurthy Vijayan (DIN: 00589406)	Independent Director	3	Yes
Ms. Mona Kachhwaha (DIN: 01856801)	Independent Director	4	Yes
Mr. V G Kannan (DIN: 03443982)	Independent Director	4	Yes
Mr. Shailesh J Mehta (DIN: 01633893)	Non – Executive Director	4	Yes
Mr. Sumir Chadha (DIN: 00040789)	Non - Executive Nominee Director	4	No
Mr. K P Balaraj (DIN: 00163632)	Non - Executive Nominee Director	4	Yes
Mr. P Balaji (DIN: 07904681)	Managing Director	4	Yes

Changes in composition of the Board

The following changes took place in the composition of the Board of Directors during the financial year 2023-24:

- Mr. M. Anandan (DIN: 00033633) who was earlier appointed as the Chairman & Managing Director of the Company was re-designated as the Executive Chairman of the Company w.e.f. May 04, 2023.
- Mr. P. Balaji (DIN: 07904681) was appointed as the Managing Director of the Company for a period of 5 years commencing from May 04, 2023.
- Mr. Suman Bollina (DIN: 07136443), Non-executive and Non-Independent Director resigned from the Board on May 04, 2023.

Further, the following changes took place in the composition of Board of Directors after the financial year ended March 31, 2024.

· Mr. Shailesh Mehta (DIN: 01633893), Non-executive Director resigned from the Board on April 18, 2024.

Other Directorships and Committee memberships

The number of Directorship, membership and chairmanship held by each Director on the Board /Committees of other listed Companies as on March 31, 2024 were as under:

SI. No.	Name of the Director	No. of Directorships & Committee membership in other listed entities (Excluding AVHFIL*)			Directorship in other listed entity	Category of Directorship	
		Вс	oard	Comn	nittee **		
		Director	Chairman	Member	Chairman		
1.	Mr. M. Anandan	-	-	-	-	-	-
2.	Mr. K M Mohandass	1	-	-	1	Archean Chemical Industries Limited	Independent Director
3.	Mr. S Krishnamurthy	-	-	-	-	-	-
4.	Mr. Krishnamurthy Vijayan	-	-	-	-	-	-
5.	Ms. Mona Kachhwaha	1	-	2	-	Ujjivan Financial Services Limited	Independent Director
6.	Mr. V G Kannan	1	-	1	-	AU Small Finance Bank	Independent Director
7.	Mr. Shailesh Mehta	2	-	2	-	Manappuram Finance Limited	Independent Director
						India Shelter Finance Corporation Limited	Non-executive Nominee Director
8.	Mr. Sumir Chadha	2	-	-	-	Star Health and Allied Insurance Company Limited	Non-executive Nominee Director
						India Shelter Finance Corporation Limited	Non-executive Nominee Director
9.	Mr. K P Balaraj	-	-	-	-	-	-
10.	Mr. P Balaji	-	-	-	-	-	-

^{*} 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.

None of the Independent Directors are Promoters or are related to Promoters. They do not have any pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company.

Regulation 17 of the SEBI 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 of 50% Independent Directors on the Board. The terms and conditions of appointment of Independent Directors are available on the website of the Company (weblink: Terms and Conditions for appointment of Independent Directors).

Meeting of Independent Directors

In compliance with Regulation 25(3) of the SEBI Listing Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was held on May 03, 2024 for FY 2023-24, 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 Act 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 SEBI 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 SEBI Listing Regulations and Section 149 of the Act and that they are independent of the management.

Code of Conduct

In compliance with Regulation 17(5) of the SEBI Listing Regulations, the company has put in place a code of

conduct for Directors and senior management. Pursuant to Regulation 26(3) of SEBI Listing Regulations, all the members of the Board and Senior Management personnel shall affirm Compliance of the Code on an annual basis. Further, the Company has also adopted a Code of Conduct to regulate, monitor and report trading by insiders in the securities of the Company.

The code of conduct for Directors and Senior Management Personnel is available on the website of the Company (weblink: Code of conduct for Directors & SMP).

Familiarization Programme for Directors

The Company has an ongoing familiarisation programme for all Directors regarding 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.

As part of the introduction process, the Company conducts a comprehensive familiarization program for new Directors, covering all business aspects, functions, and relevant regulations affecting the Company. Furthermore, the Company provides its code of conduct to Directors upon joining and annually thereafter. This code elaborates on the Company's values, beliefs, directorial functions, duties, responsibilities, and the specific obligations of Independent Directors as outlined in the Act.

The details of the familiarisation programme attended by Independent Directors are available on the website of the Company (weblink: Familiarisation programme for IDs)

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. P Balaji	Industry Experience, Financial Expertise, Strategy & Planning, Governance, Compliance & Risk Advisory

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 & Time
2020-21/12th AGM	Video conferencing (VC)	Thursday, September 30, 2021 at 11.00 a.m.
2021-22/13th AGM	Video conferencing (VC)	Friday, August 19, 2022 at 11.00 a.m.
2022-23/14th AGM	Video conferencing (VC)	Friday, August 18, 2023 at 11.00 a.m.

(ii) Details of special resolutions passed during the last three AGMs are given below:

Date of AGM	Particulars
September 30, 2021	1. To approve revision in remuneration payable to Mr. M. Anandan, CMD
	2. To fix the borrowing limits of the Company pursuant to provisions of section 180(1)(c) of the Companies Act, 2013
	3. To create charge/mortgage on the assets of the Company Company pursuant to provisions of section 180(1)(a) of the Companies Act, 2013
	4. To approve issuance of Non-convertible Debentures
August 19, 2022	1. To approve revision in remuneration of Mr. M Anandan, CMD
	2. To approve re-appointment of Mr. S. Krishnamurthy as an Independent Director of the Company
	3. To fix the borrowing limits of the Company pursuant to provisions of section 180(1)(c) of the Companies Act, 2013
	4. To create charge/mortgage on the assets of the Company pursuant to provisions of section 180(1)(a) of the Companies Act, 2013
	5. To approve issuance of Non-convertible Debentures
	6. To approve grant of options to employees of subsidiary company pursuant to Aptus Employee Stock Option Scheme, 2021
August 18, 2023	1. To fix the borrowing limits of the Company pursuant to provisions of section 180(1)(c) of the Companies Act, 2013
	2. To create charge/mortgage on the assets of the Company pursuant to provisions of section 180(1)(a) of the Companies Act, 2013
	3. To approve issuance of Non-convertible Debentures
	4. To approve alteration of Memorandum of Association
	5. To approve alteration of Articles of Association

(iii) Details of resolutions passed through postal ballot during the financial year 2023-24 and details of voting pattern

During the financial year 2023-24, the Company sought approval of the members by means of Postal Ballot conducted through remote e-voting process which was duly passed with requisite majority. The businesses along with the details of voting pattern of the special resolutions are as follows:

Postal ballot results approved by the members on August 02, 2023

S. No.	Subject matter of the special resolution	No. of valid votes cast	No. of votes in favour of the resolution	No. of votes against the resolution
1.	Appointment of Mr. P Balaji (DIN: 07904681), as the Managing Director of the Company and approve the remuneration payable to him	43,37,84,854	43,37,59,043 (99.98%)	24,456 (0.01%)
2.	Re-designation of Mr. M Anandan (DIN: 00033633) from Chairman and Managing Director to Executive Chairman	43,37,84,854	43,14,40,433 (99.45%)	23,43,114 (0.54%)

(iv) 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.

(v) 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, the 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 two working days 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.

(vi) 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 are submitted to stock exchanges from time to time and 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 of Directors

3.1. Audit Committee

The Audit Committee has been constituted as required under Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. The details of the composition of the Committee and attendance of the members were as follows:

3.2. Composition, Meetings and Attendance

The Audit Committee comprises of four Directors. The Audit Committee of the Board met four (4) times during the year on May 03, 2023, July 31, 2023, November 01, 2023 and January 31, 2024 respectively. The composition of the committee as on March 31, 2024 and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. K M Mohandass	Chairman	Independent Director	4
Mr. S Krishnamurthy	Member	Independent Director	4
Mr. Krishnamurthy Vijayan	Member	Independent Director	2
Ms. Mona Kachhwaha	Member	Independent Director	3

3.3. Terms of reference

- 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;
- 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:
 - 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;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - 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.
- 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;
- I. 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;
- 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;
- 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 Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- x. Consider and comment on rationale, costbenefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

The Audit Committee shall mandatorily review the following information:

- (1) management discussion and analysis of financial condition and results of operations;
- (2) management letters / letters of internal control weaknesses issued by the statutory auditors;
- (3) internal audit reports relating to internal control weaknesses:
- (4) the appointment, removal and terms of remuneration of the internal auditor and

- (5) 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 and Remuneration Committee

The Nomination & Remuneration Committee has been constituted as required under Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

4.2 Compositions and meetings

The Nomination & Remuneration Committee comprises of six Directors. The Nomination & Remuneration Committee of the Board met once during the year on May 04, 2023.

The composition of the Committee as on March 31, 2024 and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. S Krishnamurthy	Chairman	Independent Director	1
Mr. K M Mohandass	Member	Independent Director	1
Mr. Krishnamurthy Vijayan	Member	Independent Director	1
Ms. Mona Kachhwaha	Member	Independent Director	1
Mr. Sumir Chadha	Member	Non-executive Nominee Director	1
Mr. M. Anandan	Member	Executive Chairman	1

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;

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

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

- 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;
- · relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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 Schemes.
- (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 SEBI Listing Regulations, the Act, 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 was carried out in accordance with the relevant provisions of the Act read with relevant rules made thereunder and SEBI Listing Regulations and in compliance of guidance note issued by SEBI under Circular no. SEBI/HO/ CFD/ CMD/ CIR/P/2017/004 dated January 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, standards 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 (CSR) Committee

The CSR Committee of the Company has been constituted as required under Section 135 of the Act.

5.2 Composition, meetings and attendance

The CSR Committee of the Board met once during the year on May 03, 2023. The composition of the Committee as on March 31, 2024 and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. Krishnamurthy Vijayan	Chairman	Independent Director	-
Mr. K M Mohandass	Member	Independent Director	1
Mr. M. Anandan	Member	Executive Chairman	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;
- (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 on Information Technology Governance, Risk, Controls and Assurance Practices issued by the Reserve Bank of India dated November 07, 2023

6.2 Composition, Meetings and Attendance

The IT Strategy Committee of the Board met two times during the year on July 31, 2023 and January 31, 2024. The composition of the Committee as on March 31, 2024 and attendance of the members were as follows:

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

6.3 Terms of reference

- (a) Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- (b) Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- (c) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- (d) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing and use of IT resources;
- (e) Ensuring proper balance of IT investments for sustaining HFC's growth and becoming aware about exposure towards IT risks and controls.

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 Listing Regulations.

7.2 Composition, Meetings and Attendance

The Committee met once during the year on February 01, 2024. The composition of the Committee as on March 31, 2024 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	Independent Director	1
Mr. K P Balaraj	Member	Independent Director	1

Mr. Sanin Panicker is the Company Secretary and Compliance Officer of the Company.

Consequent to the resignation of Mr. Shailesh Mehta from the Board of Directors, the Stakeholders Relationship Committee was re-constituted by the Board on April 18, 2024.

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 Act or the SEBI Listing Regulations, 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	42
Number of complaints/queries redressed during the year	42
Number of complaints/queries pending at the end of the financial year	0

8.1 Resourcing & Business Committee

The Resourcing & Business Committee of the Board met six (6) times during the year on June 21, 2023, June 28, 2023, June 30, 2023, December 14, 2023, December 29, 2023, and March 14, 2024.

8.2 Composition, Meetings and Attendance

The composition of the Committee as on March 31, 2024 and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. S Krishnamurthy	Chairman	Independent Director	4
Mr. K M Mohandass	Member	Independent Director	6
Mr. M Anandan	Member	Executive Chairman	6

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 shall 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 Rs. 1 crore shall 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 has been constituted as required under Regulation 21 of the SEBI Listing Regulations.

9.2 Composition, Meetings and Attendance

The Committee met two (2) times during the financial year on September 22, 2023 and March 16, 2024. The composition of the Committee as on March 31, 2024 and attendance of the members were as follows:

Name of the Director	Position	Category	No. of meetings attended
Mr. V G Kannan	Chairman	Independent Director	2
Ms. Mona Kachhwaha	Member	Independent Director	2
Mr. M Anandan	Member	Executive Chairman	1
Mr. P Balaji	Member	Managing Director	2
Mr. John Vijayan	Member	Chief Financial Officer	2

9.3 Terms of reference

- (a) To formulate a detailed risk management policy which shall include:
 - 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.
 - · Measures for risk mitigation including systems and processes for internal control of identified risks.
 - 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 shall be subject to review by the Risk Management Committee.

10.1 Asset-Liability Management Committee (ALCO)

The ALCO meets every month to review the areas falling within its terms of reference as given below. The composition of the Committee as on March 31, 2024 was as follows:

Name of the Director	Position	Designation
Mr. P Balaji	Chairman	Managing Director
Mr. John Vijayan Rayappa	Member	Chief Financial Officer
Mr. C T Manoharan	Member	ED & Chief Business Officer
Mr. V Krishnaswami	Member	Chief Technology Officer

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 Prime Lending Rate
- (e) Credit and Portfolio Risk Management
- (f) Setting credit norms for various lending products of the Company
- (g) 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

The remuneration paid to Directors of the Company is in accordance with the applicable provisions of the Act, SEBI Listing Regulations and the Nomination and Remuneration policy of the Company. The remuneration for Non-executive Directors consists of sitting fees and commission.

11.1 Sitting Fees

All directors except the Executive Chairman, Managing Director and Nominee Directors are paid a sitting fee for attending every meeting of the Board and Committees.

The details of sitting fees paid to Directors, and shares held by them in the Company as of March 31, 2024 are given below:

Name	Sitting fees (in lakhs)		Commission	No. of equity shares held
	Board	Committees	Rs. in lakhs)	in the Company
Mr. K M Mohandass*	1.60	2.90	10.00	5,00,500
Mr. S Krishnamurthy	1.60	2.30	10.00	Nil
Mr. Krishnamurthy Vijayan	1.20	1.10	10.00	Nil
Ms. Mona Kachhwaha	1.40	2.00	10.00	Nil
Mr. V G Kannan	1.20	1.00	10.00	Nil
Mr. Shailesh Mehta	1.60		10.00	Nil
Ms. Sumir Chadha #	NA	NA		Nil
Mr. K P Balraj #	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.

During the financial year 2023-24, Mr. Suman Bollina who served as Non-executive Director on the Board of the Company till May 04, 2023 was paid a commission of Rs. 10,00,000/- and a sitting fee of Rs. 40,000/-.

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.

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 Directors. 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, 2024. The criteria for making payments to Non-executive Directors is published on the website of the Company (weblink: Appointment Remuneration and Evaluation Policy)

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11.4 Remuneration to Executive Directors

The remuneration payable to Executive Directors of the Company comprises of Salary, Allowances, Annual Performance Pay, 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 of the Company.

a) Remuneration paid to Executive Chairman

The details of remuneration paid to Mr. M Anandan, Executive Chairman for the financial year ended March 31, 2024 are as follows:

Particulars	Amount (Rs. in Lakhs)
Salary	575.00
Allowances	287.50
Annual Performance Pay	500.00
Others	4.14
Total	1,366.64

b) Remuneration paid to Managing Director

Mr. P. Balaji was appointed as the Managing Director of the Company with effect from May 04, 2023. The details of remuneration paid to Mr. P. Balaji in his capacity as the Managing Director of the Company for the financial year ended March 31, 2024 are as follows:

Particulars	Amount (Rs. in Lakhs)
Salary	109.48
Allowances	83.40
Annual Performance Pay	-
Others	-
Total	192.88

The details of stock options granted, vested and exercised by Mr. P. Balaji are given below.

ESOP Scheme	Number of options granted	Exercise Price (Rs.)	Number of options vested	Number of options exercised	Number of options yet to be vested
Aptus Employee Stock	7,50,000	140	3,75,000	2,87,500	3,75,000
Option Scheme, 2021	5,00,000	247	-	-	5,00,000
TOTAL	12,50,000		3,75,000	2,87,500	8,75,000

12 Senior Management Personnel

Particulars of senior management personnel of the Company as on March 31, 2024 are as follows:

Name	Designation
Mr. C T Manoharan	ED & Chief Business Officer
Mr. John Vijayan Rayappa	Chief Financial Officer
Mr. Krishnaswami V	Chief Technology Officer
Mr. Sundara Kumar V	Senior Vice President - Legal & Receivable
Mr. Srikanth N	Senior Vice President – HR
Mr. Naveen Kumar R	Vice President - Operations & Compliance
Mr. Sanin P	Company Secretary & Compliance Officer

Mr. John Vijayan Rayappa was appointed as the Chief Financial Officer on May 04, 2023.

13 Other disclosures

13.1 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 SEBI Listing Regulations.

13.2 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.

13.3 Establishment of vigil mechanism, whistleblower policy

The Company has a Vigil Mechanism and Whistle Blower Policy, under which Directors and employees are free to report violations of applicable laws and regulations. The Chairperson of the Audit Committee has direct access to all complaints raised through this mechanism. No vigilance complaints were received during the year under review. Further, none of the personnel have been denied access to the Audit Committee.

13.4 Weblink of Corporate Policies

- Policy on determining Material subsidiaries
- Related Party Transaction Policy

13.5 Details of utilization of funds raised through preferential allotment or qualified institutional placement

During the year under review, the Company has not raised any funds through preferential allotment or qualified institutional placement as specified in Regulation 32 (7A) of the SEBI Listing Regulations.

13.6 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.

13.7 Total fees paid to Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part

The total fees for all services by Company, on a consolidated basis paid to M/s. T R Chadha & Co. LLP, Statutory Auditors of the Company and other firms in the network entity of which the Statutory Auditors are a part are mentioned in note no. 26.2 of the standalone financial statements for the financial year ended March 31, 2024.

3.8 Details of material subsidiaries

Name of the material subsidiary	Aptus Finance India Private Limited
Date and place of Incorporation	September 18, 2015, Chennai
appointment of statutory auditors	M/s. R Subramaniam & Co. LLP was appointed at the statutory auditors for a period of three years at the AGM held on November 30, 2021.

The Company does not have any other subsidiaries other than the wholly owned material subsidiary mentioned above.

13.9 Loans and advances in the nature of loans to firms/companies in which Directors are interested

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

13.10 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 2023-24, no complaints were received by the Internal Complaints Committee.

13.11 Compliance with mandatory requirements and adoption of the non-mandatory requirements of Corporate Governance

During the year under review, the Company has complied with all the mandatory requirements of SEBI Listing Regulations. In terms of Corporate Governance, the Company has complied with the applicable requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

13.12 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.

13.13 MD/CFO Certification

Pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, 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 same has been taken on record by the Board of Directors.

13.14 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. P Balaji, Managing Director (DIN: 07904681) is attached to this report as **Annexure H**.

13.15 Compliance certificate on Corporate Governance

A certificate on compliance of corporate governance norms from M/s S. Sandeep & Associates, Practicing Company Secretaries is enclosed as **Annexure I** and forms part of this Annual Report.

13.16 Certificate from Practising 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 the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority is enclosed as Annexure J.

13.17 Disclosure of certain types of agreements binding Listed Entities under Clause 5A of Paragraph A of Part A of Schedule III of SEBI **Listing Regulations**

The shareholders, promoters, promoter group entities, related parties, Directors, key managerial personnel, employees of the Company have not entered any agreement among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the

13.18 General Shareholder Information

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

Chennai Date: May 03, 2024

M. Anandan Executive Chairman DIN: 00033633

General Shareholder Information

Corporate Information:

Corporate information.	
Incorporation date	December 11, 2009
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	INE852001025
Date, Time and Venue of the Annual General Meeting	Wednesday, August 14, 2024 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, 2023 to March 31, 2024
Dividend Payment Date	Not applicable as no final dividend is recommended by the Board
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
Apr-23	266.00	237.20	2,03,053	266.85	237.00	33,26,090
May-23	270.90	240.05	4,40,380	271.00	240.90	85,38,945
Jun-23	285.00	239.50	1,22,32,325	280.00	239.70	2,42,62,668
Jul-23	288.95	245.00	12,17,343	289.00	244.60	1,98,28,613
Aug-23	285.65	260.50	7,29,978	285.90	260.15	1,45,05,355
Sep-23	297.95	264.00	8,83,701	298.05	257.00	1,30,76,906
Oct-23	304.75	278.30	13,45,921	304.70	278.10	88,79,951
Nov-23	308.40	279.05	37,23,573	308.40	279.15	1,75,73,431
Dec-23	343.00	291.15	9,27,566	343.00	291.25	2,10,77,299
Jan-24	376.00	320.00	18,81,718	376.00	319.90	1,50,00,277
Feb-24	388.10	325.55	33,48,127	392.00	325.80	2,01,03,946
Mar-24	353.40	303.00	2,85,972	352.00	304.00	74,85,632

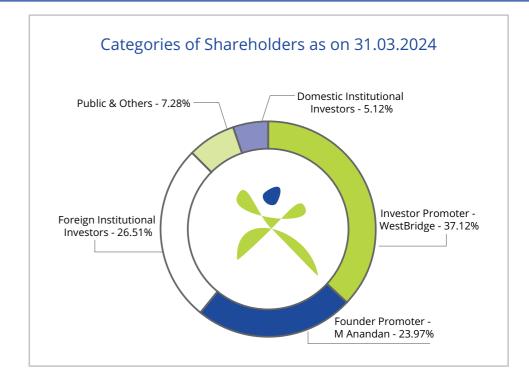
Registrar and Share Transfer Agent	KFin Technologies Limited (Formerly known as KFin Technologies Private Limited) Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana - 500 032 Phone: 18003094001 E-mail: einward.ris@kfintech.com
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 March 31, 2024, 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	Being in the banking business, the Company does not have manufacturing plants. However, the Company has 262 branches in 6 states as on March 31, 2024. The locations of the branches are displayed on the Company's website.

Distribution of Shareholding

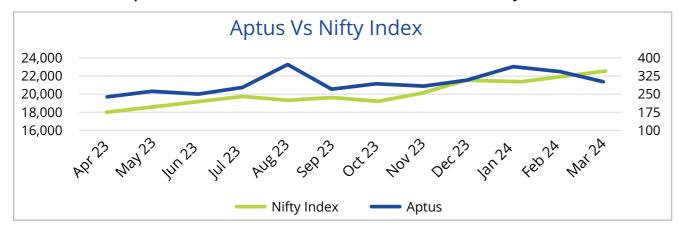
Sl. No.	Category (Shares)	No of Holders	% of Holders	No of Shares	% of Shares
1.	1-5000	1,29,745	99.50	1,00,12,557	2.01
2.	5001-10000	266	0.20	9,69,650	0.19
3.	10001-20000	141	0.11	10,23,815	0.21
4.	20001-30000	39	0.03	4,77,079	0.10
5.	30001-40000	23	0.02	4,06,834	0.08
6.	40001-50000	15	0.01	3,43,952	0.07
7.	50001-100000	37	0.03	12,94,818	0.26
8.	100001 & Above	134	0.10	48,43,95,296	97.09
Total		1,30,400	100	49,89,24,001	100

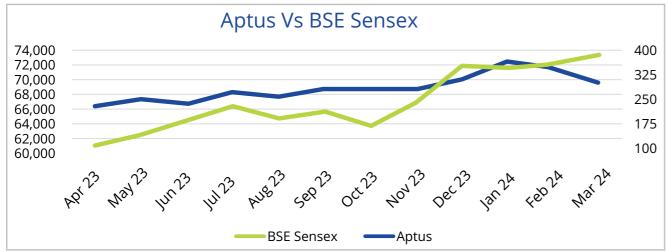
Shareholding pattern as on March 31, 2024

S. No.	Category	Total Shares	% Equity
1.	Founder Promoter		
	M. Anandan and his immediate relatives	11,96,12,490	23.97
2.	Foreign Promoter Bodies Corporates		
	a. Westbridge Crossover Fund, LLC	17,19,50,252	34.46
	b. JIH II, LLC	1,01,53,093	2.04
3.	Foreign Portfolio - Corp	9,72,42,520	19.49
4.	Foreign Corporate Bodies	3,50,39,399	7.02
5.	Resident Individuals	2,02,41,670	4.06
6.	Mutual Funds	2,10,24,790	4.21
7.	Bodies Corporates	1,30,96,044	2.63
8.	Alternative Investment Fund	45,26,288	0.91
9.	Promoter Trust	30,94,689	0.62
10.	Employees	11,68,041	0.23
11.	HUF	8,97,590	0.18
12.	Non-Resident Indians	3,59,716	0.07
13.	Qualified Institutional Buyer	3,33,457	0.07
14.	Non-Resident Indian Non Repatriable	1,81,367	0.04
15.	Trusts	1,775	0.00
16.	Clearing Members	819	0.00
17.	NBFC	1	0.00
Total		49,89,24,001	100.00



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





Credit Rating

The credit rating details of the Company as at March 31, 2024 are as follows:

Instrument	Rating Agency	Rating	Outlook
Bank Facilities	ICRA	AA-	Stable
Non-convertible Debentures	ICRA	AA-	Stable
Bank Facilities	CARE	AA-	Stable
Non-convertible Debentures	CARE	AA-	Stable

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

Pursuant to Sections 124 and 125 of the Act read with the IEPF (Accounting, Audit, Transfer and Refund) Rules, 2016, the dividend amounts which has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund.

The last date for claiming dividends declared by the Company are given below:

Financial Year	Type of dividend	Date of declaration	Last date for claiming unpaid dividend
2022-23	1st Interim Dividend	November 28, 2022	January 05, 2030
2022-23	2 nd Interim Dividend	May 04, 2023	June 11, 2030
2023-24	1st Interim Dividend	February 01, 2024	March 08, 2031
2023-24	2 nd Interim Dividend	May 03, 2024	June 10, 2031

Claiming of unclaimed dividends before transfer to IEPF

Shareholders are advised to make their claim for the unclaimed dividends in respect of the shares held by them, by contacting the investor support centre of our Registrar and Share Transfer Agent (RTA), KFin Technologies Limited (weblink: KFin Investor Support Centre). The Company has also disclosed the list of shareholders who have not claimed their dividends on its website (weblink: details of unpaid/unclaimed dividend)

Unclaimed Suspense Account

Chennai

As on March 31, 2024, the Company does not have any equity shares lying in the unclaimed suspense account.

Online Services provided by the Registrar and Share Transfer Agent

The shareholders can reach out to the Registrar and Share Transfer Agent, Kfin Technologies Limited, through the modes given below.

Particulars	Information
Email ID	einward.ris@kfintech.com
Toll Free	1800 309 4001
WhatsApp Number	(91) 910 009 4099
Investor Support Centre (Investors can use a host of services like post a query , raise a service request , track the status of their DEMAT and REMAT request , Dividend status , interest and redemption status , upload exemption forms (TDS) , download all ISR and other related forms)	https://ris.kfintech.com/clientservices/isc
E-sign facility (Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination)	https://ris.kfintech.com/clientservices/isr
KYC Status (Shareholders can access the KYC status of their folio)	https://ris.kfintech.com/clientservices/isc/kycqry.aspx
KPRISM: A mobile application as well as a webpage which allows users to access folio details , interest and dividend status, FAQs, ISR Forms and full suite of other investor services.	https://kprism.kfintech.com/signin.aspx
KFIN Corporate Website Link	https://www.kfintech.com
Corporate Registry (RIS) Website Link	https://ris.kfintech.com

For and on behalf of the Board of Directors

M. Anandan

Executive Chairman May 03, 2024 DIN: 00033633

Annexure - E

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **CIN:** L65922TN2009PLC073881

2. **Name of the Listed Entity:** Aptus Value Housing Finance India Limited

3. **Year of incorporation:** 2009

4. **Registered office address:** No. 8B, Doshi Towers, 8th Floor, No:205, Poonamallee High Road, Kilpauk, Chennai - 600010.

5. **Corporate address:** No. 8B, Doshi Towers, 8th Floor, No:205, Poonamallee High Road, Kilpauk, Chennai – 600010.

6. **E-mail:** cs@aptusindia.com

7. **Telephone:** +91 044 4565 0000

8. **Website:** www.aptusindia.com

9. **Financial year for which reporting is being done:** April 01, 2023 - March 31, 2024

10. Name of the Stock Exchange(s) where shares are listed: BSE & NSE

11. **Paid-up Capital:** Rs. 99,78,48,002

- 12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report: Mr. Sanin Panicker, Company Secretary and Compliance officer, cs@aptusindia.com , Tel: +91 044 4565 0000
- 13. Reporting boundary Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together): The disclosures under this report are made on a consolidated basis, unless otherwise specified.
- 14. Name of assurance provider: As per SEBI Circular No.: SEBI/HO/CFD/CFD-SEC2/P/CIR/2023/122, the Company is not required to undertake reasonable assurance of the BRSR Core for the Financial Year 2023-2024
- 15. Type of assurance obtained: Not Applicable

II. Products/services

16. **Details of business activities** (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Financial services	The Company provides long term housing finance and loans against property	100%

17. **Products/Services sold by the entity** (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of Turnover of the entity
1.	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.	64910	100%
	Aptus Finance India Private Limited, the wholly owned subsidiary of the Company is engaged in the business of providing finance in the form of loan against immovable properties.		

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	NA*	262	262
International	NA	Nil	Nil

*The Company and its subsidiary are Non-Banking Financial Companies and hence does not undertake manufacturing

19. Markets served by the entity:

a. Number of locations

Locations	Number		
National (No. of States)	6		
International (No. of Countries)	Nil		

b. What is the contribution of exports as a percentage of the total turnover of the entity?

NIL

c. Types of customers and beneficiaries.

The Company is primarily focused in serving the low and middle income self-employed customers in the rural and semi-urban markets of India.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S.	Particulars	Total (A)	Male		Female	
No.			No. (B)	% (B / A)	No. (C)	% (C / A)
Empl	loyees					
1.	Permanent	2,918	2,817	97%	101	3%
2.	Other than Permanent	Nil	Nil	Nil	Nil	Nil
3.	Total employees	2,918	2,817	97%	101	3%
Work	cers					
4.	Permanent	Nil	Nil	Nil	Nil	Nil
5.	Other than Permanent	Nil	Nil	Nil	Nil	Nil
6.	Total workers	Nil	Nil	Nil	Nil	Nil

b. Differently abled Employees and workers:

S.	Particulars	Total	М	ale	Fer	nale
No		(A)	No. (B)	% (B / A)	No. (C)	% (C / A)
Diffe	erently Abled Employees					
1.	Permanent	Nil	Nil	Nil	Nil	Nil
2.	Other than Permanent	Nil	Nil	Nil	Nil	Nil
3.	Total differently abled employees	Nil	Nil	Nil	Nil	Nil
Diffe	erently Abled Workers					
4.	Permanent	Nil	Nil	Nil	Nil	Nil
5.	Other than permanent	Nil	Nil	Nil	Nil	Nil
6.	Total differently abled workers	Nil	Nil	Nil	Nil	Nil

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percen	tage of Females
		No. (B)	% (B / A)
Board of Directors*	11	1	9.09
Key Management Personnel#	4	0 0.00	

^{*}Includes Board members of the Wholly owned subsidiary.

^{*}Includes Key Managerial Personnel of the Wholly owned subsidiary but does not include the Executive Chairman and Managing Director of the Company

22. Turnover rate for permanent employees and workers

		FY 2024			FY 2023		FY 2022			
	Male	Female	Total	Male	Female	Total	Male	Female	Total	
Permanent Employees	20%	3%	23%	22%	1%	23%	18%	1%	19%	
Permanent Workers	-	-	-	-	-	-	-	-	-	

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Aptus Finance India Private Limited	Wholly Owned Subsidiary	100%	Yes

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

a. **Turnover (in Rs.):** 1,365.18 Crs

b. **Net worth (in Rs.):** 3,767.92 Crs

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)		2024			2023	
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks		Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	42	-	-	47	-	-
Employees and Workers	Yes						
Customers	Yes	299	-	-	579	-	-
Value Chain Partners	Yes	-	-	-	-	-	-
Others	-	-	-	-	-	-	-

A strong whistleblower policy is available to all our stakeholders. (Weblink: Whistle Blower Policy)

The Company has also adopted the Grievance Redressal Policy to redress and resolve the customer's complaints (Weblink: <u>Grievance Redressal Policy</u>)

26. Overview of the entity's material responsible business conduct issues

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Affordable Housing	Opportunity	With a growing population and increasing urbanization, there is a huge demand to provide affordable and adequate housing options for everyone. In India, affordable housing finance institutions have emerged to bridge this gap and offer accessible financial solutions to those seeking affordable homes.	-	Aptus emphasizes its commitment to financial inclusion by extending credit to individuals who may have limited access to formal financial services. This contributes to the overall economic development of the country and supports the upliftment of marginalized sections of society.
2.	Skilled workforce	Opportunity	The Company employs loan officers, underwriters, customer service representatives, and other professionals who contribute to its success. Aptus invests in continuous training and development programs to enhance the expertise of its employees. At Aptus, we value diversity and inclusivity. Our workforce comprises individuals from different age groups, bringing a rich range of experiences and perspectives.	-	Positive By fostering employee engagement and retention, Aptus ensures a motivated and productive workforce, enabling efficient loan origination, servicing, and risk management processes.
3.	Financial Resources	Opportunity & Risk	The Company has established strong lender relationships, including partnerships with key players. This enhances Aptus' ability to provide affordable housing finance to a wide range of customers across the country. Moreover, Aptus has established a valuable relationship with International Finance Corporation (IFC), which is part of the World Bank Group. This partnership highlights Aptus' global recognition and alignment with international standards in the affordable housing finance sector.	linked loans	By effectively managing its financial capital, Aptus aims to maintain a sustainable and profitable loan portfolio, leading to increased shareholder value and returns on investment. By nurturing strong relationships with financial partners, Aptus gains access to diverse funding options, market insights, and expertise. These relationships provide a solid foundation for the Company's growth and expansion, enabling it to meet the housing finance needs of a larger customer base.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4.	Government subsidy schemes	Opportunity	The Pradhan Mantri Awas Yojana (PMAY) is a flagship housing project launched by the Government of India with the primary objective of providing affordable housing to all citizens of the nation.	-	Positive This initiative has not only transformed the housing landscape in India but has also improved the lives of millions of people by addressing the issue of housing shortage and
			The Credit-Linked Subsidy Scheme (CLSS) under PMAY has made homeownership more affordable for many low-income groups. Beneficiaries receive interest subsidies on home loans, making housing finance more accessible and attractive.		slum rehabilitation.
5.	Customer welfare	Opportunity	Aptus takes a customer-centric approach by actively engaging with its customers and understanding their business ventures, income generation, aspirations, dreams, and lifestyle. The Company does not mandate stringent income documents from customers, which may not be available with our target informal segment customers, but emphasizes on personal discussions to assess suitability and eligibility for housing loans.	-	Positive Positive reputation, loyalty, and efficient customer servicing results in increased customer retention yielding portfolio sustenance and high turnover to the Company to serve a larger number of low and middle income families in affording home.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (NGRBC) Principles and Core Elements.

Dis	sclosure Questions	Р	Р	Р	Р	Р	Р	Р	Р	P
		1	2	3	4	5	6	7	8	9
Pol	licy and management processes									
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)		Υ	Υ	Υ	Υ	Υ	N	Υ	Y
	b. Has the policy been approved by the Board? (Yes/No)	All the	policies	adopte	d by the	Compa	ny are a	pproved	d by Boa	rd
	c. Web Link of the Policies, if available	Policie	<u>S</u>							
2.	Whether the entity has translated the policy into procedures. (Yes / No)			any has activitie:					rocedur	es with
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, ce partne		olicies of	the Cor	mpany a	lso exte	ends to d	our valu	e chain
4.	Name of the national and international codes/ certifications/labels/ standards adopted by your entity and mapped to each principle.		mpany gement S	is ISO/IE System	C 27001	:2013 C	ertified f	or Inforr	mation S	ecurity
_	C:6	(I		-l - £:l	±1	- :c				

- 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.
 - A. Strategic Priorities
 - · Continue to focus on low- and middle-income self-employed customers in rural and semi-urban markets.
 - Increase penetration in the existing markets and expand branch network in large housing markets.
 - · Continue to be an asset quality focused financier and cost efficient.
 - Prudent ALM, gearing and access to low-cost funds from diverse sources
 - B. Goals and targets for 2025:
 - To provide affordable home loans and empower low and middle-income households while setting pioneering standards in underserved markets.
 - · Expand branch network strategically into additional geographies and segments that require affordable housing finance, aligning with the Government of India's Housing for All initiative.
 - · Facilitate Pradhan Mantri Awas Yojana (PMAY) benefits to eligible customers, thereby enhancing accessibility to housing finance solutions and supporting broader financial inclusion efforts.
- 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

The Company has met all the goals and targets which are as follows:

- The Company has increased the penetration of referral app usage and increased the customer base to 1,33,499
- The Company started its operations in new state 'Maharashtra'.
- The branches of the Company has increased from 231 to 262
- Increased penetration of e-sign and e-stamping of customer agreements
- Fortified loan origination and management system to substitute paper in the entire lifecycle of a loan.

Governance, leadership and oversight

- 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) – Please refer the letter from Chairman on page no. 03
- 8. Details of the highest authority responsible for Mr. M. Anandan implementation and oversight of the Business Executive Chairman Responsibility policy (ies).

DIN: 00033633

9. Does the entity have a specified Committee of Yes. The Executive Chairman along with senior management of (Yes / No). If yes, provide details.

the Board/ Director responsible for decision the Company monitors various aspects of social, environmental, making on sustainability related issues? governance and economic responsibilities of the Company on a continuous basis.

The CSR committee of the Board also reviews the updates on regular

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10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)				
Performance against above policies and follow up action	The Company on a periodic basis, review policies, and changes are implemented	ews the performance against the above as required.				
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances						
,	endent assessment/ evaluation of the al agency? (Yes/No). If yes, provide name	•				

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	Р3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)							Υ		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical									
resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE - 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	3	Familiarization Program	100
Key Managerial Personnel	2	Leadership development & Familiarization program	100
Employees other than BoD and KMPs	30	Skill upgradation, health and safety and Prohibition of sexual harassment	85
Workers	-	-	-

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

		Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	Nil	Nil	Nil
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding fee	Nil	Nil	Nil	Nil	Nil
		Non-Monetary			
	NGRBC	Name of the regulatory/	Amount (In	Brief	Has an appeal
	Principle	enforcement agencies/ judicial institutions	INR)	of the Case	been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details Name of the regulatory/ enforcement agencies/ judicial institutions			
No instances of any mon	etary or non-monetary actions against the Company, Directors/KMPs.		

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, the Company has adopted anti-bribery & anti-corruption policy which is applicable to the Directors and employees of the Company and its subsidiary.

Weblink for Anti-Bribery & Anti-Corruption Policy

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption during the financial year (FY 2024) and during the previous financial year (FY 2023)

	FY 2024	FY 2023
Directors	Nil	Nil
KMP's	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2024		FY 2023	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest: Not applicable

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8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024	FY 2023
Number of days of accounts payables	Due to the nature of our business, relevant/applicable to us	disclosure under this requirement is not

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Мє	etrics	FY 2024	FY 2023
Concentration	a.	Purchases from trading houses as % of total purchases	Nil	Nil
of Purchases	b.	Number of trading houses where purchases are made from	Nil	Nil
	C.	Purchases from top 10 trading houses as % of total purchases from trading houses	Nil	Nil
Concentration	a.	Sales to dealers / distributors as % of total sales	Nil	Nil
of Sales	b.	Number of dealers / distributors to whom sales are made	Nil	Nil
	C.	Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	Nil	Nil
Share of RPTs in	Share of RPTs in a. Purchases (Purchases with related parties / Total Purchases)			
	b.	Sales (Sales to related parties / Total Sales)	Nil	Nil
	C.	Loans & advances (Loans & advances given to related parties / Total loans & advances)	4.02%	4.68%
	d.	Investments (Investments in related parties / Total Investments made)	Nil	Nil

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	Nil	

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)

Yes. The Company has adopted a code of conduct for the Board of Directors to avoid situations in which their personal interests could conflict with the interests of the Company.

Weblink for Code of Conduct

The Directors do not participate in the discussion or voting thereof, with respect to any transaction in which they are interested.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2024	FY 2023	Details of improvements in environmental and social impacts
R&D			-
Capex	0.19%	0.14%	Due to the nature of our pre-dominantly digital processes resulting from the investments in digitalisation and automation initiatives, our Capex largely consists of expenses relating to purchase of softwares/ other IT related expenses.
			Our investment into digitalisation is also aimed at making our environment paper less contributing to the wellness of our eco system and society at large.

2. Does the entity have procedures in place for sustainable sourcing? If yes, what percentage of inputs were sourced sustainably?

Housing finance, the core of our business, primarily involves the management and allocation of financial resources rather than the use of tangible raw materials typically associated with sustainability concerns. Consequently, our operations do not necessitate the implementation of procedures for sustainable sourcing, as we do not engage with physical resources that would require such measures.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Since the Company is a housing finance company, the key waste products are primarily e-waste and paper waste. The Company has put in place an environment-friendly system for management of its e-waste and paper waste. Further, the Company is in the process of implementing a 100% paperless office

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

EPR is not applicable for the Company.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its services (If yes, give details in the following format)

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/ No)	Results communicated in the public domain (Yes/No) If yes, provide the weblink
64910	Housing Finance Activities	100%	2023-24	No	The entire life cycle assessment of Company's business operations is presented in the Public Offer Document of the Company: Weblink for RHP

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of the Product/Service	Description of the risk	Action Taken
	Not applicable	

3. Percentage of recycled or reused input material to total material (by value) used in for providing services.

Indicate input material	Recycled or re - used input material to total material		
	FY 2024	FY 2023	
	NA	NA	

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tones) reused, recycled, and safely disposed, as per the following format

		FY 2024			FY 2023		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed	
Plastics (including packaging)							
E-waste		NA		NA			
Hazardous waste	_						
Other waste	-						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category:

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category	
Not Applicable		

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential indicators

1. a. Details of measures for the well-being of employees.

The Company has adopted (i) health and safety policy and (ii) diversity and inclusion policy for the well-being of the employees (weblink: <u>Health and Safety Policy</u> and <u>Diversity and Inclusion Policy</u>).

Further all the employees are protected with hospitalization insurance, personal accidental cover and group term life insurance.

The Company has embraced an Equal Employment Opportunity Policy to guarantee a workplace free from discrimination. This policy ensures that all employees are treated equitably, regardless of age, gender, race, national or ethnic origin, language, religion, political beliefs, sexual orientation, or physical ability.

Category				9	% of em	ployees co	vered by	<i>y</i>			
	Total (A)		th nce	Accid insura		Mater bene	•	Paterr Benef	•	Day C facilit	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanen	t Emplo	yees									
Male	2,817	1,587	56%	2,817	100%	0	0%	0	0	0	0
Female	101	68	67%	101	100%	90	89%	0	0	0	0
Total	2,918	1,655	57%	2,918	100%	90	89%	0	0	0	0
Other tha	n Perma	anent Emp	loyees								
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

b. Details of measures for the well-being of workers:

Category		% of employees covered by									
	Total (A)	Heal insura		Accid insura		Mater bene	•	Pater Bene	•	Day C facilit	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permane	nt Wor	kers									
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other tha	an Perr	manent W	orkers								
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2024 (Current Financial Year)	FY 2023 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the Company	0.25%	0.21%

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year:

Benefits	Cu	FY 2024 rrent Financial	Vone	FY 2023 Previous Financial Year			
	No. of employees covered as a % of total employees	No. of employees covered as a % of total Workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of employees covered as a % of total Workers	Deducted and deposited with the authority (Y/N/N.A.)	
PF	100%	NA	Υ	100%	NA	Υ	
Gratuity	100%	NA	NA	100%	NA	NA	
ESI	42%	NA	Υ	50%	NA	Υ	

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company does not have any disabled employees on it rolls as at the end of the financial year under review. However, your Company's premises/offices are accessible to people with disabilities, as per the requirements of the Rights of Persons with Disabilities Act, 2016.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, web-link to the policy.

Yes, the Company has adopted Equal Employment Opportunity Policy to ensure that there is no discrimination between employees on the grounds of age, gender, race, national or ethnic origin, language, religion, political beliefs, sexual orientation or physical ability and the same is available on the website of the Company. (Weblink for Equal Employment Opportunity Policy)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Er	nployees	Permanent Workers			
	Return to work rate (%)	Retention Rate (%)	Return to work rate (%)	Retention Rate (%)		
Male	-	-	NA	NA		
Female	100%	100%	NA	NA		
Total	100%	100%	NA	NA		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief

	Details of the Mechanism
Permanent workers	Not Applicable
Other than permanent workers	Not Applicable
Permanent employees	Yes. The Company has developed an online HR management system to enable the employees to raise general grievances/confidential concerns to the HR department.
Other than permanent employees	Not Applicable

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The Company does not have any employees/workers associations.

Category		FY 2024		FY 2023			
	Total Employees / Workers (A)	No of employees or workers who are part of the association (B)	% B/A	Total Employees / Workers (A)	No of employees or workers who are part of the association (B)	% B/A	
Total Permanent Employees							
Male							
Female				IA			
Total Permanent Workers			1\	IA.			
Male							
Female							

8. Details of training given to employees and workers

Category		FY 2024					FY 2023				
	Total A		alth and neasures		skill idation	Total D	••	alth and neasures	~ -	skill adation	
		No. B	% (B/A)	No. C	% (C/A)		No. E	% (E/D)	No. F	% (F/D)	
Male	2,817	2,282	81%	2,282	81%	2,328	1,915	82%	1,915	82%	
Female	101	74	73%	74	73%	77	55	71%	55	71%	
Total	2,918	2,356	81%	2,356	81%	2,405	1,970	81%	1,970	81%	

9. Details of performance and career development reviews of employees and workers.

Category		FY 2024	FY 2023			
	Total (A)	Employees covered (B)	% (B/A)	Total (C)	Employees covered (D)	% (D/C)
Employees						
Male	2,817	2,133	76%	2,328	1,915	82%
Female	101	89	88%	77	55	71%
Total	2,918	2,222	76%	2,405	1,970	81%
Workers						
Male	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil
Total	Nil	Nil	Nil	Nil	Nil	Nil

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?

Yes, the Company has implemented a comprehensive health and safety policy aimed at fostering a secure work environment devoid of violence, harassment, intimidation, and other hazards stemming from both internal and external sources. Additionally, all employees benefit from coverage under hospitalization insurance, personal accidental cover, and group term life insurance, ensuring their well-being and protection.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company is engaged in the business of providing housing financial service which inherently involves minimal work-related hazards. As a result, the processes typically required to identify and assess routine and non-routine work-related risks are not necessary for our operations.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

The Company operates in the housing finance loan services industry and does not employ any workers who encounter the risk of work-related hazards. Consequently, this requirement does not pertain to our operations.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, all employees of the Company are provided with comprehensive coverage, including hospitalization insurance, personal accidental cover, and group term life insurance.

11. Details of Safety Related Incidents.

Safety Incident	Category*	2024	2023		
Lost Time Injury Frequency Rate (LTIFR) (per	Employees				
one million-person hours worked)	Workers				
Total recordable work-related injuries	Employees	NUL			
_	Workers	Nil			
No of Fatalities	Employees				
_	Workers				
High consequence work-related injury or ill-	Employees	NI	:1		
health (excluding fatalities)	Workers	N	Nil		

^{*} Including in the contract workforce.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

We prioritize the establishment of a secure work environment, ensuring it remains free from any form of violence, harassment, intimidation, or disruptive conditions arising from both internal and external sources. All our employees operate within a low-risk environment, minimizing exposure to significant occupational health and safety hazards.

13. Number of Complaints on the following made by employees and workers.

	FY 2024			FY 2023		
	Filed During the Year	Pending Resolutions end of the year	Remarks	Filed During the Year	Pending Resolutions end of the year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health and safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments of the year

	% of Offices/Branches Assessed by the entity or by the authorities or third parties
Health & Safety Practices	100%
Working Conditions	100%

15. Details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

No corrective action plan has been necessitated for the above-mentioned parameters. However, the Company has conducted training programmes to create awareness among the employees regarding workplace safety.

Leadership indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

(A) Employees:

Yes. The Company has hospitalization insurance, personal accidental cover and group term life insurance for the employees. In case of death of an employee, the Company ensures a prompt and efficient payout from the employee's life insurance policy by assisting the employee's family in necessary paperwork and claim procedures. Further for employees who were granted stock options under the ESOP schemes of the Company, the unvested options shall immediately vest with the nominee of such employee upon his death.

(B) Workers:

Not Applicable

2. Provide measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

We have established a periodic internal audit mechanism to ensure that statutory dues have been deducted and deposited by the value chain partners. We further conduct risk assessments to identify potential areas of non-compliance and taking proactive measures to address them.

3. Number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.

	No of affected employees/workers		No of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment		
	FY2024	FY 2023	FY2024	FY 2023	
Employees	Nil	Nil	Nil	Nil	
Workers	Nil	Nil	Nil	Nil	

4. Does the entity provide Transition assistance programs to facilitate continued employability and the management of career ending resulting from retirement or termination of employment (Yes/No)

Our employees are skilled and developed due to the nature of the role they perform and the training programmes they were put through during their tenure of employment which equip them with transferability to other industries or positions, reducing the need for exclusive support. Furthermore, the average age of our employees is between 26-35, which does not currently necessitate a transition assistance program to facilitate continued employability and the management of career ending resulting from retirement.

5. Details of assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety Practices	Nil
Working Conditions	Nil

6. Details of any Corrective actions taken / underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No corrective actions were required to be taken to address such concerns.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

We consider individuals, groups, institutions or entities that add value or constitute a core part of the business value chain as key stakeholders. Our key stakeholders include but not limited to customers, employees, investors, regulators, lenders and communities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	identified as vulnerable & marginalized group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topic and concerns raised during such engagement
Customers	Yes, if they qualify based on specific criteria such as income, gender, etc.	Customer care: Telephone and e-mail Branches: Notice Board, Standees and personal interaction Digital means: Customer App, SMS, WhatsApp, Website and Social Media platforms	basis	Maintain close interaction with customers throughout the loan lifecycle, addressing any issues they encounter and providing updates on the Company's products and services.
Employees	No	Personal interaction, e-mails, HRMS, periodic appraisal process, Employee engagement and training programmes	basis	Ensuring the safety and well-being of employees while offering continuous learning and career development opportunities. Addressing employee grievances and increasing employment opportunities in rural and semi-urban areas.
Investors/ shareholders	No	Investor meetings/ calls,	requirements	Regular interaction with investors/ shareholders foster trust by demonstrating that the Company values transparency, compliance and governance. It enables them to make well-informed decisions regarding their investments, provide feedback which can be valuable for the Company's improvement and strategic planning.
Regulators, Lenders and Credit rating agencies	No	meetings, conference calls	Regular and as per statutory requirements	Regular interaction with regulators ensures adherence to legal and regulatory requirements. Engaging with lenders helps secure ongoing financial support and favourable terms, which are vital for sustaining operations and growth. Communication with credit rating agencies is essential for maintaining a positive credit rating, which affects borrowing costs and investor confidence.

Stakeholder Group	Whether identified as vulnerable & marginalized group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website),	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topic and concerns raised during such engagement
Communities	No	Direct and through implementing agencies	Regular and need basis	To build trust, foster goodwill, and ensure our services meet local needs.
				It also demonstrates the Company's commitment to social responsibility, enhancing its reputation.
				This ongoing interaction not only strengthens community relations but also supports sustainable business growth by aligning Company goals with community development.

Leadership Indicators

 Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Engagement with stakeholders is a continuous process and such engagement is driven by the following committees as follows:

- A. Grievance redressal committee: Regular reports from the Grievance Redressal Committee to the Board ensure that the Board of the Company are aware of ongoing issues, resolutions, and trends in grievances of customers.
- B. Stakeholder relationship committee: Regular reports to the Board providing an overview of interactions and communications with key stakeholders, including meetings, surveys, and feedback received.
- C. Corporate social responsibility committee: Regular report to the Board providing details of CSR initiatives undertaken during the reporting period, including projects, programs, and partnerships, and an analysis on outcome of the CSR initiatives undertaken in the communities.
- 2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, continuous engagement with stakeholders helps the Company meet expectations and serve its stakeholders more effectively. The Company interacts with various stakeholders at different levels, with the relevant departments collecting feedback and implementing necessary changes. This consultation process also leads to updates in the Company's policies and procedures as needed.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The Company strives to make a meaningful difference in the lives of its stakeholders by focusing on key areas such as healthcare, education, and social development by continuously engaging with the customers and communities and understanding their concerns and needs.

Through its Corporate Social Responsibility initiatives, the Company has undertaken numerous projects aimed at improving healthcare access, enhancing educational opportunities, and promoting social development. These efforts reflect the Company's commitment to creating a positive impact and fostering sustainable growth within the communities it serves.

PRINCIPLE 5. Businesses should respect and promote human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format.

The Company has Board-approved policies on the code of conduct, equal employment opportunity, diversity and inclusion, and prevention of sexual harassment. Regular training sessions are conducted for employees to familiarize them with these policies.

Additionally, these policies are available on the Company's website for easy access by employees. Furthermore, all employees receive a copy of the Employee Guide as part of their onboarding kit on their first day, to enhance their understanding of the various policies adopted by the Company.

	FY 2024			FY 2023			
	Total A	No of Employees/ workers covered (B)	% (B/A)	Total C	No of Employees/ workers covered (D)	% (D/C)	
Employees							
Permanent employees	2,918	2,489	85%	2,405	1,970	81%	
Other than Permanent employees	NA	NA	NA	NA	NA	NA	
Total employees	2,918	2,489	85%	2,405	1,970	81%	
Workers							
Permanent workers	NA	NA	NA	NA	NA	NA	
Other than Permanent workers	NA	NA	NA	NA	NA	NA	
Total workers	NA	NA	NA	NA	NA	NA	

2. Details of minimum wages paid to employees, in the following format.

		FY 2024				FY 2023				
	Total A	-	ual to nal Wage		e than al Wages	Total D	-	ual to nal Wage		e than al Wages
		(B)	% (B/A)	(C)	% (C/A)		(E)	% (E/D)	(F)	% (F/D)
Employees										
Permanent										
Male	2,817	-	-	2,817	100%	2,296	-	-	2,296	100%
Female	101	-	-	101	100%	64	-	-	64	100%
Other than Pe	ermanent									
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Workers										
Permanent										
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Other than Pe	ermanent									
Male	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Female	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

3. Details of remuneration/salary/wages, in the following format:

The remuneration paid to the Directors and KMPs are in accordance with the Appointment, Evaluation and Remuneration Policy of the Company which is available on the website of the Company.

(Weblink for Appointment, Remuneration & Evaluation Policy)

a. Median remuneration / wages:

		Male	Female		
	Number	Median remuneration/ salary/wages of respective category	Number	Median remuneration/ salary/wages of respective category	
Board of Directors (BoD)	8	18,25,000	1	18,60,000	
Key Managerial Personnel (KMP)	4	16,36,000	0	Nil	
Employees other than BoDs and KMPs	2,811	3,14,600	101	3,68,440	
Workers	Nil	Nil	Nil	Nil	

(Mr. M Anandan, Executive Chairman and Mr. P Balaji, Managing Director are categorized as part of Board of Directors for the purposes of this table)

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024	FY 2023
Gross wages paid to females as % of total wages	4%	3%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company has set up the following Committees:

- A. Disciplinary committee to look into complaints of unethical practices against employees.
- B. Internal Complaints Committee to provide protection against Sexual Harassment of women at workplace
- 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company has Board approved policies in place viz. grievance redressal policy, policy on prevention of sexual harassment at workplace, whistle blower policy etc. for handling the grievances of various stakeholders.

6. Number of Complaints on the following made by employees and workers:

	FY 2024			FY 2023		
	Filed during the year	Pending resolutions end of the year	Remarks	Filed during the year	Pending resolutions end of the year	Remarks
Sexual Harassment	Nil	Nil	Nil	Nil	Nil	Nil
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced labour/Involuntary labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024	FY 2023
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Nil	Nil
Complaints on POSH as a % of female employees /workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has in place an equal employment and opportunity policy and policy on prevention of sexual harassment at workplace, in line with the regulatory protections available to the complainant and respondent as applicable. Our process and procedures carried out as per the above referred policies prevent adverse consequences to the complainant and respondent in discrimination and harassment cases.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, they form part in certain business agreements and contracts wherever relevant.

10. Assessments of the year

	% of your offices/branches that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil
Forced/involuntary labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil
Others – please specify	Nil

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above. Nil

Leadership Indicators

 Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

There has been no case of human rights grievances/complaints. Hence, there were no modification/introduction to the business process.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

No specific human rights due diligence has been conducted during the year.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

We are committed to ensuring full compliance with the Persons with Disabilities Act, 2016 as we actively enhance our premises to provide optimal accessibility for all visitors, including differently abled.

4. Details on assessment of value chain partners:

	% of your value chain partners (by value of business done with such partners) that were assessed (by entity or statutory authorities or third parties)
Sexual harassment	
Discrimination at workplace	
Child labour	No specific assessment to this effect has been carried out by the
Forced/involuntary labour	Company
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No corrective actions were required to be taken by the Company for the year under review.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024		FY 2	023
	kWh	Tj	kWh	Tj
From renewable sources				
Total electricity consumption (A)	-	-		
Total fuel consumption (B)	-	-		
Energy consumption through other sources (C)	-	-		
Total energy consumed from renewable sources (A+B+C)	-	-		
From non-renewable sources				
Total electricity consumption (D)	10,41,465	3.75		
Total fuel consumption (E)				
Energy consumption through other sources (F)				
Total energy consumed from non-renewable sources (D+E+F)	10,41,465	3.75		
Total energy consumed (A+B+C+D+E+F)	10,41,465	3.75	Not Tra	ackec
Energy intensity per rupee of turnover (Total energy consumed /	762.88 kWh/	0.003 Tj/		
Revenue from operations)	Rupees	Rupees		
	crores of	crores of		
	turnover	turnover		
Energy intensity per rupee of turnover adjusted for Purchasing Power				
Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)				
Energy intensity in terms of physical output				
Energy intensity (optional) – the relevant metric may be selected by	356.91 KWh/	0.001 Tj/		
the entity	employee	employee		

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable.

3. Provide details of the following disclosures related to water, in the following format:

Usage of water in the Company is restricted to human consumption only. We educate our employees about the ways to conserve water and also perform routine checks to identify leakage in pipes, joints or valves. Moreover, posters related to save water are pasted in the prominent places in the office in order to promote water saving activities.

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kilo litres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilo litres) (i + ii + iii + iv + v)	-	-
Total volume of water consumption (in kilo litres)	-	-
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	-	-
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

4. Provide the following details related to water discharged: Not applicable

Parameter	FY 2024	FY 2023
Water discharge by destination and level of treatment (in kilo litres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilo litres)	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not applicable

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024	FY 2023
NOx	-	-	-
SOx	-	-	-
Particulate matter (PM)	-	-	-
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY2024	FY2023
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 1 and Scope 2 emissions per rupee of Turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	-	-	-
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	-	-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? **(Y/N) If yes, name of the external agency:** No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024	FY 2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	-	-
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	-	-
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	-	-
Other Non-hazardous waste generated. Please specify, if any (H) (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	-	-
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	-	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	-	-
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, reoperations (in metric tonnes)	using or oth	er recover
Category of waste		
(i) Recycled	-	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	-	-
For each category of waste generated, total waste disposed by nature of dispotonnes)	sal method	(in metri
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Since the Company is a housing finance company, the key waste products are primarily paper and e-waste. During the fiscal year 2023-24, your Company responsibly managed to dispose 137 kilograms of IT electronic waste (e-waste) to the vendor registered with Maharastra Pollution Control Board and has also obtained the certification for the same.

Furthermore, the employees are also trained to segregate recyclable and non-recyclable waste with an aim to reduce non-recyclable waste. The Company does not use any hazardous and toxic chemicals.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not applicable

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N)
			If no, the reasons thereof and corrective action taken, if any.
_	_	_	_

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not applicable

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
_	_	_	_	_	_

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

The Company is in compliance with environmental norms to the extent applicable.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
_	<u>-</u>	<u>-</u>	-	-

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilo litres): Not applicable

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area: Not applicable
- (ii) Nature of operations: Not applicable
- (iii) Water withdrawal, consumption and discharge in the following format: Not applicable

Parameter	FY 2024	FY 2023
Water withdrawal by source (in kilo litres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilo litres)	-	-
Total volume of water consumption (in kilo litres)	-	-
Water intensity per rupee of turnover (Water consumed / turnover)	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Parameter	FY 2024	FY 2023
Water discharge by destination and level of treatment (in kilo	litres)	
(i) Into Surface water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) Into Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) Into Seawater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilo litres)	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024	FY 2023
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per rupee of turnover	-	-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Fortification of the loan origination and management system	The revamped LOS allows for quick and efficient processing of loan applications, which have been made digital. The advanced LMS maintains a centralized database facilitating seamless access to loan information on real time basis.	Implementation of advanced loan origination and management systems has optimized resource utilization and enhanced customer service leading to eco-friendly operations.
2.	Automated HR operations	Automation of employee attendance, leave management, communications and e-documentation has streamlined internal processes and improved operational efficiency	Quick reports, Accurate data, continuous monitoring tool, reduction in time and energy of HR personnel.
3.	Paperless customer onboarding process	An application through which customers can be onboarded digitally without involvement of paperwork and strenuous physical process.	
4.	Digital loan application form	Physical loan application forms in paper form has now been made digital form to reduce paper usage in operations	Digital loan applications forms which used to be physical now will result in speeding up process, enhancing accuracy, improving access, boosting efficiency, increased convenience and less paper.
5.	Digital loan agreement	Paper agreements have now been converted to digital agreements with digital signature utilities as a measure of eradicating paper usage in operations.	Streamlining documentation, speeding up approvals, enhanced security and reduction in errors.
6.	Aptus E-seva application	Application used by the customer to download sanction letters, make payments, view latest transactions, etc without strains of physical interaction/paper usage	Save time, 24*7 access, instant information and seamless communication.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web

Yes, the Company has a Board-approved business continuity and disaster management plan. The policy encompasses comprehensive measures, including risk assessment, business impact analysis, recovery planning, and training and awareness programs.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Since the Company's nature of business is to provide housing loans, there has been no adverse impact on environment.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Nil

PRINCIPLE 7. Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

Your Company has membership with one trade and industry chamber/association.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	 Name of the trade and industry chambers/ associations 			trade s (State	•	chambers/
1	Finance Industry Development Council (FIDC)	Nationa	l			

Note: The above-mentioned membership in FIDC is in the name of Aptus Finance India Private Limited, which is a wholly owned subsidiary of the Company.

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the authority	Brief of the case	Corrective Action Taken
Nil	Nil	Nil

Leadership Indicators

1. Details of public policy positions advocated by the entity.

The Company does not take part in any lobbying and has not propagated any public policy positions.

S. No.	Public Policy Advocated	Method Resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly / Others –please specify)	Web Link if available

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year: Not applicable

Name and brief details of project	SIA notification number	Date of Notification	Whether conducted by independent external agency Yes/No	Results communicated in Public domain	Relevant weblinks
_	_	_	_	_	_

2. Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the entity: Not Applicable

S.	Name of Project	State	District	No. of Project	% of PAFs	Amounts paid
No.	for which R&R is			Affected	covered by	to PAFs in the
	ongoing			Families (PAFs)	R&R	FY (In INR)

3. Details of mechanisms to receive and redress grievances of the community.

The Company has a dedicated customer care department that handles customer queries and complaints via telephone and email. Customers can also reach out through the "Aptus E-Seva" mobile application and WhatsApp. The grievance redressal policy for addressing customer complaints is available on the Company's website. (weblink: <u>Grievance Redressal Policy</u>)

Furthermore, the Board of Directors has adopted a Whistleblower Policy. This policy establishes a mechanism for all stakeholders, including Directors, employees, vendors, and suppliers, to report concerns about unethical behavior,

fraud, or violations of the Code of Conduct and Ethics. The policy provides safeguards against victimization of employees who use the mechanism and allows direct access to the Chairperson of the audit committee in exceptional cases. The Audit Committee periodically reviews the functioning of the whistleblower mechanism.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers: Not applicable

	FY 2024	FY 2023
Directly sourced from MSMEs/ small producers	-	-
Directly from within India	-	-

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024	FY 2023
Rural	-	-
Semi-urban	57.51%	58.95%
Urban	12.00%	9.79%
Metropolitan	30.49%	31.26%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): Not applicable

Details of negative social impact identified	Corrective action taken
-	-
_	_

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies: Nil

S .No.	State	Aspirational District	Amount Spent (INR)

- 3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) No
 - (b) From which marginalized /vulnerable groups do you procure? Not applicable
 - (c) What percentage of total procurement (by value) does it constitute? Not applicable
- 4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: Not applicable

SL No	Intellectual Property based on traditional Knowledge	Owned/Acquired	Benefit Shared	Basis of Calculating Benefit Share

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved: Not applicable

Name of Authority	Brief of the case	Corrective action taken
_	_	_

6. Details of Beneficiaries of CSR Projects

SL No.	CSR Project	No of Persons Benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1.	Education	3,780	100
2.	Healthcare	68,550	100
3.	Social/skill development	318	100

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Aptus is committed to fostering long-term relationships with its customers by providing them with convenient and reliable housing finance solutions. The Company's motive is to empower individuals and families to fulfill their dreams of owning a home. Aptus strives to be a trusted partner in its customers' journey towards homeownership, offering them personalized services and support every step of the way. The Company consistently seeks and incorporates customer feedback to enhance its systems and processes. This commitment has been reflected in consistently positive results from customer satisfaction surveys over the years.

The Company has put in place an effective Grievance Redressal Policy for effective redressal of customer complaints. The policy is available on the website of the Company (Weblink: <u>Grievance and Redressal Policy</u>.)

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover		
Environmental and social parameters relevant to the product	All our loan products and Most Important Terms and Conditions (MITCs) are completely transparent and discloses all product		
Safe and responsible usage	related details		
Recycling and/or safe disposal			

3. Number of consumer complaints in respect of the following.

	FY 2024		Remarks	arks FY 2023		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy						
Advertising						
Cyber-security						
Delivery of essential services		Nil	-		Nil	-
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

4. Details of instances of product/service recalls on account of safety issues:

Not applicable

	Number	Reasons for recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web-link of the policy

Yes, the Company has a framework and policy on cyber security and risks related to data privacy. The IT strategy committee of the Company oversees the policy on cyber security and risks related to data privacy. Your Company is ISO/IEC 27001:2013 certified for Information Security Management System.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

No penalty/action taken by regulatory authorities on safety of products/services.

- 7. Provide the following information relating to data breaches:
 - a. Number of instances of data breaches: Nil
 - b. Percentage of data breaches involving personally identifiable information of customers: Nil
 - c. Impact, if any, of the data breaches: Nil

Leadership indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

All the information related to products and services offered by the Company are available on the website of the Company. (Weblink: Information on products and services)

We also use various social media and digital platforms to disseminate information on the products and services that we offer

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The schedule of charges, most important terms and conditions and fair practices code are available at all the branches as well as on the Company's website for easy access of the customers.

We have also created video tutorials to help customers to track their loan application status and also payments through UPI.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

In the event of any disruption/discontinuation of essential services, we approach the customer directly or through digital mode to ensure continued service.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Company displays the information related to its products/services at the branches and also on its website.

Further, the Company has carried out the survey about the customer review videos relating to the loans sanctioned.

Tamil:

https://youtu.be/35vsxNopsQY?si=lc2PZb6Jf5Z99NTd
https://youtu.be/TvHOCcGNe6w?si=xSY9mhOvZbMR kgc

Kannada:

https://youtu.be/WbbS1_xj3xY?si=KeW3G_ysnVMfsdfZ https://youtu.be/ID45RnDgMIM?si=HLsZpvGbdgu3ufsm

Telugu:

https://youtu.be/9TLvDe_dNGw?si=izpwHROOP4iqF9rUhttps://youtu.be/1cyyRGXOqhg?si=RcTKmSwif6QLKj6d

Annexure - F

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[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 we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, 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, 2024 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, and 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 Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023, National Housing

Bank Act, 1987, Circulars, Master circulars, Notifications, Rules and Guidelines as prescribed for Housing Finance Companies;

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

- 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, Women Director 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 g. 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
- 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 to appoint Mr. P Balaji (DIN: 07904681), as the Managing Director of the Company and approve the remuneration payable to him vide postal ballot on August 02, 2023.
- b. Passed a special resolution for re-designation of Mr. M Anandan (DIN: 00033633) from Chairman and Managing Director to Executive Chairman vide postal ballot on August 02, 2023.
- c. Passed a special resolution under Section 180(1)(c) of the Act at the 14th Annual General Meeting held on August 18, 2023 fixing the borrowing limits as Rs. 7,500 crores.
- d. Passed a special resolution under Section 180(1)(a) of the Act at the 14th Annual General Meeting held on August 18, 2023 permitting the Company for creating charge on its assets upto Rs. 7,500 crores.
- e. Passed a special resolution for private placement of debentures under Sections 42 and 71 of the Act at the 14th Annual General Meeting held on August 18, 2023 up to a sum of Rs. 1,000 crores.
- f. Passed a special resolution under Sections 4 and 13 of the Act to approve the alteration of Memorandum of Association at the 14th Annual General Meeting held on August 18, 2023.
- g. Passed a special resolution under Sections 5 and 13 of the Act to approve the alteration of Articles of Association at the 14th Annual General Meeting held on August 18, 2023.

For S Sandeep & Associates

S Sandeep

Managing Partner FCS No.5853; COP No. 5987 UDIN: F005853F000296440 PR No.: 1116/2021

Place: Chennai Date: 02.05.2024

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Annexure - G

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[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 we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024, 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, 2024 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder:
- 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 (Registrars to an Issue and Transfer Agents) Regulations, 1993, regarding Companies Act and dealing with client to the extent of the securities issued:
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable for the year under review;
- 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; Not Applicable for the year under review;
- f. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and 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; Not Applicable for the year under review;
- 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;
- 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 – Reserve Bank of India (Non-Banking Financial Company –

Scale Based Regulation) Directions, 2023 dated October 19, 2023 issued by Reserve Bank of India, Circulars, Master circulars, Notifications, Rules and Guidelines as prescribed for Non-Banking Financial Companies;

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

- 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.

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. There were no changes in the composition of the Board of Directors during the period under review.
- 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:

- a. Passed a special resolution under Sections 149,150 and 152 for re-appointment of Mr. Sankaran Krishnamurthy (DIN: 00066044) as an Independent Director of the Company at the Extra-ordinary General Meeting held on 04th August 2023.
- b. Passed a special resolution under Sections 149,150 and 152 for re-appointment of Mr. Kandheri Munuswamy Mohandass (DIN: 00707839) as an Independent Director of the Company at the Extra-ordinary General Meeting held on 04th August 2023.
- c. Passed a special resolution under Section 161 of the Act for appointment of Mr. M. Anandan (DIN: 00033633) as a Non-Executive and Non-Independent Director of the Company at the Eighth Annual General Meeting held on 29th September 2023.
- d. Passed a special resolution under Section 196,197,203 and other applicable provisions of the Act for re-designation of Mr. P Balaji (DIN: 07904681) from Non-executive Director and Non-Independent Director to Whole-time Director of the Company at the Eighth Annual General Meeting held on 29th September 2023.
- e. Passed a special resolution under Section 180(1)(c) of the Act at the Eighth Annual General Meeting held on 29th September 2023 fixing the borrowing limits as Rs. 2,000 crores.
- f. Passed a special resolution under Section 180(1)(a) of the Act at the Eighth Annual General Meeting held on 29th September 2023 permitting the Company for creating charge on its assets upto Rs. 2,000 crores
- g. Passed a special resolution under Section 42 and 71 of the Act at the Eighth Annual General Meeting held on 29th September 2023 for private placement of debentures up to a sum of Rs. 500 crores
- h. Passed a special resolution under section 4 and 13 of the Act at the Eighth Annual General Meeting held on 29th September 2023 to approve alteration of the Memorandum of Association.
- Passed as special resolution under section 5 and 13 of the Act at the Eighth Annual General Meeting held on 29th September 2023 to approve alteration of Articles of Association.

For S Sandeep & Associates

S Sandeep

Managing Partner FCS No.5853; COP No. 5987 UDIN: F005853F000296495 PR No.: 1116/2021

Place: Chennai Date: 02.05.2024

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Annexure - H

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 March 31, 2024 as envisaged in schedule V under regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Chennai Date: May 03, 2024 P Balaji Managing Director DIN: 07904681

Annexure - I

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, 2024. 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 March 31, 2024.

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: F005853F000296473 PR No.: 1116/2021

Place: Chennai Date: 02.05.2024

Annexure - J

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 -600010.

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 - 600010 (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 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	DIN	Name Of Director	Designation	Date of Appointment
1	00033633	Mr. M Anandan	Executive Chairman	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	00163632	Mr. K P Balaraj	Nominee Director	25-11-2014
9	00040789	Mr. Sumir Chadha	Nominee Director	05-11-2019
10	07904681	Mr. Parthasarathy Balaji	Managing Director	04-05-2023

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: F005853F000296462 PR No.: 1116/2021

Place: Chennai Date: 02.05.2024

Annexure - K

Statement of Disclosure of Remuneration under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S.No.	Particulars
1.	Ratio of the remuneration of each Director to
	the median remuneration of the employees of
	the Company for the Financial Year 2023-24.

Details				
Name	Ratio			
Mr. M Anandan	428:1			
Mr. S Krishnamurthy	4:1			
Mr. KM Mohandass	5:1			
Mr. Krishnamurthy Vijayan	4:1			
Mr. V G Kannan	4:1			
Ms. Mona Kachhwaha	4:1			
Mr. Shailesh Mehta	4:1			
Mr. K P Balaraj	*			
Mr. Sumir Chadha	*			
Mr. P Balaji	104:1			

The percentage increase/ (decrease) in remuneration of each Director, Chief Financial Secretary, if any, in the Financial Year.

TVII. 1 Dailaji	101.1
Name	Percentage Increase/ Decrease (In %)
Mr. M. Anandan®	9%
Mr. S Krishnamurthy	1.5%
Mr. KM Mohandass	1.4%
Mr. Krishnamurthy Vijayan	-11.5%
Mr. V G Kannan	2.5%
Ms. Mona Kachhwaha	2.7%
Mr. Shailesh Mehta	-1.7%
Mr. K P Balaraj*	-
Mr. Sumir Chadha*	-
Mr. P. Balaji#	65%
Mr. John Vijayan Rayappa**	25%
Mr. Sanin Panicker	19%

^{*} Based on the requests received from the Nominee Directors of Westbridge Cross Over Fund LLC, the commission and sitting fees payable to them have been waived.

Officer, Chief Executive Officer, Company

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[#] Mr. P Balaji was elevated as Managing Director from the post of Chief Financial Officer with effect from May 04, 2023.

^{**} Mr. John Vijayan Rayappa was re-designated as Chief Financial Officer from the post of Chief Risk Officer with effect from May 04, 2023.

[@] Mr. Anandan was re-designated as Executive Chairman from the post of Managing Director with effect from May 04, 2023. However, the remuneration of Mr. Anandan in the capacity of Executive Chairman remains unchanged.

S.No.	Particulars	Details
3.	the percentage increase in the median remuneration of employees in the financial year;	12.5%
4.	No. of Permanent Employees on the Rolls of the Company (Excluding the employees of Wholly Owned Subsidiary)	2,883
5.	9 .	Average percentile increase already made in the salaries of employees other than the managerial personnel : 26% Average Percentile increase in the managerial remuneration : 37%
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	The Company affirms that the remuneration paid is as per the Nomination and Remuneration policy of the Company.

Independent Auditors' Report

To the Members 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 standalone Balance Sheet as at March 31, 2024, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone Statement of Cash Flows for the year ended on that date, and notes to the standalone financial statements, including material 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, 2024, 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. 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, 2024. 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

Expected Credit loss model (ECL) for the loan exposure as policy on ECL and management overlay. per the Board approved policy.

judgement by the management for development of ECL implementation of requirements as per these circulars on 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
- looking basis.
- Modification of assets in terms of restructuring
- Determination of loan book segmentation based on and exposure at default.
- Management Overlay based on risk assessment and status. qualitative factors.

Ind AS 109 Financial instruments requires the Company Read and assessed the Company's accounting policies to provide for impairment of its financial instruments. for the impairment of financial instruments and their Management estimates impairment provision using compliance with Ind AS 109. We have reviewed the board

We have evaluated the management response upon ECL involves an estimation and a significant degree of implementation of various RBI circulars and tested the sample basis.

> We also performed end to end process walkthroughs to identify the key systems, applications and controls used in the ECL processes.

Application of the macroeconomic factors on a forward- 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.

homogeneity, probability of defaults, loss given defaults We tested the operating effectiveness of the controls for staging of loans and advances based on their past-due

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Key Audit Matters

- credit impairment of financial instrument.
- Disclosures as required by IND AS 109 and RBI Circular

Auditor's Response

Compliance with RBI circulars and assess the level of 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

> 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 information system is a critical component of Company's Our audit procedures include: operations, enabling efficient processing of transactions, safeguarding of information, and supporting decisionmaking. The Group's key financial accounting and reporting processes are highly dependent on information systems.

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.

As such, it is important for us to evaluate the effectiveness of information system controls to ensure the correctness, . integrity, availability, and confidentiality of data.

We identified 'IT systems and controls including audit trail (audit log)' as key audit matter because of the pervasive nature of IT environment and the scale and complexity of the IT architecture.

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 identified 'IT systems and controls including audit trail (audit log)' as key audit matter.

- 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 nonfinancial information generated from the system on a test check basis.
- Obtained an understanding of the IT control environment, IT policies during the audit period.
- Testing IT general controls related to User Change Management Controls, Information Security Controls, Log management and Data backup and application controls.
- Evaluated the extent to which the controls are designed and implemented to mitigate the risk of material misstatement in financial reporting.

4. 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

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.

5. Management's and Board of Directors Responsibilities 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 Company's Board of Directors is also responsible for overseeing the Company's financial reporting

6. 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.

7. Report on Other Legal and Regulatory Requirements

- 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 standalone Balance Sheet, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of Changes in Equity and the standalone 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, 2024, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024, 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.
 - g) 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.

- h) 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:
 - i. As disclosed by the company in note 28.2 to the standalone financial statements, the Company has no pending litigations as at March 31, 2024, which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses:
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. a) The Management has represented that, to the best of its knowledge and belief, 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;
 - b) 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;

- c) 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.
- v. As stated in Note 20.2.5 to the standalone financial statements,
 - The interim dividend declared and paid by the company during the year and until the date of this report is in compliance with section 123 of the Act.
 - The Board of Directors of the company at their meeting held on 3rd May 2024, have declared the interim dividend for the year ended 31st March 2024. The amount of dividend declared is in accordance with section 123 of the Act, as applicable.
- vi. Based on our examination which included test checks, the Company has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2024, which have

a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For T R Chadha & Co LLP

Chartered Accountants ICAI Firm Registration No. 006711N/N500028

Sheshu Samudrala

Partner Membership No. 235031 UDIN: 24235031BKCTTI3844

Place: Chennai Date: May 03, 2024

APTUS Annual Report 2023-24

APTUS Annual Report 2023-24

Annexure – A

to the Independent Auditor's Report of even date

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;
 - 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:
- 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;

- The Company has not revalued its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year;
- As disclosed by the company in Note 48 (b), no proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 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;
 - 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. As disclosed by the company in Note 14 and as verified by us, the same 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	54,000	27,000	Nil	
Balance outstanding as at balance sheet date in respect of above cases					
Subsidiary	15,048	63,131	28,000	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 investment made, loans granted, guarantee given during the year are prima facie not prejudicial to the Company's interest;
- (c) In respect of loans and advances in nature of loans, granted by the Company during the normal course of its business, having regard to the voluminous nature of loan transactions, it is not practicable to furnish entity-wise details of amount, due date for repayment or receipt and the extent of delay in this report (as suggested in the Guidance Note
- on CARO 2020, issued by the Institute of Chartered Accountants of India for reporting under this clause), in respect of loans and advances which were not repaid / paid when they were due or were repaid / paid with a delay. Further for loans where there are delays or defaults in repayment of principal and / or payment of interest as at the balance sheet date, the summary of the same are disclosed by Management in Note 35.6.4 of Notes to Financial Statements.
- (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. 7,213.69 lakhs with respect to 1119 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

- (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 complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- 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 x (a) The Company has not raised moneys by way of 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.
 - 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, 2024, for a period of more than six months from the date they become payable;
 - (b) According to the information and explanations given to us, there are no dues in respect of goods and service tax, customs duty, excise duty, value added tax and other statutory dues applicable to the Company which have not been deposited on account of any dispute.
- viii According to the information and explanations provided to us, 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) As disclosed by the company in note 48 (c), 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 wholly owned 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.
- initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (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) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company 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. Accordingly, reporting under clause 3(xvi) (a) of the order is not applicable to the Company.
 - (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 There has been no resignation of the statutory auditors of the Company. Hence, reporting under clause 3(xviii) of the Order is not applicable.
- 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: 24235031BKCTTI3844

Place: Chennai Date: May 03, 2024

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, 2024, 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 issued by ICAI. 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, 2024, 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: 24235031BKCTTI3844

Place: Chennai Date: May 03, 2024

STANDALONE FINANCIAL STATEMENTS

APTUS Annual Report 2023-24 APTUS Annual Report 2023-24

Standalone Balance Sheet

as at March 31, 2024

Rs. in lakhs

Pai	rticulars	Note No.	As at March 31, 2024	As at March 31, 2023
AS	SETS			
1	Financial Assets			
(a)	Cash and cash equivalents	4	25,857.77	42,291.71
(b)	Bank balances other than (a) above	5	777.15	729.03
(C)	Loans	6	6,89,468.87	5,92,827.48
(d)	Investments	7	20,743.13	20,533.47
(e)	Other financial assets	8	1,203.19	2,444.80
	TOTAL FINANCIAL ASSETS		7,38,050.11	6,58,826.49
2	Non-Financial Assets			
(a)	Current tax assets (Net)	16B	461.29	434.73
	Deferred tax assets (Net)	9	2,172.11	1,687.95
(C)	Property, plant and equipment	10A	504.84	371.29
(d)	Intangible assets	10B	130.54	84.07
(e)		10C	1,556.16	1,072.10
(f)	Other non-financial assets	11	150.67	168.89
(g)	Assets held for sale	12	545.07	231.75
	TOTAL NON-FINANCIAL ASSETS		5,520.68	4,050.78
	TOTAL ASSETS		7,43,570.79	6,62,877.27
	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	29B	188.45	827.40
	and small enterprises			
(b)	Debt securities	13	28,945.74	38,272.67
(c)	Borrowings (other than debt securities)	14	3,68,858.75	3,08,835.58
(d)	Lease liabilities	44	1,461.70	975.95
(e)	Other financial liabilities	15	2,111.40	1,986.64
	TOTAL FINANCIAL LIABILITIES		4,01,566.04	3,50,898.24
2	Non-Financial Liabilities			
(a)	Current tax liabilities (Net)	16	-	-
(b)	Provisions	17	745.13	457.89
(c)	Other non-financial liabilities	18	464.27	457.51
	TOTAL NON-FINANCIAL LIABILITIES		1,209.40	915.40
3	EQUITY			
(a)	Equity share capital	19	9,978.48	9,960.61
	Other equity	20	3,30,816.87	3,01,103.02
	TOTAL EQUITY		3,40,795.35	3,11,063.63
	TOTAL LIABILITIES AND EQUITY		7,43,570.79	6,62,877.27
	Material 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

Place : Chennai

Date: May 03, 2024

Partner

Membership No: 235031

For and on behalf of the Board of Directors of **Aptus Value Housing Finance India Limited**

M Anandan **Executive Chairman** DIN: 00033633

John Vijayan Rayappa **Chief Financial Officer**

Managing Director DIN: 07904681 Sanin Panicker **Company Secretary**

Membership No: A32834

P Balaji

Place : Chennai Date: May 03, 2024

Statement of Standalone Profit and Loss

for the year ended March 31, 2024

Par	ticulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
1	Revenue from operations	INU.	IVIAI CII 3 I, 2024	Wat Cit 31, 2023
(a)	Interest Income	21A	1,05,283.63	89,915.91
(b)	Net gain on fair value changes	21B	378.49	816.02
(c)	Fees and commission income	21C	3,121.04	2,142.98
(-)	Total Revenue from operations		1,08,783.16	92,874.91
2	Other income	22	3,481.35	3,512.11
3	Total Income (1+2)		1,12,264.51	96,387.02
4	Expenses			,
(a)	Finance costs	23	32,305.34	24,228.30
(b)	Employee benefits expense	24	12,123.07	10,822.23
(c)	Depreciation and amortisation expense	10D	930.99	721.30
(d)	Impairment on financial instruments	25	2,226.11	3,250.73
(e)	Other expenses	26	3,006.52	2,661.0
	Total expenses		50,592.03	41,683.5
5	Profit before tax (3-4)		61,672.48	54,703.4
6	Tax expense	27		
	- Current tax		14,096.96	11,881.98
	- Deferred tax	9	(486.32)	362.8
	Total tax expense		13,610.64	12,244.79
7	Profit for the year (5-6)		48,061.84	42,458.60
8	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurement gain / (loss) on defined benefit plan	31.2	8.58	(15.88
	(ii) Income tax relating to items that will not be reclassified to profit or loss	b	(2.16)	4.00
	Other Comprehensive Income, net of income tax		6.42	(11.88
9	Total Comprehensive Income for the year (7+8)		48,068.26	42,446.78
10	Earnings per share (Equity shares, par value Rs.2 each):	2		
	(a) Basic (in Rs.)	36	9.64	8.53
	(b) Diluted (in Rs.)	36	9.59	8.51
	Material accounting policies	2 & 3		

As per our report of even date

For T R Chadha & Co LLP **Chartered Accountants**

ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala

Membership No: 235031

Place : Chennai Date: May 03, 2024 For and on behalf of the Board of Directors of **Aptus Value Housing Finance India Limited**

M Anandan **Executive Chairman** DIN: 00033633

John Vijayan Rayappa **Chief Financial Officer**

Place : Chennai Date: May 03, 2024 P Balaji **Managing Director** DIN: 07904681

Sanin Panicker **Company Secretary** Membership No: A32834

145

Rs. in lakhs

APTUS Annual Report 2023-24

Standalone Statement of Changes in Equity for the year ended March 31, 2024

articulars	Amount
Balance as at April 1, 2022	9,938.36
Changes in equity share capital during the year	
(a) Issue of equity shares under employee stock option plan (Refer Note 41)	22.25
Balance as at March 31, 2023	9,960.61
Changes in equity share capital during the year	
(a) Issue of equity shares under employee stock option plan (Refer Note 41) 17.87	17.87
Balance as at March 31, 2024	9,978.48

38.74) 3,30,816.87 6.42 (8,489.36) (19,940.04) (9,613.65) (9,959.86) 1,14,745.05 24,112.68 Reserves and Surplus 5,659.18 2,108.60 (83.23) **813.03** 352.25 458.56 83.23 **1,73,716.03** 269.15 **1,75,218.56** 1,506.34 Refer Note 20.2 for description of nature and purpose of each reserve.

Material accounting policies (Note 2 & 3)

The accompanying notes form an integral part of the financial statements.

As per our report of even date Balance as at March 31, 2024
Votes: Balance as at April 1, 2022

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

For T R Chadha & Co LLP Chartered Accountants

Sheshu Samudrala

Place : Chennai Date : May 03, 2024

John Vijayan Rayappa Chief Financial Officer Place : Chennai Date : May 03, 2024

Sanin Panicker Company Secretary Membership No: A32834 P Balaji Managing Director DIN: 07904681

Statement of Standalone Cash Flow for the year ended March 31, 2024

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	61,672.48	54,703.45
Adjustments for:		
Finance costs	32,305.34	24,228.30
Interest on fixed deposits with Banks	(1,914.32)	(2,625.67)
Net gain on changes in fair value	(378.49)	(816.02)
Interest on Government securities	(369.00)	(114.80)
Depreciation and amortisation expense	930.99	721.30
Impairment on Financial Instruments	2,226.11	3,250.73
Financial guarantee commission	(82.49)	(56.23)
Share based payments to employees	352.25	458.56
	33,070.39	25,046.17
Operating profit before working capital changes	94,742.87	79,749.62
Movements in working capital:		
(Increase) / Decrease in Loans	(99,180.82)	(1,55,098.68)
(Increase) / Decrease in Other financial assets	1,241.61	(500.57)
(Increase) / Decrease in Other non-financial assets	26.44	(37.70)
Increase / (Decrease) in Trade payables	(638.95)	333.16
Increase / (Decrease) in Other financial liabilities	(2.42)	(222.35)
Increase / (Decrease) in Provisions	295.82	38.93
,		
Increase / (Decrease) in Other non-financial liabilities	6.76 (98,251.56)	
Cash flow from / (used in) operations	(3,508.69)	
Finance cost paid	(33,136.53)	
Direct Taxes paid	(14,123.52)	
Net cash flow from / (used in) operating activities (A) Cash flows from investing activities	(50,768.74)	(1,12,872.16)
Purchase of property, plant and equipments and intangible assets	(488.63)	(352.54)
Deposits placed with / (withdrawn from) banks, net	(465.74)	3,413.59
Interest received on bank deposits	2,331.94	1,993.38
Interest received on Government securities	369.00	11.27
Purchases of Investments	(1,44,277.00)	(1,58,752.70)
Redemption of Investments	1,44,277.00	1,63,874.00
Income received from investments	378.49	816.02
Net cash flow from / (used in) investing activities (B)	2,125.06	
	2,125.00	11,003.02
Cash flows from financing activities	1 251 25	1.520.60
Proceeds from issue of equity shares (including securities premium)	1,251.25	1,528.60
Dividend paid	(19,940.04)	(9,959.86)
Proceeds from issue of debt securities	10,000.00	-
Repayment of debt securities	(18,970.00)	-
Proceeds from borrowings (other than debt securities)	1,40,500.00	1,79,900.00
Repayment of borrowings (other than debt securities)	(79,822.81)	(66,365.11)
Payment of lease liabilities	(687.16)	(477.35)
Interest paid on lease liabilities	(121.50)	(77.73)
Net cash flow from financing activities (C)	32,209.74	1,04,548.55
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(16,433.94)	2,679.41
Cash and cash equivalents at the beginning of the year	42,291.71	39,612.30
Cash and cash equivalents at the end of the year (Refer Note 4)	25,857.77	42,291.71
Components of cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
Cash on hand	92.85	
Balances with banks - In current accounts	12,520.72	
Balances with banks - In deposit accounts - Original maturity less than 3 months	13,244.20	
Total cash and cash equivalents		
	25,857.77	42,291.71
Material accounting policies (2 & 3)		
The accompanying notes form an integral part of the standalone financia statements.		

As per our report of even date

For T R Chadha & Co LLP **Chartered Accountants**

Sheshu Samudrala Membership No: 235031

Place : Chennai Date: May 03, 2024 For and on behalf of the Board of Directors of **Aptus Value Housing Finance India Limited**

M Anandan **Executive Chairman** DIN: 00033633

John Vijayan Rayappa **Chief Financial Officer**

Place : Chennai Date : May 03, 2024

P Balaji Managing Director DIN: 07904681

Sanin Panicker **Company Secretary** Membership No: A32834

for the year ended March 31, 2024

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. Material 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

2.0.1 Financial instruments – initial recognition

2.0.1.1 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.

2.0.1.2 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.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

2.0.1.3 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").

2.0.2 Financial assets and liabilities

2.0.2.1 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.

2.0.2.1.1 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.

2.0.2.1.2 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.

2.0.2.2 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.

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2.0.2.3 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.

2.0.2.4 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.

2.0.3 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.

2.0.4 Derecognition of financial assets and liabilities

2.0.4.1 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.

2.0.4.2 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

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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.

2.0.4.3 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.

2.0.5 Impairment of financial assets

2.0.5.1 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	Above 90 days	Lifetime ECL

In addition to days past due, the Company also considers other qualitative factors in determining significant increase in credit risks since origination.

2.0.5.2 The calculation of ECLs

The Company calculates ECLs to measure the expected cash shortfalls, discounted at an

for the year ended March 31, 2024

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

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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 backstop 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.

2.0.5.3 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.

2.0.6 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

for the year ended March 31, 2024

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, preclosure charges etc which are recognised upon realisation.

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

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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 shortterm 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

for the year ended March 31, 2024

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.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

2.6 Property, plant and equipment ("PP&E") and intangible assets

PP&E is stated at cost excluding the costs of dayto-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 cashgenerating 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

for the year ended March 31, 2024

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. This 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.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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. 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

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for the year ended March 31, 2024

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

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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.

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for the year ended March 31, 2024

Cash and cash equivalents

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	92.85	154.27
Balances with banks - In current accounts	12,520.72	1,534.71
Balances with banks - In deposit accounts - Original maturity less than 3 months	13,244.20	40,602.73
	25,857.77	42,291.71

Bank Balances other than cash and cash equivalents

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
In deposit accounts - Original maturity more than 3 months	5.13	164.26
Earmarked balances with banks*	772.02	564.77
	777.15	729.03

^{*} Earmarked balances with banks includes guarantee for NHB Refinance of INR 767.54 lakhs (March 31, 2023: INR 562.50 lakhs) (refer note 14.2(c)(v)) and unpaid dividend bank balance of INR 4.48 lakhs as on March 31, 2024 (March 31,2023 - INR 2.27 lakhs).

Loans

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		RS. IN IAKNS
Particulars	As at March 31, 2024	As at March 31, 2023
(A) Secured Term loans carried at amortised cost	6,96,511.12	5,98,825.49
Less: Impairment loss allowance	(7,042.25)	(5,998.01)
Total Term loans (net)	6,89,468.87	5,92,827.48
(B) Loans in India		
Public Sectors	-	-
Others (individuals and other corporates)	6,96,511.12	5,98,825.49
Less: Impairment loss allowance	(7,042.25)	(5,998.01)
Total Term loans (net)	6,89,468.87	5,92,827.48

Notes:

- (i) All term loans are originated in India
- (ii) Term Loans include an amount of Rs. 28,000.00 lakhs (March 31, 2023 Rs. 28,000.00 lakhs) given to Subsidiary (refer note 34.2). 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 equitable mortgage of title deeds.
- (iv) There are no outstanding loan to Public Institution.
- (v) Term loans do not include any loans given to Promoter or relatives of Promoter, Directors and employees of the

statements financial standalone the Notes to

in relation amount and the 2 Summary

below: Reconciliation of gross carrying amount is given

111111111111111111111111111111111111111	For th	For the year ended March 31, 2024	March 31, 2	024	For tl	For the year ended March 31, 2023	March 31, 2	023
ratticulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross Carrying amount opening balance	5,66,466.60	26,302.70	6,056.19	5,056.19 5,98,825.49 4,02,402.01	4,02,402.01	37,067.07	5,065.53	5,065.53 4,44,534.61
New assets originated / Increase in existing assets	1,81,962.22	932.33	473.21	1,83,367.76 2,18,937.05	2,18,937.05	681.57	368.31	368.31 2,19,986.93
Exposure de-recognised / matured / repaid	(77,847.14)	(4,928.37)	(2,906.62)	(85,682.13)	(58,446.94)	(5,362.14)	(1,886.97)	(1,886.97) (65,696.05)
Transfer to Stage 1	8,232.39	(7,287.79)	(944.60)	ı	17,420.58	(16,551.05)	(869.53)	1
Transfer to Stage 2	(21,604.08)	22,166.73	(562.65)	ı	(12,450.41)	13,177.98	(727.57)	1
Transfer to Stage 3	(2,858.77)	(2,239.39)	5,098.16	ı	(1,395.69)	(2,710.73)	4,106.42	1
Gross carrying amount closing balance	6,54,351.22	34,946.21	7,213.69	6,96,511.12	5,66,466.60	26,302.70	6,056.19	6,056.19 5,98,825.49

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irse collects the dues by che ration or in the alternative por such loans

The Company, in the normal course co demand notice and initiates arbitration principal and interest in respect of such

on term loans is given below: of ECL

								NS. III EUNIS
	For th	For the year ended March 31, 2024	March 31, 20	124	For th	For the year ended March 31, 2023	March 31, 20	23
ratuculars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	3,374.51	1,058.15	1,565.35	5,998.01	1,330.20	865.76	1,283.90	3,479.86
New assets originated / Increase in existing assets	1,536.54	1,592.60	1,128.94	4,258.08	2,386.42	701.68	1,017.34	4,105.44
Exposure de-recognised / matured / repaid	(1,748.70)	(751.36)	(713.78)	(3,213.84)	(648.67)	(425.49)	(513.13)	(1,587.29)
Transfer to Stage 1	484.47	(235.42)	(249.05)	1	561.31	(346.27)	(215.04)	1
Transfer to Stage 2	(484.73)	633.60	(148.87)	1	(206.68)	384.16	(177.48)	1
Transfer to Stage 3	(165.46)	(115.42)	280.88	1	(48.07)	(121.69)	169.76	1
Impact on account of exposures transferred during the year between stages				1	1	ı	ı	1
ECL allowance - closing balance	2.996.63	2.182.15	1.863.47	7.042.25	3.374.51	1.058.15	1.565.35	5.998.01

for the year ended March 31, 2024

7 Investments

Rs. in lakhs

		113. 111 1011113
Particulars	As at March 31, 2024	As at March 31, 2023
At fair value through profit and loss (Within India)		
Quoted: Investment in Mutual Funds	-	-
At amortised cost (Within India)		
Investment in Subsidiary 10,08,00,000 Equity shares (March 31, 2023 - 10,08,00,000 Equity shares) of Face Value Rs. 10 each fully paid up	15,595.71	15,386.05
Investment in Government Securities	5,147.42	5,147.42
	20,743.13	20,533.47

The investment includes fair value of the corporate guarantee given to Aptus Finance India Private Limited amounting to Rs. 547.72 lakhs (March 31, 2023 - Rs. 338.06 lakhs).

Other Financial assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Considered Good, Unsecured - At Amortised Cost		
Security deposits	357.85	268.95
Travel advances to employees	2.56	1.40
Accrued Income	842.78	2,174.45
	1,203.19	2,444.80

Deferred tax assets (Net)

Rs in lakhs

				RS. IN IAKNS
Components of deferred tax asset / (liability)	As at April 01, 2023	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2024
Tax effect of items constituting deferred tax				
assets:				
Provision for leave encashment, gratuity and other employee benefits	111.76	72.52	(2.16)	182.12
Impairment Loss Allowance	1,793.97	448.70	-	2,242.67
Difference between written down value of PPE and intangible assets as per books and as per Section 32 of Income-tax Act, 1961	132.84	25.29	-	158.13
Deferred processing fee relating to loans	868.27	110.64	-	978.91
Others	(4.96)	(1.21)	-	(6.17)
Tax effect of items constituting deferred tax assets	2,901.88	655.94	(2.16)	3,555.66

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Rs. in lakhs

Components of deferred tax asset / (liability)	As at April 01, 2023	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2024
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	(810.60)	(103.85)	-	(914.45)
Deferred processing fee relating to debt securities and borrowings other than debt securities	(403.33)	(65.77)	-	(469.10)
Others	-	-	-	-
Tax effect of items constituting deferred tax (liabilities)	(1,213.93)	(169.62)	-	(1,383.55)
Net deferred tax assets / (liabilities)	1,687.95	486.32	(2.16)	2,172.11

				Rs. in lakhs
Components of deferred tax asset / (liability)	As at April 01, 2022	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2023
Tax effect of items constituting deferred tax assets:				
Provision for leave encashment, gratuity and other employee benefits	100.47	7.29	4.00	111.76
Impairment Loss Allowance	1,010.09	783.88	-	1,793.97
Difference between written down value of PPE and intangible assets as per books and as per Section 32 of Income-tax Act, 1961	125.53	7.31	-	132.84
Deferred processing fee relating to loans	1,304.32	(436.05)	-	868.27
Others	11.82	(16.78)	-	(4.96)
Tax effect of items constituting deferred tax assets	2,552.23	345.65	4.00	2,901.88
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	(283.95)	(526.65)	-	(810.60)
Deferred processing fee relating to debt securities and borrowings other than debt securities	(221.52)	(181.81)	-	(403.33)
Others	-	-	-	-
Tax effect of items constituting deferred tax (liabilities)	(505.47)	(708.46)	-	(1,213.93)
Net deferred tax assets / (liabilities)	2,046.76	(362.81)	4.00	1,687.95

for the year ended March 31, 2024

10A Property, plant and equipment

Rs. in lakhs

		113, 111 101113
Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amounts of :		
a) Freehold Land	64.57	64.57
b) Leasehold improvements	118.59	51.95
c) Furniture and fixtures	47.71	20.99
d) Vehicles	29.85	75.95
e) Office Equipments	244.12	157.83
	504.84	371.29

Rs. in lakhs

					1\3, 111 laki 13
Freehold Land	Leasehold improvements	Furniture and fixtures	Vehicles	Office Equipments	Total
64.57	268.23	131.76	136.53	596.62	1,197.71
-	45.04	47.34	-	125.80	218.18
-	(8.26)	(0.04)	-	(7.61)	(15.91)
64.57	305.01	179.06	136.53	714.81	1,399.98
-	111.30	92.49	-	209.40	413.19
-	-	-	-	-	-
64.57	416.31	271.55	136.53	924.21	1,813.17
-	243.74	117.53	14.60	482.10	857.96
-	17.58	40.59	45.98	81.54	185.69
-	(8.26)	(0.04)	-	(6.66)	(14.96)
-	253.06	158.08	60.58	556.98	1,028.69
-	44.66	65.77	46.10	123.11	279.64
-	-	-	-	-	-
-	297.72	223.85	106.68	680.09	1,308.33
64.57	118.59	47.71	29.85	244.12	504.84
64.57	51.95	20.99	75.95	157.83	371.29
	64.57 64.57 - 64.57 64.57 64.57	Land improvements 64.57 268.23 - 45.04 - (8.26) 64.57 305.01 - 111.30 - - 64.57 416.31 - 243.74 - 17.58 - (8.26) - 253.06 - 44.66 - 297.72 64.57 118.59	Freehold Land Leasehold improvements and fixtures 64.57 268.23 131.76 - 45.04 47.34 - (8.26) (0.04) 64.57 305.01 179.06 - 111.30 92.49 - - - 64.57 416.31 271.55 - 17.58 40.59 - (8.26) (0.04) - 253.06 158.08 - 44.66 65.77 - - - - 297.72 223.85 64.57 118.59 47.71	Freehold Land Leasehold improvements and fixtures Vehicles 64.57 268.23 131.76 136.53 - 45.04 47.34 - - (8.26) (0.04) - 64.57 305.01 179.06 136.53 - 111.30 92.49 - - - - - 64.57 416.31 271.55 136.53 - 243.74 117.53 14.60 - 17.58 40.59 45.98 - (8.26) (0.04) - - 253.06 158.08 60.58 - 44.66 65.77 46.10 - - - - - 297.72 223.85 106.68	Freehold Land Leasehold improvements Furniture and fixtures Vehicles Equipments 64.57 268.23 131.76 136.53 596.62 - 45.04 47.34 - 125.80 - (8.26) (0.04) - (7.61) 64.57 305.01 179.06 136.53 714.81 - 111.30 92.49 - 209.40 - 111.30 92.49 - 209.40 - 416.31 271.55 136.53 924.21 - 243.74 117.53 14.60 482.10 - 17.58 40.59 45.98 81.54 - (8.26) (0.04) - (6.66) - 253.06 158.08 60.58 556.98 - 44.66 65.77 46.10 123.11 - 297.72 223.85 106.68 680.09 - 40.59 47.71 29.85 244.12

Note:

(i) Freehold Land with a carrying value of Rs. 64.57 lakhs (March 31, 2023 - Rs. 64.57 lakhs) has been hypothecated to secure Non-convertible debentures issued by the Company.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

10B Intangible assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amounts of :		
a) Computer software	130.54	84.07
	130.54	84.07

Rs. in lakhs

Particulars	Computer software	Total
Gross Carrying Value	Solumere	
Balance at April 1, 2022	409.22	409.22
Additions during the year	73.36	73.36
Balance at March 31, 2023	482.58	482.58
Additions during the year	118.36	118.36
Balance at March 31, 2024	600.94	600.94
Accumulated amortisation		
Balance at April 1, 2022	347.57	347.57
Amortisation expense for the year	50.94	50.94
Balance at March 31, 2023	398.51	398.51
Amortisation expense for the year	71.89	71.89
Balance at March 31, 2024	470.40	470.40
Net book value		
Balance at March 31, 2024	130.54	130.54
Balance at March 31, 2023	84.07	84.07

10C Right-of-use assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Carrying amounts of :		
a) Leased buildings (Refer Note 44)	1,556.16	1,072.10
	1,556.16	1,072.10

for the year ended March 31, 2024

Rs. in lakhs

Particulars	Leased buildings	Total
Gross Carrying Value		
Balance at April 1, 2022	1,863.88	1,863.88
Additions during the year	761.65	761.65
Balance at March 31, 2023	2,625.53	2,625.53
Additions during the year	1,063.52	1,063.52
Balance at March 31, 2024	3,689.05	3,689.05
Accumulated depreciation		
Balance at April 1, 2022	1,068.75	1,068.75
Depreciation expense for the year	484.67	484.67
Balance at March 31, 2023	1,553.42	1,553.42
Depreciation expense for the year	579.46	579.46
Balance at March 31, 2024	2,132.88	2,132.88
Net book value		
Balance at March 31, 2024	1,556.16	1,556.16
Balance at March 31, 2023	1,072.10	1,072.10

10D Depreciation and Amortisation expense

Rs. in lakhs

			1/3, 111 10/113
Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Property, plant and equipment	10A	279.64	185.69
Amortisation on intangible assets	10B	71.89	50.94
Depreciation on right-of-use assets	10C	579.46	484.67
Total		930.99	721.30

11 Other non-financial assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Considered Good, Unsecured		
Capital advances	8.22	51.14
Prepaid expenses	103.42	73.61
Other advances	39.03	44.14
Total	150.67	168.89

12 Assets held for sale

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Gross Carrying amount	909.57	584.13
Less: ECL Provisions	(364.50)	(352.38)
Net Carrying amount	545.07	231.75

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

13 Debt Securities

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Redeemable Non-Convertible Debentures - At Amortised cost (Within India)	28,945.74	38,272.67
	28,945.74	38,272.67

13.1 Terms of repayment of Debt Securities as at 31st March 2024

Rs. in Lakhs

Particulars	Number of installments	On Maturity	Number of installments	Quarterly Repayment	Number of installments	Halfyearly Repayment
Less than one year	1	444.85	4	2,000.00	-	-
One to Three years	3	20,478.10	8	4,000.00	-	-
Three to Five years	-	-	5	2,022.79	-	-
More than Five years	-	-	-	-	-	-
	4	20,922.95	17	8,022.79	-	-

Terms of repayment of Debt Securities as at 31st March 2023

Rs. in Lakhs

Particulars	Number of installments	On Maturity	Number of installments	Quarterly Repayment	Number of installments	Halfyearly Repayment
Less than one year	3	10,330.28	-	-	-	-
One to Three years	3	27,942.39	-	-	-	-
Three to Five years	-	-	-	-	-	-
More than Five years	-	-	-	-	-	-
	6	38,272.67	-	-	-	-

13.2 Details of terms of redemption / repayment and security provided in respect of debt securities:

Rs. in Lakhs

		Call Option/Put	Balance Outstanding		
Particulars	Tenure	Option date or Final Maturity	As at March 31, 2024	As at March 31, 2023	
		Date	Rs. in lakhs	Rs. in lakhs	
Templeton - 300 Crs - Tranche - I (Jun 2018)	84 Months	20-06-2025	4,994.64	4,990.23	
Templeton- Tranche - II (Aug 2018)	84 Months	20-08-2025	4,984.76	12,473.73	
IFC NCDs - Tranche - I (Jul 2016)	60 Months	15-05-2023	-	3,443.58	
IFC NCDs - Tranche - II (Feb 2017)	60 Months	15-05-2023	-	3,435.39	
IFC NCDs - Tranche - III (May 2017)	60 Months	15-05-2023	-	3,451.31	
IFC NCDs - Tranche - IV (Jan 2019)	84 Months	03-11-2025	10,498.70	10,478.43	
Bajaj NCD - 100 Crs	60 Months	22-06-2028	8,467.64	-	
Total			28,945.74	38,272.67	
As at balance sheet date, interest rates (per a	8.85% to 10.36%	9.35% to 10.36%			

⁽i) Redeemable Non-Convertible Debentures are secured by way of specific charge on assets under hypothecation and specified immovable property.

⁽ii) The Company has not defaulted in the repayment of borrowings and interest during any of the years presented.

for the year ended March 31, 2024

14 Borrowings (Other than Debt Securities)

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023	
Secured - At Amortised cost (Within India)			
Term loans			
Scheduled banks	2,39,086.63	2,03,015.11	
Other Financial Institutions	1,23,506.92	97,588.07	
Securitisation Loans	6,265.20	8,232.40	
Working Capital Loans	-	-	
	3,68,858.75	3,08,835.58	

14.1 Terms of Repayment of Borrowings (Other than Debt Securities) as at 31st March 2024

Rs. in Lakhs

Particulars	Number of installments	Monthly Repayment	Number of installments	Quarterly Repayment	Number of installments	Halfyearly Repayment
Less than one year	200	20,130.50	158	57,300.79	7	1,153.04
One to Three years	285	35,106.04	407	1,15,810.17	2	321.52
Three to Five years	113	18,841.48	260	68,953.75	-	-
More than Five years	11	1,573.82	221	49,667.64	-	-
	609	75,651.84	1046	2,91,732.35	9	1,474.56

^{*} Including Term Loan from banks, NHB and Securitisation loans

Terms of Repayment of Borrowings (Other than Debt Securities) as at 31st March 2023

Rs. in Lakhs

Particulars	Number of installments	Monthly Repayment	Number of installments	Quarterly Repayment	Number of installments	Halfyearly Repayment
Less than one year	204	17,471.42	127	40,911.16	12	2,028.57
One to Three years	293	27,545.82	256	86,030.35	10	1,719.36
Three to Five years	140	19,154.56	209	63,808.75	-	-
More than Five years	8	2,038.14	274	48,127.45	-	-
	645	66,209.94	866	2,38,877.71	22	3,747.93

^{*} Including Term Loan from banks, NHB and Securitisation loans

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Terms of repayment of borrowings from Banks:

(i) Terms of repayment of term loan from Banks:

Rs. in lakhs

		Earliest	Principal	Balance O	utstanding
Bank Name	Tenure of Loan	installment date	repayment mode (instalments)	As at	As at
				March 31, 2024	March 31, 2023
Axis Bank	84/180 Months	27-Mar-21	Quarterly	28,911.05	25,682.55
Bank of Baroda	84 Months	31-Jul-19	Monthly / Quarterly	16,149.15	20,972.86
Bank of India	84 Months	31-Jan-21	Quarterly	2,390.27	3,119.51
Bank of Maharastra	72 Months	22-Mar-23	Monthly/Quarterly	26,174.00	19,998.06
Catholic Syrian Bank	60 Months	29-Mar-20	Quarterly/Half Yearly	6,392.31	8,860.10
Federal Bank	84/60 Months	28-Feb-18	Monthly/Quarterly/ Half Yearly	30,968.21	18,909.21
HDFC Bank	60/72/84 Months	22-Jul-18	Monthly/Quarterly	39,853.52	31,824.19
Indian Bank	84 Months	31-Dec-21	Quarterly	5,726.47	5,000.59
Indus Ind Bank	72 Months	30-Apr-19	Monthly/Quarterly	10,975.02	1,536.05
Kotak Mahindra Bank	60 Months	21-Sep-19	Quarterly	15,831.40	9,427.71
KVB	60 Months	31-Aug-22	Quarterly	15,377.09	7,065.61
South Indian Bank	48/60 Months	31-Mar-20	Quarterly	8,282.51	9,971.21
State Bank of India	72 Months	28-Feb-21	Quarterly	30,460.85	37,628.11
Yes Bank	84 Months	30-Jan-21	Monthly	1,594.78	2,019.35
Total				2,39,086.63	2,02,015.11
As at balance sheet da banks/Fis	te, interest rates (pe	7.90% to 10.40%	7.70% to 9.95%		

(ii) Terms of repayment of Cash Credit from Banks:

Rs. in lakhs

		Earliest Principal		Balance Outstanding		
Bank Name	nk Name Tenure of Loan installment repayment mode date (instalments)		As at March 31, 2024	As at March 31, 2023		
South Indian Bank	NA	NA	On Demand	-	1,000.00	
Total				-	1,000.00	
Grand Total of Loans	from banks	2,39,086.63	2,03,015.11			
As at balance sheet da banks/Fis	te, interest rates (pe	7.90% to 10.40%	7.55% to 8.55%			

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for the year ended March 31, 2024

(b) Details of repayment of term Loan from NHB:

Rs. in lakhs

		Earliest Principal		Balance Outstanding		
Bank Name	Tenure of Loan	installment	repayment mode	As at	As at	
		date	(instalments)	March 31, 2024	March 31, 2023	
National Housing Bank	120/132 Months	27-Mar-21	Quarterly	1,23,506.92	97,588.07	
Total				1,23,506.92	97,588.07	
As at balance sheet date, interest rates (per annum) range for the term loan from NHB			7.80% to 8.40%	5.95% to 7.70%		

(c) Terms of repayment of borrowings from Securitisation:

Rs. in lakhs

		Earliest	Principal	Balance Outstanding		
Pool Name	Tenure of Loan	installment	repayment mode	As at	As at	
		date	(instalments)	March 31, 2024	March 31, 2023	
Auckland	60 Months	26-Jul-22	Monthly	6,265.20	8,232.40	
Total				6,265.20	8,232.40	
As at balance sheet date, interest rates (per annum) range for securitisation loans			9.00% to 9.35%	8.00% to 9.00%		

- (i) Term loans from scheduled banks and other financial institutions are secured by way of specific charge on assets under hypothecation.
- (ii) The Company has not defaulted in the repayment of borrowings and interest during any of the years presented.
- (iii) Working Capital loans have been availed at Interest rate of 7.15% to 8.80% p.a and are secured by hypothecation of specified term loans amounting to Rs. Nil as at March 31, 2024 (March 31, 2023 - Nil).
- (iv) The Company has utilised the funds raised from banks and financial institutions for the specific purpose for which they were borrowed.
- (v) 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 bank and financial institutions and the said returns/ statements are in agreement with books of accounts.
- (vi) Bank guarantee of Rs. 1,125 Lakhs for term loans from NHB is provided by Yes Bank Limited (31 March 2023: Rs.1,125 Lakhs) on behalf of the Company to NHB. Total outstanding balance as at 31 March 2024 for such term loans is Rs. 3,683.27 Lakhs (31 March 2023: Rs.4,737.43Lakhs).

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

15 Other financial liabilities

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost		
Advances from customers	142.60	217.59
Accrued employee benefits	1,096.34	876.90
Financial guarantee liability	290.31	163.13
Dividend Payable	4.48	2.27
Other payables	577.67	726.75
	2,111.40	1,986.64

16 Current tax liabilities (Net)

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Income Tax (net)	-	-
	_	_

16B Current tax Assets (Net)

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
The advance tax paid (net of provision)	461.29	434.73
	461.29	434.73

17 Provisions

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits (Refer Note 31)		
Provision for gratuity	203.29	199.34
Provision for leave encashment	520.34	244.72
Provisions for Undrawn commitments	21.50	13.83
	745.13	457.89

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2024

17.1 Loan commitme

17.1.1 An analysis of changes in the gross carrying amount is as follows

and in its and	L	For the year ended March 31, 2024	I March 31, 2024		Œ.	For the year ended March 31, 2023	March 31, 2023	
raiticulais	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure	9,819.27	18.00	5.00	9,842.27	8,849.80	8.00	,	8,857.80
New exposure	13,175.58	89.37	3.00	13,267.95	9,815.29	18.00	5.00	9,838.29
Exposure derecognised or matured/lapsed (excluding write off)	(9,818.26)	(18.00)	(5.00)	(9,841.26)	(8,845.82)	(8.00)		(8,853.82)
Transfers to Stage 1		1		T				
Transfers to Stage 2	1	1	1	r	1	1	ı	1
Transfers to Stage 3		1		r	1		1	
Gross carrying amount closing balance	13.176.59	89.37	3.00	13,268.96	9.819.27	18.00	2.00	9,842.27

17.1.2 Reconciliation of ECL balance is given below:

	L	For the year ended March 31, 2024	l March 31, 2024		ш	For the year ended March 31, 2023	March 31, 2023	
rarticulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Opening balance of outstanding exposure	10.91	0.59	2.33	13.83	3.65	0.24	(00:00)	3.89
New exposure	20.87	0.13	1.52	22.52	10.92	0.59	2.33	13.84
Exposure derecognised or matured/lapsed (excluding write off)	(10.91)	(0.59)	(3.35)	(14.85)	(3.66)	(0.24)		(3.90)
Transfers to Stage 1	ı	1	1	1		1		'
Transfers to Stage 2			,	1				
Transfers to Stage 3		٠	ı	•				
Gross carrying amount closing balance	20.87	0.13	0.50	21.50	10.91	0.59	2.33	13.83

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

18 Other non-financial liabilities

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	464.01	430.85
Deferred Income	0.26	26.66
	464.27	457.51

19 Equity Share capital

Rs. in lakhs

		As at March	า 31, 2024	As at March	n 31, 2023
Pai	rticulars	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	49,89,24,001	9,978.48	49,80,30,251	9,960.61
		49,89,24,001	9,978.48	49,80,30,251	9,960.61

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	ESOP	Closing Balance
Equity shares					
Year ended March 31, 2024					
- Number of shares	49,80,30,251	-	-	8,93,750	49,89,24,001
- Amount (Rs. in lakhs)	9,960.61	-	-	17.87	9,978.48
Year ended March 31, 2023					
- Number of shares	49,69,18,095	-	-	11,12,156	49,80,30,251
- Amount (Rs. in lakhs)	9,938.36	-	-	22.25	9,960.61

for the year ended March 31, 2024

(b) During the current year, the Company has allotted 8,93,750 equity shares to eligible employees under Employee Stock Option Scheme 2021 at an exercise price of INR 140 per equity share.

(c) 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.

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

	As at Ma	arch 31, 2024	As at Ma	arch 31, 2023
Class of shares / Name of shareholder	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares				
M Anandan	9,61,59,165	19.27%	9,61,64,165	19.31%
Westbridge Cross Over Fund LLC	17,19,50,252	34.46%	17,17,29,755	34.48%
SMALLCAP WORLD FUND, INC	2,64,79,833	5.31%		

Note: There are no shares held by Holding / Ultimate holding company and / or their subsidiaries / associates.

(e) Details of shareholding of Promoters

	As at	March 31,	2024	As at	As at March 31, 2023		
Name of the promoter	No of shares	% of total shares	% change during the current year	No of shares	% of total shares	% change during the current year	
M Anandan	9,61,59,165	19.27%	0.04%	9,61,64,165	19.31%	0.05%	
Padma Anandan	1,59,95,000	3.21%	1.31%	2,25,00,000	4.52%	0.00%	
Westbridge Cross Over Fund LLC	17,19,50,252	34.46%	0.02%	17,17,29,755	34.48%	0.08%	
Total	28,41,04,417	56.94%	1.37%	29,03,93,920	58.31%	0.13%	

(f) Shares reserved for issue under options:

Refer Note 41 for details of shares reserved for issue under options.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

20 Other Equity

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium	1,75,218.56	1,73,716.03
Employee Stock Options Reserve	896.13	813.03
Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987	7,767.78	5,659.18
Special Reserve under 36(1)(viii) of Income-tax Act, 1961	31,617.73	24,112.68
Impairment Reserve	610.36	610.36
Retained earnings	1,14,745.05	96,236.90
Remeasurement gain / (loss) on defined benefit plan	(38.74)	(45.16)
	3,30,816.87	3,01,103.02

20.1 Movement in Other Equity

Rs. in lakhs

			Rs. in lakhs
Partic	ulars	As at March 31, 2024	As at March 31, 2023
(a) Se	curities premium (Refer Note 20.2.1)		
Ва	lance at the beginning of the year	1,73,716.03	1,72,126.46
Ad	d : Premium on ESOP exercised during the year	1,233.38	1,506.34
	ss : Transfer from Employee Stock Options Reserve on ESOP exercised ring the year	269.15	83.23
Ва	lance at the end of the year	1,75,218.56	1,73,716.03
(b) En	nployee Stock Options Reserve (Refer Note 20.2.2 & Note 41)		
Ва	lance at the beginning of the year	813.03	437.70
Ad	d: Share based payments to employees during the year	352.25	458.56
Le:	ss: Transfer to Securities Premium on options exercised during the year	(269.15)	(83.23)
Ва	lance at the end of the year	896.13	813.03
	atutory Reserve under Section 29C of National Housing Bank HB) Act, 1987 (Refer Note 20.2.3)		
Ва	lance at the beginning of the year		
a)	Statutory Reserve u/s 29C of NHB Act, 1987	5,659.18	2,985.22
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	24,112.68	18,297.28
Ad	ldition/Appropriation/withdrawal during the year		
Ad	d: a) Amount transferred u/s 29C of NHB Act, 1987	2,108.60	2,673.96
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	7,505.05	5,815.40
	ss: a) Amount appropriated from the Statutory Reserve u/s 29C of the HB 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	-	-

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for the year ended March 31, 2024

Rs. in lakhs

			113. 111 1011113
Pa	rticulars	As at March 31, 2024	As at March 31, 2023
	Balance at the end of the year		
	a) Statutory Reserve u/s 29C of NHB Act, 1987	7,767.78	5,659.18
	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	31,617.73	24,112.68
		39,385.51	29,771.86
(d)	Impairment Reserve (Refer Note 20.2.4 & Note 42)		
	Balance at the beginning of the year	610.36	610.36
	Add: Transfer from retained earnings during the year	-	-
	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	96,236.90	72,227.46
	Add: Profit for the year	48,061.84	42,458.66
	Less : Dividend paid	(19,940.04)	(9,959.86)
	Less: Transfer to Special reserve u/s 36(1)(viii) of Income-tax Act, 1961 (Refer Note 20.2.3)	(7,505.05)	(5,815.40)
	Less: Transfer to Special reserve u/s 29C of the NHB Act, 1987 (Refer Note 20.2.3)	(2,108.60)	(2,673.96)
	Less: Transfer to Impairment reserve (Refer Note 20.2.4)	-	-
	Balance at the end of the year	1,14,745.05	96,236.90
(f)	Remeasurement gain / (loss) on defined benefit plan		
	Balance at the beginning of the year	(45.16)	(33.28)
	Other Comprehensive Income for the year	6.42	(11.88)
	Balance at the end of the year	(38.74)	(45.16)
To	al	3,30,816.87	3,01,103.02

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, 2024, Securities premium was utilised to the extent of Rs. Nil (March 31, 2023 - Nil)

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 41.

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, 2024, the company has transferred Rs. 7,505.05 lakhs (March 31, 2023 - Rs. 5,815.40 lakhs) in terms of section 36(1)(viii) to the Special Reserve.

The Company has transferred an amount of Rs. 2,108.60 lakhs during the year ended March 31, 2024 (March 31, 2023 - Rs. 2,673.96 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. 39,385.51 lakhs (March 31, 2023 - Rs. 29,771.86

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

lakhs) out of which Rs. 7,767.78 lakhs (March 31, 2023 - Rs. 5,659.18 lakhs) is distinctly identifiable above and the balance of Rs. 31,617.73 lakhs (March 31, 2023 - Rs. 24,112.68 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). The overall impairment provision made under Ind AS is higher than the prudential floor (including the provision requirement specified in the notification referred to in Note 6) prescribed by 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.

The Board of Directors had declared two interim dividend of Rs. 2 each per share respectively for equity share of face value of Rs. 2 at their meetings held on May 03, 2023, Feb 01, 2024 and paid subsequently on May 19, 2023 and Feb 16, 2024 respectively.

21 Revenue from operations

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Interest Income		
On financials assets measured at amortised cost		
Interest on term loans	1,03,000.31	87,175.44
Interest on fixed deposits with Banks	1,914.32	2,625.67
Interest Income on G Sec	369.00	114.80
	1,05,283.63	89,915.91
(B) Net gain on fair value changes		
Investment in mutual funds measured at FVTPL - trading portfolio		
Realised	378.49	816.02
Unrealised	-	-
	378.49	816.02
(C) Fees and commission Income	3,121.04	2,142.98
	1,08,783.16	92,874.91

22 Other income

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Charges for Marketing / Display	2,722.95	2,909.70
Other Non Operating Income	758.40	602.41
	3,481.35	3,512.11

for the year ended March 31, 2024

23 Finance costs

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest expense on Financial liabilities measured at amortised cost		
- Debt Securities	3,091.21	3,826.34
- Borrowings (Other than Debt Securities)	29,077.90	20,315.28
- Others	136.23	86.68
	32,305.34	24,228.30

24 Employee benefits expense

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Bonus and Commission	13,039.00	10,471.06
Share based payments to employees (Refer Note 41)	352.25	458.56
Contributions to provident and other funds (Refer Note 31.1)	843.47	723.04
Gratuity expense (Refer Note 31.2)	61.80	43.54
Staff welfare expenses	400.45	266.98
	14,696.97	11,963.18
Less: Expenses recovered from subsidiary (Refer Note 30)	(2,573.90)	(1,140.95)
	12,123.07	10,822.23

25 Impairment on Financial Instruments

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expected Credit Loss Expense		
- On terms loans measured at amortised cost	1,775.16	3,104.66
- On undrawn commitment at amortised cost	7.67	9.94
Bad Debts Write off	443.28	136.13
	2,226.11	3,250.73

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

26 Other expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Repairs and maintenance		
- Computers	12.89	22.91
- Others	0.58	0.53
Insurance	7.95	6.21
Information Technology expenses	243.12	229.55
Rates and taxes	275.62	298.70
Communication costs	69.77	92.38
Travelling and conveyance	502.31	477.28
Office expenses	163.53	137.52
Printing and stationery	70.90	79.83
Commission to Directors	70.00	70.00
Sitting fees to non-whole time directors	18.30	20.25
Charges paid to rating agencies	81.90	89.80
Electricity Charges	47.87	42.45
Bank charges	76.42	73.96
Advertisement and publicity	36.90	42.55
Legal and professional charges	360.12	276.46
Secretarial and Compliance Expenses	48.83	33.75
Auditor's fees and expenses (Refer Note 26.2)	86.95	66.25
Corporate Social Responsibility Expenditure (Refer Note 38)	814.84	588.46
Miscellaneous expenses	17.72	12.00
	3,006.52	2,661.01

^{26.1} The above expenses are net of expenses recovered from Subsidiary amounting to Rs. 643.48 lakhs (March 31, 2023 - Rs. 285.24 lakhs).

26.2 Details of Auditor's fees and expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit fee (including regulatory certificates)	34.00	31.00
Other Audit fee	-	-
Tax audit fee	-	-
Limited Review	24.00	19.50
Others	27.50	15.00
Reimbursement of expenses	1.45	0.75
	86.95	66.25

for the year ended March 31, 2024

27 Tax expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax expense	14,096.96	11,881.98
Deferred tax charge / (credit)	(486.32)	362.81
	13,610.64	12,244.79

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

		113, 111 141113
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Profit before tax	61,672.48	54,703.45
(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	15,521.73	13,767.76
(D) Other than temporary differences		
- Effect of change in tax rate	-	-
- Effect of income that is exempt from taxation	-	-
- Effect of inadmissible expenses (CSR, Bad debts etc.)	316.64	72.09
- Effect of admissible deductions (S.80JJAA deductions)	(2,067.64)	(1,605.59)
- Effect of reversal of opening balance of deferred tax liability on Special Reserve created u/s 36(1)(viii) of Income-tax Act, 1961	-	-
- Others	(160.09)	10.53
(E) Income tax expense recognised in Profit and Loss	13,610.64	12,244.79

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, 2024 and March 31, 2023 basis the rate provided in the said section.

Contingent liabilities as per Ind AS 37 and commitments

- 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.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Contingent Liabilities

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
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)	-	-

Note:

The Company does not have any pending litigations which would impact its financial position.

Commitments

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Loans sanctioned to Borrowers pending disbursement	16,857.77	11,053.58
	16,857.77	11,053.58

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, 2024 and March 31, 2023. This has been relied upon by the Auditors.

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The principal amount remaining unpaid to supplier as at the end of the year	-	-
(ii) The interest due thereon remaining unpaid to supplier as at the end of the year	-	-
(iii) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(iv) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(v) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

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for the year ended March 31, 2024

29B Trade Payable Ageing details

Rs. in lakhs

Outstanding for following periods from due date of payment			Total		
31-Mar-24	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed - MSME	-	-	-	-	-
(ii) Undisputed - Others	188.45	-	-	-	188.45
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	188.45	-	-	-	188.45

Rs. in lakhs

31-Mar-23	Outstanding for following periods from due date of payment			Total	
31-War-23	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	IOLAI
(i) Undisputed - MSME	-	-	-	-	-
(ii) Undisputed - Others	827.4	-	-	-	827.4
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	827.4	-	-	-	827.4

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. 664.95 lakhs (March 31, 2023 - Rs. 558.09 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.

<u>Longevity risk:</u> 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.

<u>Salary escalation risk:</u> 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:

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Rs in lakhs

		RS. ITI IAKTIS
Particulars	As at March 31, 2024	As at March 31, 2023
Change in defined benefit obligations during the year		
Present value of obligation as at beginning of the year	199.34	183.15
Current service cost	49.09	33.80
Interest cost	12.48	8.35
Benefits paid	(49.04)	(41.84)
Actuarial (gains) / losses	(8.58)	15.88
Present value of obligation at end of the year	203.29	199.34
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	203.29	199.34
Fair value of Plan Assets	-	-
Net Liability recognized in the Balance Sheet	203.29	199.34

Rs. in lakhs

		NS. 111 IdKI IS
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expenses Recognised in the Statement of Profit and Loss:		
Current service cost	49.09	33.80
Net Interest on Net Defined Benefit Obligations	12.48	8.35
Past service cost	-	-
Expenses recognized in the statement of profit and loss	61.57	42.15
Amount Recognized for the current year in the Statement of Other Comprehensive Income [OCI]		
Actuarial (gain)/loss on Plan Obligations	(8.58)	15.88
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	-	-
Effect of Balance Sheet asset limit	-	-
Amount recognized in OCI for the current year	(8.58)	15.88

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, 2024	As at March 31, 2023
Discount Rate	6.95%	7.14%
Future Salary Increase	5.00%	5.00%
Attrition rate	13% to 37%	13% to 24%
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

for the year ended March 31, 2024

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, 2024

Defined Benefit Obligation	Discount rate	Salary increase rate
Impact of decrease	3.49	(3.52)
Impact of increase	(3.36)	3.63

As at March 31, 2023

Defined Benefit Obligation	Discount rate	Salary increase rate
Impact of decrease	4.19	(4.42)
Impact of increase	(4.01)	4.58

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, 2024	As at March 31, 2023
Average Duration of Defined Benefit Obligations (in years)	4.00	4.80
Projected undiscounted expected benefit outgo (mid year cash flows) (in Rs. lakhs)	-	-
Year 1	58.08	46.43
Year 2	32.67	28.14
Year 3	30.23	25.92
Year 4	35.87	25.96
Year 5	27.81	29.15
Year 6 to 10	51.02	77.32
Expected Benefit Payments for the next annual reporting year (Rs. in lakhs)	58.08	46.43

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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, 2024	As at March 31, 2023
Discount Rate	6.95%	7.14%
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 Executive Chairman 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, 2023: Rs. Nil)

Related party transactions

34.1 Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. M Anandan, Executive Chairman (from May 04, 2023)
	Mr. P Balaji, Managing Director (from May 04, 2023)
	Mr. John Vijayan Rayappa, Chief Financial Officer (from May 04, 2023)
	Mr. Sanin Panicker, Company Secretary
	Mr. K M Mohandass, Independent Director
	Mr. S Krishnamurthy, Independent Director
	Mr. Krishnamurthy Vijayan, Independent Director
	Ms. Mona Kachhwaha, Independent Director
	Mr. V G Kannan, Independent Director
	Mr. Shailesh J Mehta, Non-executive Director
	Mr. Suman Bollina, Non-executive Director (till May 04, 2023)
	Mr. Sumir Chadha, Nominee Director
	Mr. K P Balaraj, Nominee Director
Individuals having Significant Influence	Mr. M Anandan, Executive Chairman
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.

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for the year ended March 31, 2024

34.2 Details of related party transactions for the year

Rs. in lakhs

			RS. ITI IdKIIS
Transactions during the year	Names of related parties	For the year ended March 31, 2024	For the year ended March 31, 2023
Remuneration *	Mr. M Anandan		
	- Salary	1,366.64	1,252.84
Director commission and sitting fee	Mr. K M Mohandass		
	- Commission	10.00	10.00
	- Sitting fee	4.50	4.30
Director commission and sitting fee	Mr. S Krishnamurthy		
	- Commission	10.00	10.00
	- Sitting fee	3.90	3.70
Director commission and sitting fee	Mr. Krishnamurthy Vijayan		
	- Commission	10.00	10.00
	- Sitting fee	2.30	3.90
Director commission and sitting fee	Ms. Mona Kachhwaha		
	- Commission	10.00	10.00
	- Sitting fee	3.40	3.05
Director commission and sitting fee	Mr. V G Kannan		
	- Commission	10.00	10.00
	- Sitting fee	2.20	1.90
Director commission and sitting fee	Mr. Shailesh J Mehta		
	- Commission	10.00	10.00
	- Sitting fee	1.60	1.80
Director commission and sitting fee	Mr. Suman Bollina		
	- Commission	10.00	10.00
	- Sitting fee	0.40	1.60

Details of related party transactions for the year

Rs. in lakhs

betains of related party transact	ions for the year	13. 11 141		
Transactions during the year	Names of related parties	For the year ended March 31, 2024	For the year ended March 31, 2023	
Remuneration *	Mr. P Balaji			
	- Salary	240.50	145.46	
Remuneration *	Mr. John Vijayan Rayappa			
	- Salary	46.50	-	
Remuneration *	Mr. Sanin Panicker			
	- Salary	17.40	14.60	
Rent paid	Mr. M Anandan	-	8.42	
Support cost recovered	Aptus Finance India Private Limited	3,217.38	1,426.19	
Investment during the year #	Aptus Finance India Private Limited	209.66	99.99	
Loans given during the year	Aptus Finance India Private Limited	27,000.00	33,500.00	
Loans repaid during the year	Aptus Finance India Private Limited	27,000.00	6,000.00	
Corporate guarantee given for Borrowings taken by the Subsidiary	Aptus Finance India Private Limited	54,000.00	9,000.00	
Interest Income on Loan to Subsidiary	Aptus Finance India Private Limited	2,928.98	256.39	
Commission on Financial Guarantee	Aptus Finance India Private Limited	82.49	56.23	

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Rs. in lakhs

Balances as at year end	Names of related parties	As at March 31, 2024	As at March 31, 2023
Investment#	Aptus Finance India Private Limited	15,595.71	15,386.05
Loans outstanding	Aptus Finance India Private Limited	28,000.00	28,000.00
Corporate guarantee given for Borrowings taken by the Subsidiary and outstanding	Aptus Finance India Private Limited	63,130.60	24,319.61

Note:

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

		NS. III IANI IS
Particulars	As at March 31, 2024	As at March 31, 2023
Tier I Capital	3,25,837.97	2,95,671.01
Tier II Capital	2,646.67	3,022.81
Total Capital	3,28,484.64	2,98,693.82
Risk Weighted assets	4,49,820.70	3,85,978.56
Capital Adequacy Ratio	73.03%	77.38%
Tier I Capital %	72.44%	76.60%
Tier II Capital %	0.59%	0.78%

^{*} 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.

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Below is the further breakup of the Tier I and Tier II Capital as at March 31, 2024 and March 31, 2023

s. in lakhs

		Rs. in lakhs
Particulars	As at March 31, 2024	As at March 31, 2023
Tier I Capital :		
Paid up Equity share capital	9,978.48	9,960.61
Special Reserve (Section 36(1)(viii) Income Tax Act, 1961)	31,617.87	24,112.68
Statutory Reserve u/s.29C of the NHB Act, 1987	7,767.64	5,659.18
Share premium	1,75,218.56	1,73,716.03
Credit balance in Profit and Loss Account	1,14,706.31	96,191.74
ESOP Reserve	896.13	813.03
Deferred Revenue Expenditure	(103.42)	(73.61)
Deferred Tax Assets	(2,172.11)	(1,687.95)
Other Intangible Assets	(1,686.70)	(84.06)
50% of First loss guarantee given on securitised assets	(373.96)	(373.96)
Subsidiary loan outstanding in excess of 10% of Owned fund	(10,010.83)	(12,562.68)
Net Tier I Capital	3,25,837.97	2,95,671.01
Tier II Capital :		
General provisions and loss reserves (including provisions for standard assets)	3,020.63	3,396.77
50% of First loss guarantee given on securitised assets	(373.96)	(373.96)
Net Tier II Capital	2,646.67	3,022.81
Total Capital	3,28,484.64	2,98,693.82

35.2 Categories of Financial Instruments

Rs. in lakhs

						Rs. in lakhs	
	As a	t March 31	l, 2024	As a	As at March 31, 2023		
Particulars -		Measured	at		at		
Faiticulars	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost	
Financial assets							
Cash and Cash equivalents	-	-	25,857.77	-	-	42,291.71	
Bank Balance other than cash and cash equivalents	-	-	777.15	-	-	729.03	
Loans	-	-	6,89,468.87	-	-	5,92,827.48	
Investments	-	-	20,743.13	-	-	20,533.47	
Other Financial assets	-	-	1,203.19	-	-	2,444.80	
Total Financial Assets	-	-	7,38,050.11	-	-	6,58,826.49	
Financial liabilities							
Debt securities	-	-	28,945.74	-	-	38,272.67	
Borrowings (other than debt securities)	-	-	3,68,858.75	-	-	3,08,835.58	
Trade payables	-	-	188.45	-	-	827.40	
Lease liabilities	-	-	1,461.70	-	-	975.95	
Other financial liabilities	-	-	2,111.40	-	-	1,986.64	
Total Financial Liabilities	-	-	4,01,566.04	-	-	3,50,898.24	

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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, 2024				
Financial assets				
Investments	-	-	-	-
Assets measured at fair value				
Assets held for sale	-	545.07	-	545.07
				Rs. in lakhs
Particulars	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial assets				
Investments	-	-	-	-
Assets measured at fair value				
Assets held for sale	-	231.75	-	231.75

(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.

for the year ended March 31, 2024

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

		As at	t March 31	1, 2024			As at	: March 31	, 2023	
Particulars	Carrying		Fair Val	ue hierarchy		Carrying		Fair Val	ue hierarchy	
	Value	Level 1	Level 2	Level 3	Total	Value	Level 1	Level 2	Level 3	Total
Financial assets										
Cash and cash	25,857.77	25,857.77	-	-	25,857.77	42,291.71	42,291.71	-	-	42,291.71
equivalents										
Bank Balance other	777.15	777.15	-	-	777.15	729.03	729.03	-	-	729.03
than cash and cash										
equivalents										
Loans	6,89,468.87	-	-	6,89,419.38	6,89,419.38	5,92,827.48	-	-	5,95,218.07	5,95,218.07
Investments	20,743.13	5,147.42	-	15,595.71	20,743.13	20,533.47	5,147.42	-	15,386.05	20,533.47
Other Financial	1,203.19	-	-	1,203.19	1,203.19	2,444.80	-	-	2,444.80	2,444.80
assets										
Total Financial	7,38,050.11	31,782.34	-	7,06,218.28	7,38,000.62	6,58,826.49	48,168.16	-	6,13,048.92	6,61,217.08
Assets										
Financial liabilities										
Trade Payables	188.45	-	-	188.45	188.45	827.40	-	-	827.40	827.40
Debt Securities	28,945.74	-	-	29,103.23	29,103.23	38,272.67	-	-	38,149.52	38,149.52
Borrowings (Other	3,68,858.75	-	-	3,68,225.67	3,68,225.67	3,08,835.58	-	-	3,09,015.88	3,09,015.88
than Debt Securities)										
Lease Liabilities	1,461.70	-	-	1,461.70	1,461.70	975.95	-	-	975.95	975.95
Other financial	2,111.40	-	-	2,111.40	2,111.40	1,986.64	-	-	1,986.64	1,986.64
liabilities										
Total Financial	4,01,566.04	-	-	4,01,090.45	4,01,090.45	3,50,898.24	-	-	3,50,955.39	3,50,955.39
Liabilities										

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.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Rs. in lakhs

Sensitivity analysis as at March 31, 2024	Carrina	_	Sensitivity to	fair value
	Carrying value	Fair value	0.50% increase	0.50% decrease
Loans	6,89,468.87	6,89,419.38	6,92,063.12	6,86,704.77
Debt Securities	28,945.74	29,103.23	29,187.39	29,019.06
Borrowings (Other than Debt Securities)	3,68,858.75	3,68,225.67	3,69,870.25	3,66,585.41

	Cauring		Sensitivity to	fair value	
Sensitivity analysis as at March 31, 2023	Carrying value	Fair value	0.50% increase	0.50% decrease	
Loans	5,92,827.48	5,91,763.18	5,94,367.01	5,89,114.45	
Debt Securities	38,272.67	38,149.52	38,149.52	38,149.52	
Borrowings (Other than Debt Securities)	3,08,835.58	3,09,015.88	3,10,762.03	3,07,294.58	

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.

 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: Above 90 days past due

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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. December 2023 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,

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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, 2024	As at March 31, 2023
Loans (at amortised cost) - Gross amount		
Concentration by products		
Housing Loans	4,58,177.86	3,70,715.83
Loans against property	2,38,333.26	2,28,109.66
Total Advances	6,96,511.12	5,98,825.49

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, 2024	2,996.63	2,182.15	1,863.47	7,042.25
Loss allowance as at March 31, 2023	3,374.51	1,058.15	1,565.35	5,998.01
Movement for the year ended March 31, 2024	(377.88)	1,124.00	298.12	1,044.24

The table below provides an analysis of the gross carrying amount of Loans by past due status.

Rs. in lakhs

	As at Marc	h 31, 2024	As at March 31, 2023		
Particulars	Gross carrying	Loss allowance	Gross carrying	Loss allowance	
Loans					
0 to 30 DPD	6,54,351.22	2,996.63	5,66,466.60	3,374.51	
31 up to 90 days	34,946.21	2,182.15	26,302.70	1,058.15	
Above 90 days	7,213.69	1,863.47	6,056.19	1,565.35	
Total	6,96,511.12	7,042.25	5,98,825.49	5,998.01	

Note:

The count of borrowers for above 90 days is 1,119 as at March 31, 2024 (March 31, 2023 count of borrowers is 924)

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 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 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.

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Immovable Property is the collateral for Housing 35.7 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. 63,130.60 lakhs (March 31, 2023 - Rs. 24,319.61 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.

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 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.

Notes forming part of the Standalone Financial Statements for the year

interest receipts / payments.	/ payments.									0	
											Rs. in lakhs
As at March 31, 2024	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	25,857.77		1	1	1		1		1	1	25,857.77
Bank Balance other than	777.15								1		777.15
cash and cash equivalents	, , , , , , , , , , , , , , , , , , ,	, , ,			1	C	C C C C C C C C C C C C C C C C C C C	11	11	0	7
Loans	12,163.45	12,539.08	12,531.20	37,535.50	74,779.82	2,95,404.36	2,85,513.18	77.117,56,7	7,77,798.00	39,935.86	12,51,477.67
Investments		1	1	1	1	1 10	5,147.42	1	1	15,595.71	20,743.13
Other Financial assets	845.34			6	1 20	357	- 000	1 0	1 000		1,203.15
Total (A)	39,643.71	12,539.08	12,531.20	37,535.50	74,779.82	2,95,762.21	2,90,660.60	2,53,277.22	2,27,798.00	55,531.57	13,00,058.91
Financial liabilities											
Trade payables	188.45	1	1		1	1	1	1	1	1	188.45
Debt securities	136.61	98:599	636.61	80.806	2,304.87	26,264.67	2,664.45	1		1	33,581.15
Borrowings (other than debt	7,765.29	4,172.49	9,184.66	28,253.47	55,148.60	1,88,276.01	1,04,851.97	37,321.72	25,972.48	217.28	4,61,163.97
Securities)	71 72	71 70	9° 0's	140.31	239 14	791 38	357 95	195 73	17117	л 101	1 822 82
Other financial liabilities	2 111 40	2)				3	2 111 40
	40.052.02	A 800 OE	0 971 62	20 201 96	E7 602 61	2 15 122 06	7 67 874 27	27 E17 AE	26 112 GE	222 10	7 00 067 70
lotal (b)	10,233.92	4,090.03	2,071.05	09.100,62	10.260,10	2, 13, 132.00	/5.1/6//0/1	C4./1C,/C	50,113.05	223.19	4,90,007.7
Net Financial Assets / Liabilities (A-B)	29,389.79	7,649.03	2,659.57	8,233.64	17,087.21	80,630.15	1,82,789.22	2,15,759.78	2,01,684.34	55,308.38	8,01,191.12
As on March 31, 2023	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 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	32,190.71	8,050.00	2,051.00	1	ı	1	1	1	1	1	42,291.71
Bank Balance other than cash and cash equivalents	2.27	1	1	1	I	539.00	1	1	1	ı	541.27
Loans	14,141.97	14,336.67	14,320.04	46,347.33	92,225.07	2,54,842.28	2,26,907.67	2,04,293.71	1,91,754.38	39,419.50	10,98,588.63
Investments		1	ı		1		5,147.42	ı		15,386.05	20,533.47
Other Financial assets	2,175.85	1	ı	1	ı	268.95	1	ı	1	1	2,444.80
Total (A)	48,510.80	22,386.67	16,371.04	46,347.33	92,225.07	2,55,650.23	2,32,055.09	2,04,293.71	1,91,754.38	54,805.55	11,64,399.88
Financial liabilities											
Trade payables	827.40	1	ı	1	ı	1	1	ı	1	1	827.40
Debt securities	143.84	11,120.78	128.77	171.23	530.35	29,704.19	ı	ı	1	1	41,799.14
Borrowings (other than debt securities)	5,877.89	3,660.13	8,013.35	21,924.88	42,439.40	1,46,924.48	98,260.09	38,486.57	19,179.94	799.02	3,85,565.75
l pase liabilities	47 48	47.31	47.14	129.07	22407	475.65	159 25	38 38		1	1,168.35
Other financial liabilities	1,986.64	1	1			1	1	1	1	1	1,986.64
Total (B)	8,883.25	14,828.22	8,189.26	22,225.18	43,193.82	1,77,104.32	98,419.34	38,524.95	19,179.94	799.02	4,31,347.29
Net Financial Assets /	39,627.55	7,558.45	8,181.78	24,122.15	49,031.25	78,545.92	1,33,635.75	1,65,768.76	1,72,574.44	54,006.53	7,33,052.59

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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.

35.9 Divergence in Asset Classification and Provisioning

There is no Divergence in Asset Classisification and Provisioning during current and previous financial year.

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.

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.

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit After Tax (A)	48,061.84	42,458.66
Weighted Average Number of Equity Shares (Face Value Rs. 2 Each) - Basic (B)	49,86,19,732	49,75,66,892
Add: Effect of dilutive potential equity shares		
- Employee stock options	23,33,171	14,06,780
Weighted Average Number of Equity Shares (Face Value Rs. 2 Each) - Diluted (C)	50,09,52,903	49,89,73,672
Earnings Per Share - Basic (Rs.) (A / B)	9.64	8.53
Earnings Per Share - Diluted (Rs.) (A / C)	9.59	8.51

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI/2020-21/73 OR.FIN.HFC.CC.No.120/03.10.136/2020-21) dated February 17, 2021 read with Circular no. RBI/2022-23/26 DOR.ACC.REC. No.20/21.04.018/2022-23 dated April 19, 2022 as amended from time to time

Rs. in lakhs

Particulars	Amount outstanding	Maximum amount outstanding during the year
As at March 31, 2024		
Loans and Advances in the nature of Loans to Subsidiary		
Aptus Finance India Private Limited		
- Principal outstanding	28,000.00	38,950.00
- Interest accrued but not due	-	770.28
As at March 31, 2023		
Loans and Advances in the nature of Loans to Subsidiary		
Aptus Finance India Private Limited		
- Principal outstanding	28,000.00	28,000.00
- Interest accrued but not due	-	240.41

38 Corporate Social Responsibility expenditure:

Rs. In Lakhs

Pa	rticulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a)	Amount required to be spent by the company during the year	814.84	588.46
b)	Amount of expenditure incurred	341.37	147.10
C)	Shortfall at the end of the year*	473.47	441.36
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 Company has provided for the shortfall in CSR expenditure as at March 31, 2024 and March 31,2023.

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^{**} 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.

for the year ended March 31, 2024

(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 2023-24 to a separate special bank account.

Rs.		

Project Name	Unspent Amount transferred to Bank
Procuring van for Varshini Illam Trust for early detection of development deficiency in small children.	48.12
Providing operation theatre equipment to Sankara Multi Speciality Hospital, Kanchipuram	53.00
Transport assistance for underprivileged Children in collaboration with Golden Butterflies Children's Palliative Care Foundation.	2.39
Transportation support for blind students at Nethra Vidyalaya in association with Sanitation First, an NGO.	52.00
Anganwadi renovation project in collaboration with the NGO - Sanitation First.	45.00
Toilet facility at Swami Dayananda Rotary Matriculation Higher Secondary School, Kadalur Village.	21.00
Providing Furniture for classrooms for Mahila Vidyalaya Nursery & Primary School, Andhra Mahila Sabha	5.00
Total	226.51

- (ii) The unspent amount apart from ongoing projects mentioned above amounting to INR 246.96 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, 2024. The Company has transferred amount of INR 205.53 lakhs pertaining to shortfall at the end of FY 2022-23 within six months from the end of March 31, 2023 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, 2024	As at March 31, 2023
Carrying amount of transferred assets measured at amortised cost	7,735.64	9,335.67
Carrying amount of associated liabilities measured at amortised cost	6,265.20	8,232.40
Fair value of assets	7,726.65	9,301.06
Fair value of associated liabilities	6,265.20	8,232.40
Net position at Fair Value	1,461.45	1,068.66

Notes forming part of the Standalone Financial Statements

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40 Maturity analysis of assets and liabilities

Rs. in lakhs

		at March 31, 2	2024	As a	at March 31, 2	2023
Particulars	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial Assets						
Cash and cash equivalents	25,857.77	-	25,857.77	42,291.71	-	42,291.71
Bank balances other than (a) above	-	777.15	777.15	-	729.03	729.03
Loans	67,756.64	6,21,712.23	6,89,468.87	59,956.30	5,32,871.18	5,92,827.48
Investments	-	20,743.13	20,743.13	-	20,533.47	20,533.47
Other financial assets	845.34	357.85	1,203.19	2,175.85	268.95	2,444.80
Non-financial Assets						
Current tax assets (Net)	-	461.29	461.29	-	434.73	434.73
Deferred tax assets (Net)	-	2,172.11	2,172.11	-	1,687.95	1,687.95
Property, plant and equipment	-	504.84	504.84	-	371.29	371.29
Intangible assets	-	130.54	130.54	-	84.07	84.07
Right-of-use assets	-	1,556.16	1,556.16	-	1,072.10	1,072.10
Other non-financial assets	150.67	-	150.67	168.89	-	168.89
Assets held for sale	-	545.07	545.07	-	231.75	231.75
TOTAL ASSETS	94,610.42	6,48,960.37	7,43,570.79	1,04,592.75	5,58,284.52	6,62,877.27
Liabilities						
Financial Liabilities						
Trade payables	188.45	-	188.45	827.40	-	827.40
Debt securities	2,444.85	26,500.89	28,945.74	10,330.28	27,942.39	38,272.67
Borrowings (other than debt securities)	78,584.34	2,90,274.41	3,68,858.75	60,411.16	2,48,424.42	3,08,835.58
Lease liabilities	533.68	928.02	1,461.70	467.35	508.60	975.95
Other financial liabilities	2,111.40	-	2,111.40	1,986.64	-	1,986.64
Non-Financial Liabilities						
Current tax liabilities (Net)	-	-	-	-	-	-
Provisions	-	745.13	745.13	-	457.89	457.89
Other non-financial liabilities	464.27	-	464.27	457.51	-	457.51
TOTAL LIABILITIES	84,326.99	3,18,448.45	4,02,775.44	74,480.34	2,77,333.30	3,51,813.64

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 1,00,00,000 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.

for the year ended March 31, 2024

(b) Employee stock options details as on the balance sheet date:

Particulars		Aptus ESOS 2021	
Date of Grant	May 20, 2021	May 04, 2023	Jan 18, 2024
Date of Board approval	February 11, 2021	February 11, 2021	February 11, 2021
Date of shareholders approval	May 06, 2021	May 06, 2021	May 06, 2021
Number of options granted	55,22,500	30,75,000	3,52,500
Method of settlement	Equity	Equity	Equity
Vesting period	20.05.2022 to 20.05.2025	04.05.2024 to 04.05.2027	18.01.2025 to 18.01.2028
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	247.00	332.00
Price of Underlying share at the time of the Option Grant	140.00	258.55	363.00

(c) Movement in share options during the year are as follows:

Particulars	Aptus ESOS 2021
Options outstanding as at April 1, 2022	53,65,000
Add: Options granted during the year	-
Less: Options forfeited/lapsed during the year	(12,67,844)
Less: Options exercised during the year	(11,12,156)
Options outstanding as at March 31, 2023	29,85,000
Add: Options granted during the year	34,27,500
Less: Options forfeited/lapsed during the year	(11,63,282)
Less: Options exercised during the year	(8,93,750)
Options outstanding as at March 31, 2024	43,55,468

41.2 Fair value of share options granted

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	
Assumptions	20-May-21	04-May-23	18-Jan-24
Risk Free Interest Rate	4.06% to 5.58%	7.02% to 7.09%	7.14% to 7.18%
Expected Life (in years)	1.5 to 4.5	1.5 to 4.5	1.5 to 4.5
Expected Annual Volatility of Shares	13.28% to 14.71%	19.18% to 26.04%	13.51% to 25.76%
Expected Dividend Yield	0.00%	1.20%	0.88%
Price of Underlying share at the time of the Option Grant	140.00	258.55	363.00
Fair Value of the Option (Rs.)			
1st Stage	14.44	37.99	46.09
2nd Stage	20.47	52.20	68.08
3rd Stage	27.30	74.04	88.01
4th Stage	34.64	82.08	114.69

41.3 Expense arising from share based payment transaction recognized in profit or loss statement as employee benefit expense are as follows:

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Employee benefit expense	352.25	458.56	

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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, 2024 is Rs. Nil (As at March 31, 2023 Rs. Nil). The balance in the impairment reserve as at March 31, 2024 is Rs. 610.36 lakhs (As at March 31, 2023 Rs. 610.36 lakhs) (Refer Note 20.1 and Note 20.2.4).

As at March 31, 2024						Rs. in lakhs
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS 109	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	6,54,351.22	2,996.63	6,51,354.59	2,131.05	865.58
	Stage 2	34,946.21	2,182.15	32,764.06	244.65	1,937.50
	Stage 3	-	-	-	-	-
Subtotal		6,89,297.43	5,178.78	6,84,118.65	2,375.70	2,803.08
Non-Performing Assets (NPA)						
Substandard	Stage 3	4,429.78	1,157.15	3,272.63	675.02	482.13
Doubtful - up to 1 year	Stage 3	2,102.37	533.29	1,569.08	538.06	(4.77)
1 to 3 years	Stage 3	674.55	171.33	503.22	275.73	(104.40)
More than 3 years	Stage 3	6.99	1.70	5.29	7.24	(5.54)
Subtotal for doubtful		7,213.69	1,863.47	5,350.22	1,496.05	367.42
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		7,213.69	1,863.47	5,350.22	1,496.05	367.42
Other items such as guarantees,	Stage 1	13,176.59	20.87	13,155.72	-	20.87
loan commitments, etc. which are	Stage 2	89.37	0.13	89.24	-	0.13
in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	3.00	0.50	2.50	-	0.50
Subtotal		13,268.96	21.50	13,247.46	-	21.50
Total	Stage 1	6,67,527.81	3,017.50	6,64,510.31	2,131.05	886.45
	Stage 2	35,035.58	2,182.28	32,853.30	244.65	1,937.63
	Stage 3	7,216.69	1,863.97	5,352.72	1,496.05	367.92
	Total	7,09,780.08	7,063.75	7,02,716.33	3,871.75	3,192.00

for the year ended March 31, 2024

As at March 31, 2023 Asset Classification as per RBI Norms	Asset classifica- tion as per Ind AS 109	Gross Carrying Amount as per Ind AS 109	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Rs. in lakhs 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	5,66,466.60	3,374.51	5,63,092.09	1,945.42	1,429.09
	Stage 2	26,302.70	1,058.15	25,244.55	238.29	819.86
	Stage 3	-	-	-	-	-
Subtotal		5,92,769.30	4,432.66	5,88,336.64	2,183.71	2,248.95
Non-Performing Assets (NPA)						
Substandard	Stage 3	5,383.90	1,408.30	3,975.60	820.02	588.28
Doubtful - up to 1 year	Stage 3	672.29	157.05	515.24	173.42	(16.37)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		6,056.19	1,565.35	4,490.84	993.44	571.91
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		6,056.19	1,565.35	4,490.84	993.44	571.91
Other items such as guarantees, loan	Stage 1	9,819.27	10.91	9,808.36	-	10.91
commitments, etc. which are in the	Stage 2	18.00	0.59	17.41	-	0.59
scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 3	5.00	2.33	2.67	-	2.33
Subtotal		9,842.27	13.83	9,828.44	-	13.83
Total	Stage 1	5,76,285.87	3,385.42	5,72,900.45	1,945.42	1,440.00
	Stage 2	26,320.70	1,058.74	25,261.96	238.29	820.45

43 Change in liabilities arising from financing activities

Rs. in lakhs

574.24

2,834.69

993.44

3,177.15

				RS. In lakins
Particulars	01-Apr-23	Cash flows	Other *	31-Mar-24
Debt securities	38,272.67	(8,979.00)	(347.93)	28,945.74
Borrowings (other than debt securities)	3,08,835.58	60,677.19	(654.02)	3,68,858.75
Lease liabilities	975.95	(687.15)	1,172.90	1,461.70
Total liabilities from financing activities	3,48,084.20	51,011.04	170.95	3,99,266.19
	01-Apr-22	Cash flows	Other *	31-Mar-23
Debt securities	38,211.45	-	61.22	38,272.67
Borrowings (other than debt securities)	1,95,680.54	1,13,534.89	(379.85)	3,08,835.58
Lease liabilities	780.13	(555.08)	750.90	975.95
Total liabilities from financing activities	2,34,672.12	1,12,979.81	432.27	3,48,084.20

6,061.19

Total 6,08,667.76

Stage 3

1,567.68

4,493.51

6,011.85 6,02,655.92

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

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, 2024	As at March 31, 2023
Opening Balance	975.95	780.13
Add: Additions during the year	1,051.40	673.17
Add / Less: Accretion of Interest	121.50	77.73
Less: Payments during the year	(687.15)	(555.08)
Closing Balance	1,461.70	975.95
Current	533.68	467.35
Non Current	928.02	508.60

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 10%

The maturity analysis of lease liabilities are disclosed in Note 35.7.1.

The following are the amounts recognised in the Statement of profit and loss:

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense on right-of-use assets	579.46	484.67
Interest expense on lease liabilities	121.50	77.73
Expense relating to short-term leases (included in other expenses)	-	-
Total	700.96	562.40

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total cash outflow for leases	687.15	555.08

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

^{*} 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.

for the year ended March 31, 2024

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

		As at March	31, 2024	As at March	31, 2023
Pai	rticulars	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Lia	bilities side:				
1.	Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:				
(a)	Debentures				
	- Secured	28,945.74	-	38,272.67	-
	- Unsecured	+	-	-	-
	(other than falling within the meaning of public deposits)				-
(b)	Deferred credits	-	-	-	-
(c)	Term loans	3,62,593.55	-	3,00,603.18	-
(d)	Inter-corporate loans and borrowings	-	-	-	-
(e)	Commercial Paper	+	-	-	-
(f)	Public Deposits	-	-	-	-
(g)	Other Loans	-	-	-	-
	- Securitisation loans	6,265.20	-	8,232.40	-
	- Working capital loans	-	-	-	-
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

Pa	rticulars	As at March 31, 2024	As at March 31, 2023
As	sets side:		
3.	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured (refer note 6)	6,96,511.12	5,98,825.49
	(b) Unsecured	-	-
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	-	-

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Rs. in lakhs

	Rs. in lakhs			
Particulars	As at March 31, 2024	As at March 31, 2023		
(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	-	-		
iv. Government Securities	5,147.42	5,147.42		
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	15,595.71	15,386.05		
b) Preference	-	-		
ii. Debentures and Bonds	-	-		
iii. Units of Mutual Funds	-	-		
iv. Government Securities	-	-		
v. Others (please specify)				

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6. Borrower group-wise classification of assets financed as in (3) and (4) above:

Rs. in lakhs

Category		As at March 31, 2024 (Net of Provisions)			As at March 31, 2023 (Net of Provisions)		
		Secured	Unsecured	Total	Secured	Unsecured	Total
1.	Related parties						
	(a) Subsidiaries	27,888.00	-	27,888.00	27,888.00	-	27,888.00
	(b) Companies in the same group	F	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-
2.	Other than related parties	6,61,580.87	-	6,61,580.87	5,64,939.48	=	5,64,939.48
		6,89,468.87	-	6,89,468.87	5,92,827.48	-	5,92,827.48

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

Rs. in lakhs

Ca	tegory	Market Value / Break up or fair value or Net Asset Value as on March 31, 2024	Book Value as on March 31, 2024 (Net of provisions)	Market Value / Break up or fair value or Net Asset Value as on March 31, 2023	Book Value as on March 31, 2023 (Net of provisions)
1.	Related parties				
	(a) Subsidiaries	51,595.62	15,595.71	38,095.30	15,386.05
	(b) Companies in the same group	-	-	-	-
	(c) Other related parties	-	-	-	-
2.	Other than related parties	-	-	-	-
		51,595.62	15,595.71	38,095.30	15,386.05

8. Other Information

Rs. in lakhs

		As at Mar	ch 31, 2024	As at Marc	ch 31, 2023
Pa	rticulars	Related Parties	Other than Related Parties	Related Parties	Other than Related Parties
i.	Gross Non-Performing Assets (Stage 3 assets)		- 7,213.69		- 6,056.19
ii.	Net Non-Performing Assets (Stage 3 assets)		- 5,350.22		- 4,490.84
iii.	Assets Acquired in Satisfaction of Debt				

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

46.2 Capital to Risk Assets Ratio (CRAR)

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Tier I Capital	3,25,837.97	2,95,671.01
Tier II Capital	2,646.67	3,022.81
Total Capital	3,28,484.64	2,98,693.82
Total Risk Assets	4,49,820.70	3,85,978.56
Capital Ratios		
CRAR - Tier I Capital (%)	72.44%	76.60%
CRAR - Tier II Capital (%)	0.59%	0.78%
CRAR (%)	73.03%	77.38%
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

			Rs. in lakhs
Pa	rticulars	As at March 31, 2024	As at March 31, 2023
Va	lue of Investments		
i)	Gross Value of Investments		
	(a) In India	20,743.13	20,533.47
	(b) Outside India	-	-
ii)	Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
iii)	Net Value of Investments		
	(a) In India	20,743.13	20,533.47
	(b) Outside India	-	-
	ovement of provisions held towards depreciation on vestments		
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	-	-

for the year ended March 31, 2024

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

i) Securitised Assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Number of Special Purpose Vehicle (SPV) sponsored by the HFC for Securitisation transactions*	1	1
Total amount of securitised assets as per books of the SPVs sponsored	6,265.20	8,232.40
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	-	-
· Others – Overcollateral	747.91	747.91
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:

- iii) Details of Assignment transactions undertaken by HFC: Nil
- iv) Details of non-performing financial assets purchased / sold: Nil

part of the Standalone Financial Statements Notes forming

Particulars	1 day to 7 days	8 days to 14 days	1 day to 7 8 days to 15 days to days 14 days 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 3 years to 5 Over 5 years years	Total
Liabilities											
Borrowings from Bank (including from NHB)	ı	'	6,033.63	2,427.64	7,519.36	20,852.64	41,751.07	41,751.07 1,51,237.72	87,795.23	51,241.46	3,68,858.75
Market Borrowings	444.85	1	1	1	200.00	500.00	1,000.00	1,000.00 24,478.10	2,022.79	ı	28,945.74
Assets											
Advances	5,812.88	4,668.47	3,174.87	3,434.57	6,977.13	6,977.13 14,181.41	29,507.31	29,507.31 1,21,877.52 1,39,876.57	1,39,876.57	3,59,958.14	6,89,468.87
Investments	'	1	1	1			1	5,147.42	1	15,595.71	20,743.13

Maturity Pattern of certain items of Assets and Liabilities as at March 31, 2023:	of certain iten	ns of Assets	and Liabilitio	es as at Marc	:h 31, 2023:						Rs. in lakhs
Particulars	1 day to 7 days	1 day to 7 8 days to 15 days to days 14 days 30/31 days	8 days to 15 days to 14 days 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 3 years to 5 Over 5 years years	Total
Liabilities	-										
Borrowings from Bank (incl. from	1	1	4,391.94	2,164.97	6,583.38	15,893.28	31,377.59	6,583.38 15,893.28 31,377.59 1,15,295.52	82,963.31	50,165.59	50,165.59 3,08,835.58

the technica	rsed and it is in Pre-EMI stage, the Company has estimated the EMI commencement date based on the technica	sed and it is in Pre-EMI stage, the Company has estimated the EMI commencement dat	ated the EMI o	any has estim	age, the Comp	s in Pre-EMI st	\neg	mpletely disb	oan is not co	oans, where the lo	In case of Housing loans, where the loan is not completely disbu
20,533.47	20,533.47	1	1	1	1	1	1	1	1	1	Investments
5,92,827.48	26,562.75 1,05,736.90 1,16,533.69 3,10,600.59 5,92,827.48	1,16,533.69	1,05,736.90	26,562.75	12,777.25	7,586.20	4,053.20	3,893.80	5,083.10	1	Advances

for the year ended March 31, 2024

A. Exposure to Real Estate Sector

Rs. in lakhs

		1.51
Particulars	As at March 31, 2024	As at March 31, 2023
(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	6,68,511.12	5,70,825.49
(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	6,68,511.12	5,70,825.49

^{*} Includes exposures to Non-Housing loans secured by residential mortgages amounting to Rs. 2,10,333.25 lakhs (March 31, 2023 - Rs. 1,84,785.96 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 (SBL)/ Group Borrower Limit (GBL) exceeded by the HFC:

The Company has not lent to any Single Borrower Limit (SBL) exceeding 15% of its owned funds for the year ended March 31, 2024

The Company has not lent to any Group Borrower Limit (GBL) exceeding 25% of its owned funds for the year ended March 31, 2024

E. Unsecured Advances: Nil

F. Exposure to group companies engaged in real estate business: Nil

G. Group Structure

Aptus Value Housing Finance India Ltd (AVHFIL) is a Housing Finance Company registered with the National Housing Bank.

It has a 100% Wholly owned subsidiary, Aptus Finance India Private Limited.

For the ease of understanding, given below is a graphical representation of the ownership structure of the AVHFIL:

Holding Structure as on March 31, 2024



Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Other Regulator Registrations

Regulator	Registration No.
1. Ministry of Company Affairs (MCA)	CIN: L65922TN2009PLC073881
2. National Housing Bank (NHB)	Certificate Registration No. 05.0084.10 dated May 31, 2010
3. Legal Entity Identifier (LEI)	335800B5FZTE7UR3W714

46.10 Disclosure of Penalties imposed by NHB and other regulators

- (i) During FY 2023-24, there were no penalties imposed by NHB or RBI and any other regulator/ supervisor/ enforcement authority.
- (ii) 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.

Ratings assigned by Credit Rating Agencies

Donosita Instrumenta	Ratings assigned		
Deposits Instruments	As at March 31, 2024	As at March 31, 2023	
Non-Convertible Debentures	"ICRA AA- [Double A minus] CARE AA- [Double A minus]"	"ICRA AA- [Double A minus] CARE AA- [Double A minus]"	
Bank Term Loans	"ICRA AA- [Double A minus] CARE AA- [Double A minus]"	"ICRA AA- [Double A minus] CARE AA- [Double A minus]"	

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,
- (c) 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.

for the year ended March 31, 2024

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

Pa	rticulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1.	Provisions for depreciation on Investment	-	-
2.	Provision towards NPA	298.12	281.45
3.	Provision made towards current income taxes	14,096.96	11,881.98
4.	Provision for standard assets (with details like teaser loan, CRE, CRE-RH etc.)		
	- Housing loans (Non-CRE)	908.25	1,596.22
	- Non-housing loans (Non-CRE)	556.67	978.33
5.	Provision for undrawn commitments	7.67	9.94
6.	Provision for stock of acquired properties	12.12	248.66

Break up of Loan & Advances and Provisions thereon

Rs. in lakhs

	Hou	Housing		ousing
Particulars	As at	As at	As at	As at
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Standard Assets				
a) Total Outstanding Amount	4,53,989.08	3,67,151.72	2,35,308.35	2,25,617.58
b) Provisions made	3,209.25	2,722.45	1,969.53	1,710.21
Sub-Standard Assets				
a) Total Outstanding Amount	2,621.22	3,126.07	1,808.56	2,257.83
b) Provisions made	709.81	846.91	447.34	561.39
Doubtful Assets - Category-I				
a) Total Outstanding Amount	1,105.41	438.04	996.96	234.25
b) Provisions made	290.60	106.02	242.69	51.03
Doubtful Assets - Category-II				
a) Total Outstanding Amount	455.36	-	219.19	-
b) Provisions made	120.43	-	50.90	-
Doubtful Assets - Category-III				
a) Total Outstanding Amount	6.79	-	0.20	-
b) Provisions made	1.71	-	-0.01	-
Loss Assets				
a) Total Outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
TOTAL				
a) Total Outstanding Amount	4,58,177.86	3,70,715.83	2,38,333.26	2,28,109.66
b) Provisions made	4,331.80	3,675.38	2,710.45	2,322.63

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

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Period for which the assets has been considered as doubtful	Category
Up to one year	Category-l
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, 2024, there were no draw down from Reserves.

46.19 Concentration of Loans & Advances

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total Loans & Advances to twenty largest borrowers	545.03	595.85
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	0.08%	0.10%

46.20 Concentration of Exposures (including off-balance sheet exposure)

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers/customers	545.03	595.85
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	0.08%	0.10%

46.21 Concentration of NPAs

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Total Exposure to top ten NPA accounts	206.99	257.23

46.22 Sector-wise NPAs

Sector	Percentage of NPAs to Total Advance in that Sector		
Sector		As at March 31, 2024	As at March 31, 2023
A. Housin	ng Loans:		
1. Ind	lividuals	0.91%	0.96%
2. Bui	ilders/Project Loans	0.00%	0.00%
3. Cor	rporates	0.00%	0.00%
4. Oth	hers (specify)	0.00%	0.00%
B. Non-H	ousing Loans:		
1. Ind	lividuals	1.27%	1.09%
2. Bui	ilders/Project Loans	0.00%	0.00%
3. Cor	rporates	0.00%	0.00%
4. Oth	hers (specify)	0.00%	0.00%

for the year ended March 31, 2024

46.23 Movement of NPAs

Rs. in lakhs

Particulars	As at	As at
Tarticulars	March 31, 2024	March 31, 2023
(I) Net NPAs to Net Advances(%)	0.78%	0.76%
(II) Movement of Gross NPAs		
a) Opening balance	6,056.19	5,065.53
b) Additions during the year	5,571.37	4,474.73
c) Reductions during the year	(4,413.87)	(3,484.07)
d) Closing balance	7,213.69	6,056.19
(III) Movement of Net NPAs		
a) Opening balance	4,490.84	3,781.63
b) Additions during the year	4,161.55	3,287.63
c) Reductions during the year	(3,302.17)	(2,578.42)
d) Closing balance	5,350.22	4,490.84
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	1,565.35	1,283.90
b) Provisions made during the year	1,409.82	1,187.10
c) Write-off / write-back of excess provisions	(1,111.70)	(905.65)
d) Closing balance	1,863.47	1,565.35

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, 2024	For the year ended March 31, 2023
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	228	501
c) No. of complaints redressed during the year	228	501
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, 2024 and March 31, 2023.

46.28 Percentage of outstanding loans granted against the collateral of gold jewellery to their outstanding total assets - Nil (March 31, 2023: 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:

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2023
Criteria - I		
a) Financial Assets / Total Assets (Net of Intangible Assets)	95.99%	93.16%
b) Income from financial assets / Gross Income	94.87%	93.94%
Criteria - II		
Percentage of housing finance assets to total assets (netted off by intangible assets) (Refer note below)	61.23%	55.53%
Percentage of individual housing finance assets to total assets (netted off by intangible assets) (Refer note below)	61.23%	55.53%

Note: The amortised costs of housing finance assets and individiual housing finance assets amounting to Rs. 4,53,846.06 lakhs (As at March 31, 2023 Rs.3,67,040.46 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, 2024	For the year ended March 31, 2023
Number of Significant Counterparties*	17	15
Balance as at year end	3,93,819.44	3,40,433.14
% of Total Deposits	0.00%	0.00%
% of Total Liabilities	97.78%	96.77%

^{*}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 does not accept public deposits.

c) Total of top 10 borrowings

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total of top 10 borrowings	3,38,207.21	3,01,846.72
% of Total Borrowings	85.02%	86.96%

(d) Funding concentration based on significant instrument/product#:

Rs. in lakhs

		1/3, 111 14/113
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Term loans	3,62,593.55	3,00,603.18
Securitisation loans	6,265.20	8,232.40
Working capital loans	-	-
Non-Convertible Debentures	28,945.74	38,272.67
% of Total liabilities	98.77%	98.66%

[#] 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.

for the year ended March 31, 2024

(e) Stock Ratios

Rs. in lakhs

Par	ticulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(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	20.94%	21.17%
(i∨)	Other short-term liabilities, if any as a % of total assets	11.34%	11.24%

(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, 2023	Of(A), aggregate debt that slipped into NPA during the half year end March 31, 2024	Of(A), amount written of during the half year ended March 31, 2024	Of(A), amount paid by the borrowers during the half year end March 31, 2024	Exposure to accounts classified as standard consequent to implementation of resolution plan - position as at the end of this year i.e. March 31, 2024
	(A)	(B)	(C)	(D)	
Personal Loans	1752.54	71.03	-	155.17	1526.34
Corporate persons	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	815.77	36.11	-	91.76	687.90
Total	2,568.31	107.14	-	246.94	2,214.24

- **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, 2024, and provided as per norms.
- **46.33** The listed Non-Convertible Debentures of the Company secured by way of specific charge on assets under hypothecation and specified immovable property. The total asset cover is more than one hundred percent of the principal amount of the said debentures.

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

- **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 ended March 31, 2024 (March 31, 2023 Nil).
 - (b) The Company has not transferred or acquired, any stressed loans during the year ended March 31, 2024 (March 31, 2023 Nil).
- **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 Non-Executive Directors with the Compnay or its Directors., Senior Management or Group Companies

46.36 Disclosure pursuant to Reserve Bank of India Circular No.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 60%.

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 government securities.

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

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for the year ended March 31, 2024

Quantitative Disclosure on Liquidity Coverage Ratio (LCR) for year ended 31 March 2024 and 31 March 2023 is given below:

(Rs. in lakhs)

		31 Marc	h 2024	31 Marc	31 March 2023		
Sr No.	Particulars	Total unweighted value	Total Weighted Value	Total unweighted value	Total Weighted Value		
High	Quality Liquid Assets						
1	Total High Quality Liquid Assets (HQLA)						
	- Cash and Bank balances	12,613.57	12,613.57	1,688.98	1,688.98		
	- Government Securities	5,000.00	5,000.00	5,000.00	5,000.00		
	- Callable fixed deposits	-	-	-	-		
	Total HQLA	17,613.57	17,613.57	6,688.98	6,688.98		
Cash	outflows						
2	Secured wholesale funding	10,051.45	11,559.17	7,163.00	8,237.45		
3	Additional requirements, of which						
	(i) Credit and liquidity facilities	16,857.77	19,386.44	11,053.80	12,711.87		
4	Other contractual funding obligations	464.01	533.61	433.11	498.08		
5	Other contingent funding obligations	1,922.31	2,210.66	923.42	1,061.93		
6	Total Cash outflows	29,295.54	33,689.87	19,573.33	22,509.33		
Cash	n inflows						
7	Inflows from fully performing exposures	15,500.00	11,625.00	12,500.00	9,375.00		
8	Other cash inflows	13,000.00	9,750.00	30,000.00	22,500.00		
9	Total Cash inflows (to be capped at 75% of cash outflows)	25,267.40	21,375.00	16,882.00	16,882.01		
			Total Adjusted Value		Total Adjusted Value		
10	Total HQLA	17,613.57	17,613.57	6,688.98	6,688.98		
11	Total Net Cash Outflows	4,028.14	12,314.87	2,691.33	5,627.32		
12	Liquidity Coverage Ratio (%)		143%		119%		
	Minimum LCR		60%		50%		
	Whether complied with minimum LCR norms		Yes		Yes		

Notes

- 1. Weighted values have been calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow.
- 2. 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;

Notes forming part of the Standalone Financial Statements

for the year ended March 31, 2024

- **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 willful defaulter by any bank or financial institution or Government or any other Government authority.
 - d) The Company has not entered into any scheme of arrangement
 - e) No satisfaction of charges are pending to be filed with the 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) The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company during the financial year ended March 31, 2024 and March 31, 2023.
 - 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, 2024 and March 31, 2023
- **49** 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 03, 2024

M Anandan Executive Chairman DIN: 00033633

> John Vijayan Rayappa Chief Financial Officer

Place : Chennai Date : May 03, 2024

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

P Balaji Managing Director DIN: 07904681

Sanin Panicker Company Secretary Membership No: A32834

Independent Auditors' Report

To the Members of

Aptus Value Housing Finance India Limited

Report on the Audit of the Consolidated Financial **Statements**

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, 2024, 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, 2024, and notes to the Consolidated Financial Statements, including material 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 Consolidated state of affairs of the Group as at March 31, 2024, of its Consolidated Profit (including other comprehensive income), Consolidated Changes in Equity and Consolidated Cash Flows for the year then ended.

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.

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, 2024. 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

Management estimates impairment provision using subsidiary, included the following: Expected Credit loss model (ECL) for the loan exposure as per the Board approved policy.

judgement by the management for development of ECL by the Board of Directors. model and its corresponding application in the ECL model.

These judgement and estimates include:

- Estimating the behavioural life of the product
- Data inputs in relation to ECL model
- Application of the macroeconomic factors on a forwardlooking basis.
- Modification of assets in terms of restructuring
- Determination of loan book segmentation based on homogeneity, probability of defaults, loss given defaults status. and exposure at default.

Ind AS 109 Financial instruments requires the Group The procedures performed by us in respect of the Holding to provide for impairment of its financial instruments. company, and by auditors of the Subsidiary in respect of the

Considered the Group's accounting policies for the impairment of financial instruments and their compliance ECL involves an estimation and a significant degree of with Ind AS 109 and the provisioning framework approved

> We 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

Key Audit Matters

- qualitative factors.
- Compliance with RBI circulars and assess the level of credit impairment of financial instrument.

Auditor's Response

Management Overlay based on risk assessment and 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

 Disclosures as required by IND AS 109 and RBI Circular 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 information system is a critical component of Group's Our audit procedures include the following: operations, enabling efficient processing of transactions, safeguarding of information, and supporting decisionmaking. The Group's key financial accounting and reporting processes are highly dependent on information systems.

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.

As such, it is important for us to evaluate the effectiveness of information system controls to ensure the correctness, integrity, availability, and confidentiality of data.

We identified 'IT systems and controls including audit trail (audit log)' as key audit matter because of the pervasive nature of IT environment and the scale and complexity of the IT architecture.

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 identified 'IT systems and controls including audit trail (audit log)' as key audit matter.

- Obtained an understanding of the IT control environment, IT policies during the audit period.
- Testing IT general controls related to User Change Management Controls, Information Security Controls, Log management and Data backup and application
- Evaluated the extent to which the controls are designed and implemented to mitigate the risk of material misstatement in financial reporting.
- Assessment and identification of key IT applications including those identified by the management for audit trail (audit log) further verifying, testing, and reviewing the design and operating effectiveness of the IT system. based on reports and other financial and non-financial information generated from the system on a test check

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.

Management's and Board of Directors' Responsibilities 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.

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, 2024 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.

Other Matters

 We did not audit the financial statement and other financial information, in respect of subsidiary, whose financial statements include total assets Rs.2008.36 Crores as at March 31, 2024, total income of Rs.324.92 Crores for the year ended March 31, 2024 and net cash inflows of Rs.53.68 Crores 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.

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, 2024 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, 2024 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 auditors 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.
- h) 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:
 - i. As disclosed by the company in note no. 28.2 to the consolidated financial statements, the Group has no pending litigations as at March 31, 2024, which would impact its financial position;
 - The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The Management has represented that, to the best of its knowledge and belief, 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;
 - (b) 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
- (c) 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.
- v. As stated in Note 20.2.6 to the Consolidated financial statements,
 - The interim dividend declared and paid by the holding company during the year and until the date of this report is in compliance with section 123 of the Act.
 - · The Board of Directors of the holding company at their meeting held on May 03, 2024 have declared the interim dividend for the year ended March 31, 2024. The amount of dividend declared is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination which included test checks, the Company has used accounting software(s) for maintaining its books of account for the financial year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For TR CHADHA & CO LLP

Chartered Accountants ICAI Firm registration number: 006711N/N500028

Sheshu Samudrala

Partner

Membership Number: 235031 UDIN: 24235031BKCTTJ7214

Place: Chennai Date: May 03, 2024

'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")

In conjunction with our audit of the Consolidated Financial Statements of Aptus Value Housing Finance India Limited ("the Holding Company") as of and for the year ended March 31, 2024, we have audited the internal financial controls with reference to the financial statements of the Holding Company and its subsidiary incorporated in

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. 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, 2024, 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: 24235031BKCTTJ7214

Place: Chennai Date: May 03, 2024

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet

as at March 31, 2024

Rs. in lakhs

Pa	ticulars	Note No.	As at March 31, 2024	As at March 31, 2023
	ASSETS	1101		a. c 5 1, 2025
1	Financial Assets			
(a)	Cash and cash equivalents	4	33,612.97	44,678.92
(b)	Bank balances other than (a) above	5	1,406.41	1,322.21
(c)	Loans	6	8,52,836.83	6,59,230.97
(d)	Investments	7	5,147.42	5,147.42
(e)	Other financial assets	8	1,610.92	2,835.68
	TOTAL FINANCIAL ASSETS		8,94,614.55	7,13,215.20
2	Non-financial Assets			
(a)	Current tax assets (Net)	16B	402.32	508.55
(b)	Deferred tax assets (Net)	9	2,539.54	1,969.95
(c)	Property, plant and equipment	10A	504.84	371.29
(d)	Intangible assets	10B	130.54	84.07
(e)	Right-of-use assets	10C	1,556.16	1,072.10
(f)	Other non-financial assets	11	168.26	175.57
(g)	Assets held for sale	12	545.07	231.75
	TOTAL NON-FINANCIAL ASSETS		5,846.73	4,413.28
	TOTAL ASSETS		9,00,461.28	7,17,628.48
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	Financial Liabilities			
(a)	Payables			
	Trade payables			
	(i) total outstanding dues of micro enterprises and small enterprises	29A	8.75	8.37
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	29B	337.78	865.37
(b)	Debt securities	13	28,945.74	39,005.31
(c)	Borrowings (other than debt securities)	14	4,89,553.78	3,39,600.85
(d)	Lease liabilities	42	1,461.70	975.95
(e)	Other financial liabilities	15	2,075.09	2,188.42
	TOTAL FINANCIAL LIABILITIES		5,22,382.84	3,82,644.27
2	Non-Financial Liabilities			
(a)	Current tax liabilities (Net)	16	-	-
(b)	Provisions	17	747.16	462.29
(C)	Other non-financial liabilities	18	538.90	588.80
	TOTAL NON-FINANCIAL LIABILITIES		1,286.06	1,051.09
3	EQUITY			
(a)	Equity share capital	19	9,978.48	9,960.61
(b)	Other equity	20	3,66,813.90	3,23,972.51
	TOTAL EQUITY		3,76,792.38	3,33,933.12
	TOTAL LIABILITIES AND EQUITY		9,00,461.28	7,17,628.48
	Material accounting policies	2 & 3		

As per our report of even date

For T R Chadha & Co LLP **Chartered Accountants**

ICAI Firm Regn No.006711N/N500028

Sheshu Samudrala

Membership No: 235031

Place : Chennai Date: May 03, 2024 For and on behalf of the Board of Directors of **Aptus Value Housing Finance India Limited**

M Anandan **Executive Chairman** DIN: 00033633

John Vijayan Rayappa **Chief Financial Officer**

Place : Chennai Date: May 03, 2024 P Balaji **Managing Director** DIN: 07904681

Sanin Panicker **Company Secretary** Membership No: A32834

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

Rs. in lakhs

D	danta wa	Note	For the year ended	For the year ended
Part	ciculars	No.	March 31, 2024	March 31, 2023
1	Revenue from operations			
(a)	Interest income	21A	1,31,985.88	1,05,840.05
(b)	Net gain on fair value changes	21B	417.44	849.20
(c)	Fees and commission income	21C	4,114.49	2,646.49
	Total Revenue from operations		1,36,517.81	1,09,335.74
2	Other income	22	5,166.64	4,028.02
3	Total Income (1+2)		1,41,684.45	1,13,363.76
4	Expenses			
(a)	Finance costs	23	38,785.65	27,591.20
(b)	Employee benefits expense	24	14,891.52	12,131.36
(C)	Depreciation and amortisation expense	10D	930.99	721.30
(d)	Impairment on financial instruments	25	2,917.36	3,876.24
(e)	Other expenses	26	4,843.36	3,671.69
	Total expenses		62,368.88	47,991.79
5	Profit before tax (3-4)		79,315.57	65,371.97
5 6	Tax expense	27		
	- Current tax		18,698.04	14,772.94
	- Deferred tax	9	(572.03)	297.57
	Total tax expense		18,126.01	15,070.51
7	Profit for the year (5-6)		61,189.56	50,301.46
8	Other Comprehensive Income			
	(i) Items that will not be reclassified to profit or lo	OSS		
	Remeasurement gain / (loss) on defined benefit pl	an 31.2	8.68	(15.88)
	(ii) Income tax relating to items that will neclassified to profit or loss	ot be	(2.44)	4.00
	Other Comprehensive Income, net of income	tax	6.24	(11.88)
9	Total Comprehensive Income for the year (7+	8)	61,195.80	50,289.58
10	Earnings per share (Equity shares, par value each):	Rs. 2		
	(a) Basic (in Rs.)	36	12.27	10.11
	(b) Diluted (in Rs.)	36	12.21	10.08
	Material accounting policies	2 & 3		

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 03, 2024 For and on behalf of the Board of Directors of **Aptus Value Housing Finance India Limited**

M Anandan **Executive Chairman** DIN: 00033633

John Vijayan Rayappa Chief Financial Officer

Place : Chennai Date: May 03, 2024 P Balaji **Managing Director** DIN: 07904681

Sanin Panicker **Company Secretary** Membership No: A32834

Consolidated Statement of Changes in Equity for the year ended March 31, 2024

			•		-			
1. Equity Share capital					KS. IN Jakns	10		
Particulars					Amount	ابد		
Balance as at April 1, 2022					9,938.36	اما		
Changes in equity share capital during the year					1 CC	l.		
(a) Issue of equity stillates utilities ethiptoyee stock option plan (hele) Note 41)					0.22	-l-		
Changes in equity share capital during the year					0.000	_		
(a) Issue of equity shares under employee stock option plan (Refer Note 41)					17.87	7		
Balance as at March 31, 2024					9,978.48	~		
2. Other Equity								
								ı
			Reserv	Reserves and Surplus	snld		-	ŭ
Particulars			Statutory Reserve		Statutory Reserve			1 6
	Securities	Employee Stock	under Section 29C of National	Special	under Section 45-IC of Reserve	Impair- ment		~ w
		Reserve	1987 (Statutory Reserve - I)	אלי אלי אלי אלי	1934 (Statutory Reserve - II)	Reserve	S S S S S S S S S S S S S S S S S S S	5
Balance as at April 1, 2022	1,72,126.46	437.70	2,985.22	18,297.28	3,034.32	761.93	84,068.26	ı
Profit(loss) for the year (net of tax)	1	1					50,301.46	
Other Comprehensive Income for the year (net of tax)		1						
Dividend paid							(98.656'6)	
Premium on ESOP exercised during the year	1,506.34	-						
Share based payments to employees during the year		458.56	•			٠		
Appropriations to Reserves			2,673.96	5,815.40	1,580.39	٠	(10,069.75)	
Transfer to securities premium on ESOP exercised during the year	83.23	(83.23)	1	1	1		1	
Balance as at March 31, 2023	1,73,716.03	813.03	5,659.18	24,112.68	4,614.71	761.93	1,14,340.11	
Profit/(loss) for the year (net of tax)		-				,	61,189.56	
Other Comprehensive Income for the year (net of tax)				1		٠	1	
Dividend paid							(19,940.04)	
Premium on ESOP exercised during the year	1,233.38							
Share based payments to employees during the year		352.25						
Appropriations to Reserves			2,108.46	7,505.19	2,590.58		(12,204.23)	
Transfer to securities premium on ESOP exercised during the year	269.15	(269.15)	1	•	•	•		
Balance as at March 31, 2024	1,75,218.56	896.13	7,767.64	7,767.64 31,617.87	7,205.29	761.93	761.93 1,43,385.40	
Nictoria								

Total

(33.28) 2,81,677.

(45.16) 3,23,972.51 - 61,189.56

(19,940

(38.92) 3,66,813.90

P Balaji Managing Director DIN: 07904681

John Vijayan Rayappa Chief Financial Officer M Anandan Executive Chairman DIN: 00033633 Place : Chennai Date : May 03, 2024

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

Refer Note 20.2 for description of nature and purpose of each reserve.

Material accounting policies (Refer Note 2 & 3)

The accompanying notes form an integral part of the consolidated financial statements.

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

Sheshu Samudrala

Place : Chennai Date : May 03, 2024

Sanin Panicker Company Secretary Membership No: A32834

Consolidated Cash Flow Statement for the year ended March 31, 2024

Rs. in lakhs

Particulars	For the year ended March 31, 2024		For	the year ended March 31, 2023
Cash flows from operating activities				
Profit before tax		79,315.57		65,371.97
Adjustments for:				
Finance costs	38,785.65		27,591.20	
Interest on fixed deposits with banks	(1,960.67)		(2,664.12)	
Net gain on fair value changes	(417.44)		(849.20)	
Interest on Government securities	(369.00)		(114.80)	
Depreciation and amortisation expense	930.99		721.30	
Impairment on financial instruments	2,917.36		3,876.24	
Share based payments to employees	352.25		458.56	
		40,239.14		29,019.18
Operating profit before working capital changes		1,19,554.71		94,391.15
Movements in working capital:				
(Increase) / Decrease in loans	(1,96,523.22)		(1,55,307.90)	
(Increase) / Decrease in other financial assets	1,224.76		(781.06)	
(Increase) / Decrease in other non-financial assets	7.31		(76.45)	
Increase / (Decrease) in trade payables	(527.21)		112.93	
Increase / (Decrease) in other financial liabilities	(113.33)		141.12	
Increase / (Decrease) in provisions	293.55		36.48	
Increase / (Decrease) in other non-financial liabilities	(49.90)	(1,95,688.04)	201.61	(1,55,673.27)
Cash flow from (used in) operations	(45.50)	(76,133.33)	201.01	(61,282.12)
Finance cost paid		(40,820.90)		(27,836.98)
Direct Taxes paid		(18,613.63)		(15,591.80)
Net cash flow from / (used in) operating activities (A)		(1,35,567.86)		(1,04,710.90)
Cash flows from investing activities		(1,33,307.80)		(1,04,710.90)
	(400.62)		(220.04)	
Capital expenditure on PP&E and intangible assets	(488.63)		(330.94)	
Deposits placed with / (withdrawn from) banks, net	(465.74)		3,622.64	
Interest received on bank deposits	2,342.21		1,793.50	
Interest received on Government securities	265.47		11.27	
Purchases of investments	(1,44,277.00)		(1,58,752.70)	
Redemption of investments	1,44,277.00		1,63,874.00	
Income received from investments	417.44		849.20	
Net cash flow from / (used in) investing activities (B)		2,070.75		11,066.97
Cash flows from financing activities				
Proceeds from issue of equity shares (including securities premium)	1,251.25		1,528.60	
Dividend paid	(19,940.04)		(9,959.86)	
Proceeds from issue of debt securities	10,000.00		-	
Repayment of debt securities	(19,699.17)		(2,083.33)	
Proceeds from borrowings (other than debt securities)	2,78,137.72		1,95,400.00	
Repayment of borrowings (other than debt securities)	(1,26,509.94)		(86,527.42)	
Payment of lease liabilities	(687.16)		(477.35)	
Interest paid on lease liabilities	(121.50)		(77.74)	
Net cash flow from financing activities (C)		1,22,431.16		97,802.90
Net increase / (decrease) in cash and cash equivalents (A+B+C)		(11,065.95)		4,158.97
Cash and cash equivalents at the beginning of the year		44,678.92		40,519.95
Cash and cash equivalents at the end of the year (Refer Note 4)		33,612.97		44,678.92
Components of cash and cash equivalents	As at Marc	h 31, 2024	As at Marc	h 31, 2023
Cash on hand		121.56		202.24
Balances with banks - In current accounts		20,247.21		3,873.95
Balances with banks - In deposit accounts - Original maturity less than 3 months		13,244.20		40,602.73
Total cash and cash equivalents		33,612.97		44,678.92
Material accounting policies (Refer Note 2 & 3)				,
The accompanying notes form an integral part of the consolidated financial				
The accompanying notes form an integral part of the consolidated imancial				

As per our report of even date

For T R Chadha & Co LLP **Chartered Accountants**

Sheshu Samudrala

Membership No: 235031

Place: Chennai Date: May 03, 2024 For and on behalf of the Board of Directors of **Aptus Value Housing Finance India Limited**

M Anandan **Executive Chairman**

John Vijayan Rayappa **Chief Financial Officer**

Place : Chennai Date : May 03, 2024

P Balaji Managing Director DIN: 07904681

Sanin Panicker Company Secretary Membership No: A32834

for the year ended March 31, 2024

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. Material 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 03, 2024.

Basis of Consolidation

The consolidated financial statements have been prepared in respect of the Group as at March 31, 2024.

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

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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		Percentage	of voting Pow	er as on	
Company	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021	March 31, 2020
Aptus Finance India Private Limited	100%	100%	100%	100%	100%

for the year ended March 31, 2024

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 Consolidated Summary Statements.

2.1 Financial Instruments

2.0.1 Financial instruments - initial recognition

2.0.1.1 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.

2.0.1.2 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.

2.0.1.3 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").

2.0.2 Financial assets and liabilities

2.0.2.1 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.

2.0.2.1.1 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

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

- ▶ 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.

2.0.2.1.2 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.

2.0.2.2 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.

2.0.2.3 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.

2.0.2.4 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.

for the year ended March 31, 2024

2.0.3 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.

2.0.4 Derecognition of financial assets and liabilities

2.0.4.1 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.

2.0.4.2 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.

2.0.4.3 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.

2.0.5 Impairment of financial assets

2.0.5.1 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

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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	Above 90 days	Lifetime ECL

In addition to days past due, the Group also considers other qualitative factors in determining significant increase in credit risks since origination.

2.0.5.2 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

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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 backstop 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

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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.

2.0.5.3 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.

2.0.6 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, preclosure charges etc which are recognised upon realisation.

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,

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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.

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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 shortterm 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

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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.

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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 cashgenerating 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

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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. 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:

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- 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 guoted 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 reassessing 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

for the year ended March 31, 2024

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 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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

4 Cash and cash equivalents

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Cash on hand	121.56	202.24
Balances with banks - In current accounts	20,247.21	3,873.95
Balances with banks - In deposit accounts - Original maturity less than 3 months	13,244.20	40,602.73
	33,612.97	44,678.92

5 Bank Balances other than cash and cash equivalents

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
In deposit accounts - Original maturity more than 3 months	890.36	808.37
Earmarked balances with banks*	516.05	513.84
	1,406.41	1,322.21

^{*} Earmarked balances with banks includes fixed deposit earmarked for securitisation of Rs. 511.57 Lakhs (March 31, 2023: Rs. 511.57 lakhs) (refer note 14.1(i)) and unpaid dividend bank balance of Rs. 4.48 lakhs as on March 31, 2024 (March 31, 2023 - Rs. 2.27 lakhs).

Loans

Rs. in lakhs

		113. 111 1011113
Particulars	As at March 31, 2024	As at March 31, 2023
(A) Secured Term loans carried at amortised cost	8,61,404.17	6,66,310.47
Less: Impairment loss allowance	(8,567.34)	(7,079.50)
Total Term loans (net)	8,52,836.83	6,59,230.97
(B) Loans in India		
Public Sectors	-	-
Others (individuals)	8,61,404.17	6,66,310.47
Less: Impairment loss allowance	(8,567.34)	(7,079.50)
Total Term loans (net)	8,52,836.83	6,59,230.97

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 equitable mortgage of title deeds.
- (iii) Refer Note 43 for securitised term loans not derecognised in their entirety.
- (iv) There are no outstanding loan to Public Institution.
- (v) Term loans do not include any loans given to Promoter or relatives of Promoter, Directors and employees of the Group.

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consolidated financial statements for the year ended March 31, 2024 Notes forming part of the

Summary of changes in the gross carrying amount and the corresponding ECL allowances in relation to term loans:

Reconciliation of gross carrying amount is given below:

Rs. in lakhs

2,33,011.81 6,66,310.47 For the year ended March 31, 2023 7,694.43 467.07 (6,749.30) 798.00 (3,451.85) 31,797.41 2,31,746.74 2,97,657.12 8,61,404.17 6,66,310.47 Total For the year ended March 31, 2024 (3,591.85) 7,694.43 (736.86) 9,155.77 6,190.72 Stage 3 (6,363.52) (8,507.99) 27,147.13 (2,811.06) 42,968.98 1,707.01 Stage 2 (92,608.05) (26,410.27) 6,26,818.63 2,95,287.90 8,09,279.42 New assets originated / Increase in existing assets (Net) **Gross Carrying amount opening balance** Gross carrying amount closing balance Transfer to Stage Transfer to Stage Transfer to

The Company, in the normal course collects the dues by cheques / mandates and where 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
	For th	For the year ended March 31, 2024	March 31, 20	024	For the	For the year ended March 31, 2023	March 31, 20	123
ratticulars	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	3,726.30	1,380.69	1,972.50	7,079.50	1,512.94	1,020.69	1,564.93	4,098.56
New assets originated / Increase in existing assets (Net)	2,119.77	1,744.38	1,384.95	5,249.10	2,613.85	988.83	1,245.38	4,848.06
Exposure de-recognised / matured / repaid	(1,931.43)	(927.48)	(902.35)	(3,761.26)	(773.96)	(503.42)	(589.74)	(1,867.12)
Transfer to Stage 1	574.13	(294.59)	(279.54)	I	669.71	(410.55)	(259.17)	1
Transfer to Stage 2	(542.67)	728.24	(185.57)	1	(235.14)	436.74	(201.60)	1
Transfer to Stage 3	(177.72)	(185.49)	363.21	ı	(61.10)	(151.60)	212.70	1
Impact on account of exposures transferred during the year between stages	ı		ı	ı	ı	ı	1	1
ECL allowance - closing balance	3,768.39	2,445.75	2,353.20	8,567.34	3,726.30	1,380.69	1,972.50	7,079.50

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

7 Investments

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
At fair value through profit and loss (Within India)		
Quoted: Investment in Mutual Funds	-	-
At amortised cost (Within India)		
Investment in Government Securities	5,147.42	5,147.42
	5,147.42	5,147.42

8 Other Financial assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Considered Good, Unsecured - At Amortised Cost		
Security deposits	359.35	270.21
Travel advances to employees	2.56	1.40
Accrued income	1,249.01	2,564.07
	1,610.92	2,835.68

9 Deferred tax assets / (liabilities) (Net)

9 Deferred tax assets / (liabilities) (Net)				Rs. in lakhs
Components of deferred tax asset / (liability)	As at April 01, 2023	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2024
Tax effect of items constituting deferred tax assets:				
Provision for compensated absences, gratuity and other employee benefits	112.12	72.95	(2.44)	182.63
Impairment Loss Allowance	2,072.79	571.09	-	2,643.88
Difference between written down value of PPE and intangible assets as per books and as per Section 32 of Income-tax Act, 1961	132.94	25.25	-	158.19
Deferred processing fee relating to loans	1,010.81	352.13	-	1,362.94
Others	(4.96)	(1.21)	-	(6.17)
Tax effect of items constituting deferred tax assets	3,323.70	1,020.21	(2.44)	4,341.47
Tax effect of items constituting deferred tax (liabilities):				
On Special Reserve created under section 36(1) (viii) of the Income Tax Act, 1961 (Refer Note 26.2)	-	-	-	-
On Provision for doubtful advances allowed under section 36(1)(viia) of Income-tax Act, 1961	(911.16)	(126.69)	-	(1,037.85)
Deferred processing fee relating to debt securities and borrowings other than debt securities	(442.59)	(321.49)	-	(764.08)
Others	-	-	-	-
Tax effect of items constituting deferred tax (liabilities)	(1,353.75)	(448.18)	-	(1,801.93)
Net deferred tax assets / (liabilities)	1,969.95	572.03	(2.44)	2,539.54

for the year ended March 31, 2024

Rs. in lakhs

				113, 111 101(113
Components of deferred tax asset / (liability)	As at April 01, 2022	(Charged) / Credited to Profit and Loss	(Charged) / Credited to OCI	As at March 31, 2023
Tax effect of items constituting deferred tax assets:				
Provision for compensated absences, gratuity and other employee benefits	100.47	7.65	4.00	112.12
Impairment Loss Allowance	1,161.61	911.18	-	2,072.79
Difference between written down value of PPE and intangible assets as per books and as per Section 32 of Income-tax Act, 1961	125.69	7.25	-	132.94
Deferred processing fee relating to loans	1,304.96	(294.15)	-	1,010.81
Others	212.07	(217.02)	-	(4.96)
Tax effect of items constituting deferred tax assets	2,904.80	414.91	4.00	3,323.70
Tax effect of items constituting deferred tax (liabilities):				
On Provision for doubtful advances allowed under section 36(1)(viia) of Income-tax Act, 1961	(346.17)	(564.98)	-	(911.16)
Deferred processing fee relating to debt securities and borrowings other than debt securities	(295.10)	(147.49)	-	(442.59)
Others	-	-	-	-
Tax effect of items constituting deferred tax (liabilities)	(641.27)	(712.47)	-	(1,353.75)
Net deferred tax assets / (liabilities)	2,263.53	(297.57)	4.00	1,969.95

10A Property, plant and equipment

Rs. in lakhs

Par	ticulars	As at March 31, 2024	As at March 31, 2023
Car	rying amounts of :		
a)	Freehold Land	64.57	64.57
b)	Leasehold improvements	118.59	51.95
c)	Furniture and fixtures	47.71	20.99
d)	Vehicles	29.85	75.95
e)	Office Equipment	244.11	157.82
		504.84	371.29

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

Rs. in lakhs

Particulars	Freehold Land	Leasehold improvements	Furniture and fixtures	Vehicles	Office Equipments	Total
Cost / Deemed cost						
Balance at April 1, 2022	64.57	268.23	131.77	136.53	596.82	1,197.92
Additions during the year	-	45.04	47.34	-	125.80	218.18
Disposals	-	(8.26)	(0.04)	-	(7.61)	(15.91)
Balance at March 31, 2023	64.57	305.01	179.07	136.53	715.01	1,400.19
Additions during the year	-	111.30	92.49	-	209.40	413.19
Disposals	-	-	-	-	-	-
Balance at March 31, 2024	64.57	416.31	271.56	136.53	924.41	1,813.38
Accumulated depreciation						
Balance at April 1, 2022	-	243.74	117.53	14.60	482.31	858.17
Depreciation expense for the year	-	17.58	40.59	45.98	81.54	185.69
Elimination on disposals of assets	-	(8.26)	(0.04)	-	(6.66)	(14.96)
Balance at March 31, 2023	-	253.06	158.08	60.58	557.19	1,028.90
Depreciation expense for the year	-	44.66	65.77	46.10	123.11	279.64
Elimination on disposals of assets	-	-	-	-	-	-
Balance at March 31, 2024	-	297.72	223.85	106.68	680.30	1,308.54
Net book value						
Balance at March 31, 2024	64.57	118.59	47.71	29.85	244.11	504.84
Balance at March 31, 2023	64.57	51.95	20.99	75.95	157.82	371.29

Note:

10B Intangible assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023	
Carrying amounts of :			
a) Computer software	130.54	84.07	
	130.54	84.07	

Rs. in lakhs

		NS. III Idiniis
Particulars	Computer software	Total
Cost / Deemed cost		
Balance at April 1, 2022	412.84	412.84
Additions during the year	73.36	73.36
Balance at March 31, 2023	486.20	486.20
Additions during the year	118.36	118.36
Balance at March 31, 2024	604.56	604.56
Accumulated amortisation		
Balance at April 1, 2022	351.19	351.19
Amortisation expense during the year	50.94	50.94
Balance at March 31, 2023	402.13	402.13
Amortisation expense during the year	71.89	71.89
Balance at March 31, 2024	474.02	474.02
Net book value		
Balance at March 31, 2024	130.54	130.54
Balance at March 31, 2023	84.07	84.07

⁽i) Freehold Land with a carrying value of Rs. 64.57 lakhs (March 31, 2023 - Rs. 64.57 lakhs) has been hypothecated to secure Non-convertible debentures issued by the Group.

for the year ended March 31, 2024

10C Right-of-use assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023	
Carrying amounts in respect of :			
a) Leased buildings (Refer Note 42)	1,556.16	1,072.10	
	1,556.16	1,072.10	

Rs. in lakhs

Particulars	Leased buildings	Total
Cost / Deemed cost		
Balance at April 1, 2022	1,863.88	1,863.88
Additions during the year	761.65	761.65
Balance at March 31, 2023	2,625.53	2,625.53
Additions during the year	1,063.52	1,063.52
Balance at March 31, 2024	3,689.05	3,689.05
Accumulated depreciation		
Balance at April 1, 2022	1,068.75	1,068.75
Depreciation expense for the year	484.67	484.67
Balance at March 31, 2023	1,553.42	1,553.42
Depreciation expense for the year	579.46	579.46
Balance at March 31, 2024	2,132.88	2,132.88
Net book value		
Balance at March 31, 2024	1,556.16	1,556.16
Balance at March 31, 2023	1,072.10	1,072.10

10D Depreciation and Amortisation expense

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Property, plant and equipment	10A	279.64	185.69
Amortisation on Intangible assets	10B	71.89	50.94
Depreciation expense on right-of-use assets	10C	579.46	484.67
Total		930.99	721.30

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

11 Other non-financial assets

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023	
Considered Good, Unsecured	March 31, 2024	Watch 51, 2025	
Capital advances	8.22	51.14	
Prepaid expenses	116.78	75.36	
Other advances	43.26	49.07	
	168.26	175.57	

12 Assets held for sale

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Gross Carrying amount	909.57	584.13
Less: ECL Provisions	(364.50)	(352.38)
Net Carrying amount	545.07	231.75

13 Debt Securities

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Secured Redeemable Non-Convertible Debentures - At Amortised cost (Within India)	28,945.74	39,005.31
	28,945.74	39,005.31

13.1 Terms of repayment of Debt Securities as at March 31, 2024

Rs. in Lakhs

Particulars	Number of installments	On Maturity	Number of installments	Quarterly Repayment	Number of installments	Halfyearly Repayment
Less than one year	1	444.85	4	2,000.00	-	-
One to Three years	3	20,478.10	8	4,000.00	-	-
Three to Five years	-	-	5	2,022.79	-	-
More than Five years	-	-	-	-	-	-
	4	20,922.95	17	8,022.79	-	-

Terms of Repayment of Debt Securities as at March 31, 2023

Rs. in Lakhs

Particulars	Number of installments	On Maturity	Number of installments	Quarterly Repayment	Number of installments	Halfyearly Repayment
Less than one year	3	10,330.28	1	314.16	1	418.47
One to Three years	3	27,942.40	-	-	-	-
Three to Five years	-	-	-	-	-	
More than Five years	-	-	-	-	-	-
	6	38,272.68	1	314.16	1	418.47

for the year ended March 31, 2024

13.2 Details of terms of redemption / repayment and security provided in respect of debt securities:

Rs. in Lakhs

		Call Option/Put	Balance Ou	itstanding
Particulars	Tenure	Option date or Final Maturity	As at March 31, 2024	As at March 31, 2023
		Date	Rs. in lakhs	Rs. in lakhs
Templeton - 300 Crs - Tranche - I (Jun 2018)	84 Months	20-Jun-25	4,994.64	4,990.23
Templeton- Tranche - II (Aug 2018)	84 Months	20-Aug-25	4,984.76	12,473.74
IFC NCDs - Tranche - I (Jul 2016)	60 Months	15-May-23	-	3,443.58
IFC NCDs - Tranche - II (Feb 2017)	60 Months	15-May-23	-	3,435.39
IFC NCDs - Tranche - III (May 2017)	60 Months	15-May-23	-	3,451.31
IFC NCDs - Tranche - IV (Jan 2019)	84 Months	03-Nov-25	10,498.70	10,473.82
Bajaj NCD - 100 Crs	60 Months	22-Jun-28	8,467.64	-
AK Capital	48 Months	07-May-23	-	316.23
AU Small Finance Bank Ltd	36 Months	07-Sep-23	-	421.01
Total			28,945.74	39,005.31
As at balance sheet date, interest rates (per annum) range for debt securities			8.85% to 10.36%	9.35% to 10.36%

14 Borrowings (Other than Debt Securities)

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023	
Secured - At Amortised cost (Within India)			
Term loans			
Scheduled banks	3,23,628.93	2,23,961.69	
Other Financial Institutions	1,23,506.92	97,599.81	
Securitisation Loans	39,923.16	14,039.35	
Working Capital Loans	2,494.77	4,000.00	
	4,89,553.78	3,39,600.85	

14.1 Terms of Repayment of Borrowings (Other than Debt securities) as at March 31, 2024

Rs. in Lakhs

Particulars	Number of installments	Monthly Repayment	Number of installments	Quarterly Repayment	Number of installments	Halfyearly Repayment
Less than one year	457.00	45,159.94	181.00	62,832.50	7.00	1,153.04
One to Three years	715.00	76,813.22	453.00	1,26,174.36	2.00	321.52
Three to Five years	334.00	40,708.78	283.00	73,670.66	-	-
More than Five years	141.00	13,052.12	221.00	49,667.64	-	-
	1,647.00	1,75,734.06	1,138.00	3,12,345.16	9.00	1,474.56

Terms of Repayment of Borrowings (Other than Debt securities) as at March 31, 2023

Rs. in Lakhs

Particulars	Number of installments	Monthly Repayment	Number of installments	Quarterly Repayment	Number of installments	Halfyearly Repayment
Less than one year	319.00	25,475.49	144.00	47,190.80	12.00	2,028.57
One to Three years	442.00	38,388.78	272.00	88,723.49	10.00	1,719.36
Three to Five years	164.00	20,791.41	218.00	64,149.44	-	-
More than Five years	8.00	2,038.14	278.00	49,095.37	-	-
	933.00	86,693.82	912.00	2,49,159.10	22.00	3,747.93

(i) Bank guarantee of Rs. 1,125 Lakhs for term loans from NHB is provided by Yes Bank Limited (March 31, 2023: Rs.1,125 Lakhs) on behalf of the Company to NHB. Total outstanding balance as at March 31, 2024 for such term loans is Rs. 3,683.27 Lakhs (March 31, 2023: Rs.4,737.43 Lakhs).

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

14.2 Terms of repayment and tenure of term loans are as follows:

(i) Terms of repayment of term loan from Banks:

Rs. in lakhs

		Earliest	Principal	Balance O	utstanding
Bank Name	Tenure of Loan	installment	repayment mode	As at	As at
		date	(instalments)	March 31, 2024	March 31, 2023
Axis Bank	48/84/180 Months	27-Mar-21	Quarterly	37,434.11	26,449.72
Bank of Baroda	84 Months	31-Jul-19	Monthly/ Quarterly	16,149.15	20,972.86
Bank of India	84 Months	31-Jan-21	Quarterly	2,390.27	3,119.51
Bank of Maharastra	72 Months	22-Mar-23	Monthly	26,174.00	19,998.06
Catholic Syrian Bank	60 Months	29-Mar-20	Quarterly/Half Yearly	10,004.12	8,860.10
Canara Bank	48 Months	29-May-24	Quarterly	4,972.86	-
Federal Bank	60/84 Months	28-Feb-18	Monthly/Quarterly/ Halfyearly	36,115.72	21,142.58
HDFC Bank	60/72/84 Months	22-Jul-18	Monthly/Quarterly	51,984.97	34,268.47
ICICI Bank	72 Months	31-Mar-16	Quarterly	2,240.64	3,231.06
Indian Bank	84 Months	31-Dec-21	Quarterly	10,700.40	5,000.59
Indian Overseas Bank	72 Months	30-Mar-24	Monthly	3,662.20	-
Indus Ind Bank	48/72 Months	30-Apr-19	Monthly	17,759.36	5,242.68
Kotak Mahindra Bank	60 Months	21-Sep-19	Quarterly	19,875.60	9,427.71
Karur Vysya Bank	60 Months	31-Aug-22	Quarterly	19,811.76	7,065.61
South Indian Bank	48/60 Months	31-Mar-20	Quarterly	8,282.51	9,971.21
State Bank of India	48/72 Months	28-Feb-21	Quarterly	43,892.80	43,199.97
Yes Bank	84 Months	30-Jan-21	Monthly	11,257.37	3,591.81
AU Small Finance	60 Months	30-Dec-20	Monthly	921.09	1,419.75
Bank Ltd					
Total				3,23,628.93	2,22,961.69
As at balance sheet da banks/Fls	te, interest rates (per	annum) range fo	or the term loans from	7.90% to 11.65%	7.00% to 11.25%

(ii) Terms of repayment of Cash Credit from Banks :

Rs. in lakhs

		Earliest	Principal	Balance O	utstanding
Bank Name	Tenure of Loan	installment date	repayment mode (instalments)	As at March 31, 2024	As at March 31, 2023
South Indian Bank	NA	NA	On Demand	-	1,000.00
Total				-	1,000.00

(iii) Terms of repayment of Working Capital Demand Loan from Banks:

Rs. in lakhs

(iii) i ci iiis oi i cpayi	incline or working cup	itai Deilialia Eo	an nom banks.		NS. III Idikiis
		Earliest	Principal	Balance O	utstanding
Bank Name	Tenure of Loan	installment	repayment mode	As at	As at
		date	(instalments)	March 31, 2024	March 31, 2023
DCB Bank	89 Days	27-04-2024 / 27-06-2024	Bullet	1,996.59	1,500.00
Yes Bank	180 Days	28-Jun-23	Bullet	-	2,500.00
CSB Bank	89 Days	27-May-24	Bullet	498.18	-
Total				2,494.77	4,000.00
Grand Total of Loa	ns from banks			3,26,123.70	2,27,961.69
As at balance sheet of demand loan from ba	date, interest rates (per anks	annum) range fo	r the working capital	7.90% to 10.40%	7.00% to 11.25%

Loans aggregating to Rs. 63,130.60 lakhs as at March 31, 2024 (March 31,2023 - Rs. 24,319.61 lakhs) has been guaranteed by Aptus Value Housing Finance India Limited, the Holding Company.

(b) Details of repayment of term Loan from NHB:

Rs. in lakhs

		Earliest	Principal	Balance O	utstanding
Bank Name	Tenure of Loan	installment	repayment mode	As at	As at
		date	(instalments)	March 31, 2024	March 31, 2023
National Housing Bank	120/132 Months	27-Mar-21	Quarterly	1,23,506.92	97,599.81
Total				1,23,506.92	97,599.81
As at balance sheet date demand loan from bank	· ·	annum) range for	the working capital	7.80% to 8.40%	5.95% to 7.70%

(c) Terms of repayment of borrowings from Securitisation:

Rs. in lakhs

Investor Name as		Earliest	Principal	Balance O	utstanding
on balance sheet	Tenure of Loan	installment	repayment mode	As at	As at
date		date	(instalments)	March 31, 2024	March 31, 2023
Auckland	60 Months	26-Jul-22	Monthly	6,265.20	8,232.40
Gryffindor	60 Months	15-Mar-19	Monthly	-	-
Artin	80 Months	15-Jul-19	Monthly	82.50	730.23
Zamorin	66 Months	25-Apr-21	Monthly	2,800.13	5,076.72
Orakei	59 Months	25-Aug-23	Monthly	7,633.47	-
Sirius	65 Months	27-Oct-23	Monthly	8,447.96	-
Canopus	65 Months	25-Jan-24	Monthly	9,320.50	-
Pollux	63 Months	26-Apr-24	Monthly	5,373.39	-
Total				39,923.16	14,039.35
As at balance sheet date	te, interest rates (per	annum) range fo	r the working capital	7.65% to	7.50% to
demand loan from ban	ks			12.50%	12.50%

15 Other financial liabilities

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
At Amortised Cost		
Advances from customers	170.46	267.15
Accrued employee benefits	1,096.34	876.90
Dividend Payable	4.48	2.27
Other payables	803.81	1,042.10
	2,075.09	2,188.42

16 Current tax liabilities (Net)

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for Income Tax (net)	-	-
	-	-

16B Current tax assets (Net)

Rs. in lakhs

Particulars	As at	As at
rai ticulai s	March 31, 2024	March 31, 2023
Advance tax paid (net of provision)	402.32	508.55
	402.32	508.55

17 Provisions

Rs. in lakhs

Particulars	As at	As at
r ai titulai 3	March 31, 2024	March 31, 2023
Provision for employee benefits (Refer Note 31)		
Provision for gratuity	204.68	200.14
Provision for leave encashment	520.98	248.32
Provisions for Undrawn commitments	21.50	13.83
	747.16	462.29

Notes forming part of the consolidated financial statements for the year ended March 31,

Loan commitment An analysis of changes in the gross carrying amount is as follows

		As at March 31, 2024	h 31, 2024		A	As at March 31, 2023	31, 2023	
Particulars	Stage 1	Stage 2	Stage 2 Stage 3	Total	Stage 1	Stage 2 Stage 3	Stage 3	Total
Opening balance of outstanding exposure	11,007.13	18.00	5.00	11,030.13	9,629.77	8.00	1	9,637.77
New exposure	15,620.46	89.37	3.00	15,712.83	10,223.18	18.00	5.00	10,246.18
Exposure derecognised or matured/lapsed	(9,818.26)	(18.00)	(2.00)	(9,841.26)	(8,845.82)	(8.00)		(8,853.82)
Transfers to Stage 1	•	1		1	1	1	1	1
Transfers to Stage 2	1	1	1	1	1	1	1	1
Transfers to Stage 3	1	•	1	1	1	1	1	'
Gross carrying amount closing balance	16,809.33	89.37	3.00	16,901.70	11,007.13	18.00	5.00	5.00 11,030.13

Reconciliation of ECL balance is given below:

		As at March 31, 2024	h 31, 2024		⋖	As at March 31, 2023	31, 2023	
rarticulars	Stage 1	Stage 2	Stage 2 Stage 3	Total	Stage 1	Stage 2	Stage 2 Stage 3	Total
Opening balance of outstanding exposure	10.91	0.59	2.33	13.83	3.65	0.24	(00.00)	3.89
New exposure	20.87	0.13	1.52	22.52	10.92	0.59	2.33	13.84
Exposure derecognised or matured/lapsed	(10.91)	(0.59)	(3.35)	(14.85)	(3.66)	(0.24)	1	(3.90)
Transfers to Stage 1	1	1	ı	I	ı	1	1	1
Transfers to Stage 2	1	1	1	1	1	1	1	1
Transfers to Stage 3	1	1	1	I	1	1	1	1
Gross carrying amount closing balance	20.87	0.13	0.50	21.50	10.91	0.59	2.33	13.83

18 Other non-financial liabilities

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	538.47	533.38
Deferred Income	0.43	55.42
	538.90	588.80

19 Equity Share capital

Rs. in lakhs

	As at March	As at March 31, 2024		31, 2023
Particulars	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	49,89,24,001	9,978.48	49,80,30,251	9,960.61
Equity shares of Rs. 2 each - Partly paid-up	-	-	-	-
	49,89,24,001	9,978.48	49,80,30,251	9,960.61

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	ESOP	Closing Balance
Equity shares					
Year ended March 31, 2024					
- Number of shares	49,80,30,251	-	-	8,93,750	49,89,24,001
- Amount (Rs. in lakhs)	9,960.61	-	-	17.87	9,978.48
Year ended March 31, 2023					
- Number of shares	49,69,18,095	-	-	11,12,156	49,80,30,251
- Amount (Rs. in lakhs)	9,938.36	-	-	22.25	9,960.61

⁽b) During the current year, the Company has allotted 8,93,750 equity shares to eligible employees under Employee Stock Option Scheme 2021 at exercise price of INR 140 per equity share.

(c) 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.

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

	As at Ma	As at March 31, 2024		rch 31, 2023
Class of shares / Name of shareholder	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	9,61,59,165	19.27%	9,61,64,165	19.31%
Westbridge Cross Over Fund LLC	17,19,50,252	34.46%	17,17,29,755	34.48%
SMALLCAP WORLD FUND, INC	2,64,79,833	5.31%		

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

(e) Details of shareholding of Promoters:

	As at	March 31	, 2024	As at	As at March 31, 2023		
Name of the promoter	No of shares	% of total shares	% change during the current year	No of shares	% of total shares	% change during the current year	
M Anandan	9,61,59,165	19.27%	0.04%	9,61,64,165	19.31%	0.05%	
Padma Anandan	1,59,95,000	3.21%	1.31%	2,25,00,000	4.52%	0.00%	
Westbridge Cross Over Fund LLC	17,19,50,252	34.46%	0.02%	17,17,29,755	34.48%	0.08%	
Total	28,41,04,417	56.94%	1.37%	29,03,93,920	58.31%	0.13%	

Note: There are no shares held by Holding / Ultimate holding company and / or their subsidiaries / associates.

(f) 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, 2024	As at March 31, 2023
Securities premium reserve	1,75,218.56	1,73,716.03
Employee Stock Options Reserve	896.13	813.03
Statutory Reserve under Section 29C of National Housing Bank (NHB) Act, 1987 (Statutory Reserve - I)	7,767.78	5,659.18
Special Reserve under 36(1)(viii) of Income-tax Act, 1961	31,617.73	24,112.68
Statutory Reserve under Section 45-IC of Reserve Bank of India Act, 1934 (Statutory Reserve - II)	7,205.29	4,614.71
Impairment Reserve	761.93	761.93
Retained Earnings	1,43,385.40	1,14,340.11
Remeasurement gain / (loss) on defined benefit plan	(38.92)	(45.16)
	3,66,813.90	3,23,972.51

20.1 Movement in Other Equity

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Securities premium reserve (Refer Note 20.2.1)		
Balance at the beginning of the year	1,73,716.03	1,72,126.46
Add : Premium on ESOP exercised during the year	1,233.38	1,506.34
Add : Transfer from Employee Stock Options Reserve on ESOP exercised during the year	269.15	83.23
Balance at the end of the year	1,75,218.56	1,73,716.03
(b) Employee Stock Options Reserve (Refer Note 20.2.2 & Note 41)		
Balance at the beginning of the year	813.03	437.70
Add: Share based payments to employees during the year	352.25	458.56
Less: Transfer to Securities Premium on options exercised during the year	(269.15)	(83.23)
Balance at the end of the year	896.13	813.03

for the year ended March 31, 2024

Rs. in lakhs

Par	ticulars	As at March 31, 2024	As at March 31, 2023
(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	5,659.18	2,985.22
	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	24,112.68	18,297.28
Add	lition/Appropriation/withdrawal during the year		
	Add: a) Amount transferred u/s 29C of NHB Act, 1987	2,108.60	2,673.96
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	7,505.05	5,815.40
	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	-	-
Bal	ance at the end of the year		
a)	Statutory Reserve u/s 29C of NHB Act, 1987	7,767.78	5,659.18
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	31,617.73	24,112.68
		39,385.51	29,771.86
(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	4,614.71	3,034.32
	Add: Transfer from retained earnings during the year	2,590.58	1,580.39
	Balance at the end of the year	7,205.29	4,614.71
(e)	Impairment Reserve (Refer Note 20.2.5 & Note 44)		
	Balance at the beginning of the year	761.93	761.93
	Add: Transfer from retained earnings during the year	-	-
	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	1,14,340.11	84,068.26
	Add: Profit for the year	61,189.56	50,301.46
	Less : Dividend paid	(19,940.04)	(9,959.86)
	Less: Transfer to Special reserve u/s 36(1)(viii) of Income-tax Act, 1961 (Refer Note 20.2.3)	(7,505.19)	(5,815.40)
	Less: Transfer to Special reserve u/s 29C of the NHB Act, 1987 (Refer Note 20.2.3)	(2,108.46)	(2,673.96)
	Less: Transfer to Statutory Reserve u/s 45-IC of Reserve Bank of India Act, 1934 (Refer Note 20.2.4)	(2,590.58)	(1,580.39)
	Less: Transfer to Impairment reserve (Refer 20.2.5)	-	-
	Balance at the end of the year	1,43,385.40	1,14,340.11

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
(g) Remeasurement gain / (loss) on defined benefit plan		
Balance at the beginning of the year	(45.16)	(33.28)
Other Comprehensive Income for the year	6.24	(11.88)
Tax impact on above item	-	-
Balance at the end of the year	(38.92)	(45.16)
Total	3,66,813.90	3,23,972.51

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, 2024, Securities premium was utilised to the extent of Rs. Nil (March 31, 2023 -Nil.

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 41.

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 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 Incometax Act, 1961, is considered to be an eligible transfer. During the year ended March 31, 2024, the Company has transferred Rs. 7,505.05 lakhs (March 31, 2023 - Rs. 5,815.40 lakhs) in terms of section 36(1)(viii) to the Special Reserve.

The Company has transferred an amount of Rs. 2,108.60 lakhs during the year ended March 31, 2024 (March 31, 2023 - Rs. 2,673.96 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. 39,385.51 lakhs (March 31, 2023 - Rs. 29,771.86 lakhs) out of which Rs. 7,767.78 lakhs (March 31, 2023 - Rs. 5,659.18 lakhs) is distinctly identifiable above and the balance of Rs. 31,617.73 lakhs (March 31, 2023 - Rs. 24,112.68 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). The Parent Company overall impairment provision made under Ind AS is higher than the prudential floor (including the provision requirement specified in the notification referred to in Note 6) prescribed by RBI.

for the year ended March 31, 2024

20.2.6 Retained earnings

Retained earnings are the profits/ (loss) that the Group has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Group and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date. The amount that can be distributed by the Group as dividends to its Equity Shareholders is determined based on the financial statements of the Group and also considering the requirements of the Companies Act, 2013.

thus, the amounts reported are not distributable in entirety and includes non-distributable items including unrealised gains, notional gains and any change in carrying amount of an asset or of a liability on measurement of the asset or liability at fair value, etc.

The Board of Directors had declared two interim dividend of Rs. 2 each per share respectively for equity share of face value of Rs. 2 at their meetings held on May 03, 2023, Feb 01, 2024 and paid subsequently on May 19, 2023 and Feb 16, 2024 respectively.

21 Revenue from operations

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(A) Interest Income		
On financials assets measured at amortised cost		
Interest on term loans	1,29,656.21	1,03,061.13
Interest on fixed deposits with banks	1,960.67	2,664.12
Interest Income on Government Securities	369.00	114.80
	1,31,985.88	1,05,840.05
(B) Net gain on fair value changes		
Investment in mutual funds measured at FVTPL - trading portfolio		
Realised	417.44	849.20
Unrealised	-	-
	417.44	849.20
(C) Fees and commission Income	4,114.49	2,646.49
	1,36,517.81	1,09,335.74

22 Other income

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Charges for Marketing / Display	4,372.65	3,447.16
Other Non Operating Income	793.99	580.86
	5,166.64	4,028.02

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

23 Finance costs Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Interest expense on Financial liabilities measured at amortised cost			
- Debt securities	3,047.94	3,950.61	
- Borrowings (other than debt securities)	35,616.21	23,562.86	
- Others	121.50	77.73	
	38,785.65	27,591.20	

24 Employee benefits expense

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, bonus and commission	13,222.25	10,629.10
Employee Stock options expense (Refer Note 41)	352.25	458.56
Contributions to provident and other funds (Refer Note 31.1)	854.03	733.04
Gratuity expense (Refer Note 31.2)	62.49	43.55
Staff welfare expenses	400.50	267.11
	14,891.52	12,131.36

5 Impairment on Financial Instruments

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expected Credit Loss Expense		
- On terms loans measured at amortised cost	2,387.59	3,691.00
- On undrawn commitment at amortised cost	(12.41)	(8.21)
Bad Debts Write off	542.18	193.45
	2,917.36	3,876.24

26 Other expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Repairs and maintenance			
- Computers	26.84	30.22	
- Others	0.85	0.64	
Insurance	11.56	7.45	
Information Technology expenses	285.50	246.42	
Rates and taxes	900.84	541.10	
Communication Costs	137.86	123.17	
Travelling and conveyance	730.59	572.90	
Office expenses	546.13	433.91	
Printing and stationery	112.43	100.17	
Commission to Directors	90.00	90.00	
Sitting fees to non-whole time directors	24.30	25.25	
Charges paid to rating agencies	105.66	116.35	
Electricity Charges	69.62	50.96	
Bank charges	102.86	85.53	
Advertisement and publicity	54.46	52.25	
Legal and professional	447.41	337.25	
Secretarial and Compliance Expenses	48.85	35.20	
Auditor's fees and expenses (Refer Note 26.1 & Note 26.2)	98.95	76.31	
Corporate Social Responsibility Expenditure (Refer Note 37)	986.89	715.72	
Miscellaneous expenses	61.76	30.89	
	4,843.36	3,671.69	

for the year ended March 31, 2024

26.1 Auditor's fees and expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(i) As Auditors:		
Statutory Audit fee	34.00	31.00
Tax Audit	-	-
Limited Review fee	24.00	19.50
Others	27.50	15.00
Reimbursement of expenses	1.45	0.75
Sub-Total	86.95	66.25

26.2 Details of Subsidiary Auditor's fees and expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
As auditors:			
Statutory Audit fee (including regulatory certificates)	8.00	7.00	
Tax Audit	-	-	
Limited Review fee	3.00	3.00	
Reimbursement of expenses	1.00	0.06	
Sub-Total Sub-Total	12.00	10.06	

27 Tax expense

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax expense	18,698.04	14,772.94
Deferred tax	(572.03)	297.57
	18,126.01	15,070.51

27.1 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, 2024	For the year ended March 31, 2023
(A) Profit before tax	79,315.57	65,371.97
(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	19,962.14	16,452.82
(D) Other than temporary differences		
- Effect of change in tax rate	-	-
- Effect of income that is exempt from taxation	-	-
- Effect of inadmissible expenses (CSR, Bad debts etc.)	379.72	134.87
- Effect of admissible deductions (S.80JJAA deductions)	(2,067.68)	(1,605.59)
- Effect of reversal of opening balance of deferred tax liability on Special Reserve created u/s 36(1)(viii) of Income Tax Act, 1961	-	-
- Others	(148.17)	88.41
(E) Income tax expense recognised in Profit and Loss	18,126.01	15,070.51

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.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

- **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, 2024 and March 31, 2023 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, 2024	As at March 31, 2023
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.	-	-

Note:

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, 2024 and March 31, 2023. This has been relied upon by the Auditors.

Particulars	As at March 31, 2024	As at March 31, 2023
(i) The principal amount remaining unpaid to supplier as at the end of the year	8.75	8.37
(ii) The interest due thereon remaining unpaid to supplier as at the end of the Year	-	-
(iii) The amount of interest paid in terms of Section 16, along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(iv) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(v) The amount of interest accrued during the year and remaining unpaid at the end of the year	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

for the year ended March 31, 2024

29B Trade Payable Ageing details;

Rs. in lakhs

24 May 24	Outstanding for 1	Tatal			
31-Mar-24	Less than 1 year 1 - 2 years 2 - 3 years More than 3 year		More than 3 years	Total	
(i) Undisputed - MSME	8.75	-	-	-	8.75
(ii) Undisputed - Others	337.78	-	-	-	337.78
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	346.53	-	-	-	346.53

Rs. in lakhs

	Outstanding for following periods from due date of payment				
31-Mar-23	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed - MSME	8.37	-	-	-	8.37
(ii) Undisputed - Others	865.37	-	-	-	865.37
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	873.74	-	-	-	873.74

30 Commitments

Rs. in lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Loans sanctioned to Borrowers pending disbursement	21,040.41	16,618.88
	21,040.41	16,618.88

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. 674.40 lakhs (March 31, 2023 - Rs. 567.03 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.

<u>Longevity risk:</u> 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.

<u>Salary escalation risk:</u> 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.

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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, 2024	As at March 31, 2023
Change in defined benefit obligations during the year		
Present value of obligation as at beginning of the year	199.34	183.15
Current service cost	49.09	33.80
Interest cost	12.48	8.35
Benefits paid	(49.04)	(41.84)
Actuarial (gains) / losses	(8.58)	15.88
Present value of obligation at end of the year	203.29	199.34
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	203.29	199.34
Fair value of Plan Assets	-	-
Net Liability recognized in the Balance Sheet	203.29	199.34

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Expenses Recognised in the Statement of Profit and Loss:		
Current service cost	49.09	33.80
Past service cost	-	-
Net Interest on Net Defined Benefit Obligations	12.48	8.35
Expenses recognized in the statement of profit and loss	61.57	42.15
Amount Recognized for the current year in the Statement of Other Comprehensive Income [OCI]		
Actuarial (gain)/loss on Plan Obligations	(8.58)	15.88
Difference between Actual Return and Interest Income on Plan Assets- (gain)/loss	-	-
Amount recognized in OCI for the current year	(8.58)	15.88
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, 2024	As at March 31, 2023
Discount Rate	6.95%	7.14%
Future Salary Increase	5.00%	5.00%
Attrition rate	13% to 37%	13% to 24%
Mortality	Indian Assured Lives Mortality (2012- 14) Ultimate Table	Indian Assured Lives Mortality (2012-14) Ultimate Table

for the year ended March 31, 2024

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, 2024			
Defined Benefit Obligation Discount rate Salary increase rate			
Impact of decrease	3.49	(3.52)	
Impact of increase	(3.36)	3.63	

As at March 31, 2023			
Defined Benefit Obligation	Discount rate	Salary increase rate	
Impact of decrease	4.19	(4.42)	
Impact of increase	(4.01)	4.58	

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, 2024	As at March 31, 2023
Average Duration of Defined Benefit Obligations (in years)	4.00	4.80
Projected undiscounted expected benefit outgo (mid year cash flows) (in Rs. Lakhs)		
Year 1	58.08	46.43
Year 2	32.67	28.14
Year 3	30.23	25.92
Year 4	35.87	25.96
Year 5	27.81	29.15
Year 6 to 10	51.02	77.32
Expected Benefit Payments for the next annual reporting period (Rs. In lakhs)	58.08	46.43

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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, 2024	As at March 31, 2023
Discount Rate	6.95%	7.14%
Future Salary Increase	5.00%	5.00%

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 Company 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, 2023: Nil)

33 Segment Reporting:

The Executive Chairman 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, Executive Chairman (from May 04, 2023)
	Mr. P Balaji, Managing Director (from May 04, 2023)
	Mr. John Vijayan Rayappa, Chief Financial Officer (from May 04, 2023)
	Mr. Sanin Panicker, Company Secretary
	Mr. Uday Venkata Kiran, Manager & CFO
	Ms. Jyoti Suresh Munot, Company Secretary (till May 03,2023)
	Mr. T.Harshavardn, Company Secretary (from May 03, 2023)
	Mr. K M Mohandass, Independent Director
	Mr. S Krishnamurthy, Independent Director
	Mr. Krishnamurthy Vijayan, Independent Director
	Ms. Mona Kachhwaha, Independent Director
	Mr. V G Kannan, Independent Director
	Mr. Shailesh J Mehta, Non-executive Director
	Mr. Suman Bollina, Non-executive Director (till May 04, 2023)
	Mr. Sumir Chadha, Nominee Director
	Mr. K P Balaraj, Nominee Director
Individuals having Significant Influence	Mr. M Anandan, Executive Chairman
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.

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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, 2024	For the year ended March 31, 2023
Remuneration *	Mr. M Anandan		
	- Salary	1,366.64	1,252.84
Director commission and sitting fee	Mr. K M Mohandass		
	- Commission	15.00	15.00
	- Sitting fee	6.90	5.70
Director commission and sitting fee	Mr. S Krishnamurthy		
	- Commission	15.00	15.00
	- Sitting fee	5.90	5.00
Director commission and sitting fee	Mr. Krishnamurthy Vijayan		
	- Commission	10.00	10.00
	- Sitting fee	2.30	3.90
Director commission and sitting fee	Ms. Mona Kachhwaha		
	- Commission	10.00	10.00
	- Sitting fee	3.40	3.05
Director commission and sitting fee	Mr. V G Kannan		
	- Commission	10.00	7.50
	- Sitting fee	2.20	2.25
Director commission and sitting fee	Mr. Shailesh J Mehta		
	- Commission	10.00	10.00
	- Sitting fee	1.60	1.80
Director commission and sitting fee	Mr. Suman Bollina		
	- Commission	15.00	15.00
	- Sitting fee	0.80	2.60

Transactions during the year	Names of related parties	For the year ended March 31, 2024	For the year ended March 31, 2023
Remuneration *	Mr. P Balaji		
	- Salary	240.50	145.46
Remuneration *	Mr. John Vijayan Rayappa		
	- Salary	46.50	-
Remuneration *	Mr. Sanin Panicker		
	- Salary	17.40	14.60
Remuneration*	Mr. Uday Venkata Kiran		
	- Salary	15.31	5.18
Remuneration *	Mr. T.Harshavardn		
	- Salary	5.31	-
Remuneration *	Ms. Jyoti Suresh Munot		
	- Salary	-	1.68
Rent paid	Mr. M Anandan	-	8.42

Note:

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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

Particulars	31-Mar-24	31-Mar-23
Tier I Capital	3,25,837.97	2,95,671.01
Tier II Capital	2,646.67	3,022.81
Total Capital	3,28,484.64	2,98,693.82
Risk Weighted assets	4,49,820.70	3,85,978.56
Capital Adequacy Ratio	73.03%	77.38%
Tier I Capital %	72.44%	76.60%
Tier II Capital %	0.59%	0.78%

Below is the further breakup of the Tier I and Tier II Capital as at March 31, 2024 and March 31, 2023

Rs. in Lakhs

Particulars	31-Mar-24	31-Mar-23
Tier I Capital :		
Paid up Equity share capital	9,978.48	9,960.61
Special Reserve (Section 36(1)(viii) Income Tax Act, 1961	31,617.87	24,112.68
Statutory Reserve u/s.29C of the NHB Act, 1987	7,767.64	5,659.18
Share premium	1,75,218.56	1,73,716.03
Credit balance in Profit and Loss Account	1,14,706.31	96,191.74
ESOP Reserve	896.13	813.03
Deferred Revenue Expenditure	(103.42)	(73.61)
Deferred Tax Assets	(2,172.11)	(1,687.95)
Other Intangible Assets	(1,686.70)	(84.06)
50% of First loss guarantee given on securitised assets	(373.96)	(373.96)
Subsidiary loan outstanding in excess of 10% of Owned fund	(10,010.83)	(12,562.68)
Net Tier I Capital	3,25,837.97	2,95,671.01
Tier II Capital :		
General provisions and loss reserves (including provisions for standard assets)	3,020.62	3,396.77
50% of First loss guarantee given on securitised assets	(373.95)	(373.96)
Net Tier II Capital	2,646.67	3,022.81
Total Capital	3,28,484.64	2,98,693.82

^{*} 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.

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35.2 Categories of Financial Instruments

	As a	it March 31	, 2024	As a	t March 31	, 2023
Particulars		Measured	at		Measured	at
- Faiticulais	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Cash and Cash equivalents	-	-	33,612.97	-	-	44,678.92
Bank Balance other than cash and cash equivalents	-	-	1,406.41	-	-	1,322.21
Loans	-	-	8,52,836.83	-	-	6,59,230.97
Investments	-	-	5,147.42	-	-	5,147.42
Other Financial assets	-	-	1,610.92	-	-	2,835.68
Total Financial Assets	-	-	8,94,614.55	-	-	7,13,215.20
Financial liabilities						
Trade Payables	-	-	346.53	-	-	865.37
Debt Securities	-	-	28,945.74	-	-	39,005.31
Borrowings (Other than Debt Securities)	-	-	4,89,553.78	-	-	3,39,600.85
Lease Liabilities	-	-	1,461.70	-	-	975.95
Other Financial Liabilities	-	-	2,075.09	-	-	2,188.42
Total Financial liabilities	-	-	5,22,382.84	-	-	3,82,635.90

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 -	Α	s at Marc	h 31, 2024		А	s at March	1 31, 2023	
Particulars	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investments	-	-	-	-	-	-	-	-
Assets measured at fair value								
Assets held for sale	-	545.07	-	545.07		231.75		231.75

(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

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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

		As at	March 31	I, 2024			As at	March 3	1, 2023	
Particulars	Carrying		Fair Valu	ue hierarchy		Carrying		Fair Val	ue hierarchy	,
	Value	Level 1	Level 2	Level 3	Total	Value	Level 1	Level 2	Level 3	Total
Financial assets										
Cash and cash equivalents	33,612.97	33,612.97	-	-	33,612.97	44,678.92	44,678.92	-	-	44,678.92
Bank Balance other than	1,406.41	1,406.41	-	-	1,406.41	1,322.21	1,322.21	-	-	1,322.21
cash and cash equivalents										
Loans	8,52,836.83	-	-	8,54,802.82	8,54,802.82	6,59,230.97	-	-	6,62,208.52	6,62,208.52
Investments	5,147.42	5,147.42	-	-	5,147.42	5,147.42	5,147.42	-	-	5,147.42
Other Financial assets	1,610.92	-	-	1,610.92	1,610.92	2,835.68	-	-	2,835.68	2,835.68
Total Financial Assets	8,94,614.55	40,166.80	-	8,56,413.74	8,96,580.54	7,13,215.20	51,148.55	-	6,65,044.20	7,16,192.75
Financial liabilities										
Trade Payables	346.53	-	-	346.53	346.53	873.74	-	-	873.74	873.74
Debt Securities	28,945.74	-	-	29,103.23	29,103.23	39,005.31	-	-	38,875.10	38,875.10
Borrowings (Other than	4,89,553.78	-	-	4,90,060.51	4,90,060.51	3,39,600.85	-	-	3,40,222.81	3,40,222.81
Debt Securities)										
Lease Liabilities	1,461.70	-	-	1,461.70	1,461.70	975.95	-	-	975.95	975.95
Other financial liabilities	2,075.09	-	-	2,075.09	2,075.09	2,188.42	-	-	2,188.42	2,188.42
Total Financial Liabilities	5,22,382.84	-	-	5,23,047.06	5,23,047.06	3,82,644.27	-	-	3,83,136.02	3,83,136.02

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.

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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

	Carmina		Sensitivity t	o fair value
Particulars	Carrying value	Fair value	0.50% increase	0.50% decrease
Sensitivity analysis as at March 31, 2024				
Loans	8,52,836.83	8,54,802.82	8,54,675.52	8,54,849.64
Debt Securities	28,945.74	29,103.23	29,187.39	29,019.06
Borrowings (Other than Debt Securities)	4,89,553.78	4,90,060.51	4,92,793.53	4,87,011.20
Sensitivity analysis as at March 31, 2023				
Loans	6,59,230.97	6,58,753.63	6,60,193.80	6,57,292.68
Debt Securities	39,005.31	38,875.10	38,875.10	38,875.10
Borrowings (Other than Debt Securities)	3,39,600.85	3,40,222.81	3,42,132.54	3,38,335.79

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.

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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: Above 90 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. December 2023 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 December 2023. For each pool, recovery data was mapped to the subsequent months until December 2023 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)].

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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, 2024	As at March 31, 2023
Loans (at amortised cost) - Gross amount		
Concentration by products		
Housing Loans	4,58,177.86	3,70,715.83
Loans against property	4,03,226.31	2,95,594.64
Total Advances	8,61,404.17	6,66,310.47

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, 2024	3,768.39	2,445.75	2,353.20	8,567.34
Loss allowance as at March 31, 2023	3,726.30	1,380.70	1,972.50	7,079.50
Movement for the year ended March 31, 2024	42.08	1,065.05	380.70	1,487.84

The table below provides an analysis of the gross carrying amount of Loans by past due status.

Rs. in lakhs

				RS. III Idki IS
	As at Marcl	n 31, 2024	As at Marc	h 31, 2023
Particulars	Gross carrying	Loss allowance	Gross carrying	Loss allowance
Receivables under Financing Activities - Gross amount				
0 to 30 days	8,09,279.42	3,768.39	6,26,818.63	3,726.30
31 up to 90 days	42,968.98	2,445.75	31,797.41	1,380.69
Above 90 days	9,155.77	2,353.20	7,694.43	1,972.50
Total	8,61,404.17	8,567.34	6,66,310.47	7,079.49

Note

The count of borrowers for above 90 days is 1,460 as at March 31, 2024 (March 31, 2023 count of borrowers is 1,186)

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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 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.

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include and maturities of financial liability/financial assets at the

As at March 31, 2024	1 day to 30/31 days (One	Over one month to 2 months	Over 2 months up to 3	Over 3 months up to 6	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	MOILUI		SI IIOIIII								
Cash and cash equivalents	33,612.96	1				1	1	1		1	33,612.96
Bank Balance other than cash and cash equivalents	777.15	1	1	1	259.85	I	369.41	1	1	1	1,406.41
Loans	18,670.47	16,897.59	13,389.32	47,745.02	93,897.69	3,82,621.66	3,72,939.28	3,20,644.32	2,90,136.78	40,824.01	15,97,766.14
Investments	1	1	1	1	1	1	5,147.42	1	1	1	5,147.42
Other Financial assets	1,541.88	1	1	1	1	357.85		1	1	1.50	1,901.23
Total (A)	54,602.46	16,897.59	13,389.32	47,745.02	94,157.54	3,82,979.51	3,78,456.11	3,20,644.32	2,90,136.78	40,825.51	16,39,834.16
Financial liabilities											
Trade payables	346.54	ı	ı	ı	ı	1	1	1	ı	ı	346.54
Debt Securities	136.61	665.86	636.61	908.08	2,304.87	26,264.67	2,664.45	1			33,581.15
Borrowings (Other than Debt Securities)	11,967.20	8,968.52	12,815.55	38,487.24	74,633.58	2,52,940.73	1,35,429.86	46,983.14	29,335.14	217.28	6,11,778.24
Lease Liabilities	52.17	51.70	50.36	140.31	239.14	591.38	354.95	195.73	141.17	5.91	1,822.82
Other financial liabilities	2,072.44	1		1	ı	1	ı	1			2,072.44
Total (B)	14,574.96	9,686.08	13,502.52	39,535.63	77,177.59	2,79,796.78	1,38,449.26	47,178.87	29,476.31	223.19	6,49,601.19
Net Financial Assets / Liabilities (A-B)	40,027.50	7,211.51	(113.20)	8,209.39	16,979.95	1,03,182.73	2,40,006.85	2,73,465.45	2,60,660.47	40,602.32	9,90,232.97
As at March 31, 2023	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	34,577.92	8,050.00	2,051.00	ı	ı	1	ı	1	ı	ı	44,678.92
Bank Balance other than cash and cash equivalents	2.27	I	1			539.00	I	593.18	ı	I	1,134.45
Loans	17,928.96	16,825.95	13,141.60	49,812.63	99,160.71	2,96,085.68	2,71,653.13	2,28,399.24	2,05,372.53	39,588.34	12,37,968.77
Investments	1	1	1	1	1	1	5,147.42	1	ı	1	5,147.42
Other Financial assets	2,565.03					268.95		1		1.50	2,835.48
Total (A)	55,074.18	24,875.95	15,192.60	49,812.63	99,160.71	2,96,893.63	2,76,800.55	2,28,992.42	2,05,372.53	39,589.84	12,91,765.04
Financial liabilities											
Trade payables	873.74					1		1			873.74
Debt Securities	154.49	11,436.99	131.82	594.81	530.35	29,704.19	ı	'	ı	ı	42,552.64
Borrowings (Other than Debt Securities)	7,131.59	7,276.46	11,088.18	25,678.68	49,189.79	1,63,115.56	1,01,183.17	38,857.33	19,179.94	799.02	4,23,499.72
Lease liabilities	47.48	47.31	47.14	129.07	224.07	475.65	159.25	38.38		1	1,168.35
Other financial liabilities	2,188.18		1	1	1	1	1	1	1	1	2,188.18
Total (B)	10,395.48	18,760.76	11,267.14	26,402.56	49,944.21	1,93,295.40	1,01,342.42	38,895.71	19,179.94	799.02	4,70,282.63
	01011	27.17.7	1000	100	0.00		7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7	70000	07 00 10	100	77 007 70 0

As at March 31, 2023	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	34,577.92	8,050.00	2,051.00		1					1	44,678.92
Bank Balance other than cash and cash equivalents	2.27	1	1		1	539.00	1	593.18	1	1	1,134.45
Loans	17,928.96	16,825.95	13,141.60	49,812.63	99,160.71	2,96,085.68	2,71,653.13	2,28,399.24	2,05,372.53	39,588.34	12,37,968.77
Investments	1	1	1		1		5,147.42	1	1	1	5,147.42
Other Financial assets	2,565.03		1		1	268.95				1.50	2,835.48
Total (A)	55,074.18	24,875.95	15,192.60	49,812.63	99,160.71	2,96,893.63	2,76,800.55	2,28,992.42	2,05,372.53	39,589.84	12,91,765.04
Financial liabilities											
Trade payables	873.74	1	1		1	1			,	1	873.74
Debt Securities	154.49	11,436.99	131.82	594.81	530.35	29,704.19			1	1	42,552.64
Borrowings (Other than Debt Securities)	7,131.59	7,276.46	11,088.18	25,678.68	49,189.79	1,63,115.56	1,01,183.17	38,857.33	19,179.94	799.02	4,23,499.72
Lease liabilities	47.48	47.31	47.14	129.07	224.07	475.65	159.25	38.38	1	1	1,168.35
Other financial liabilities	2,188.18	1	1		1	ı			1	1	2,188.18
Total (B)	10,395.48	18,760.76	11,267.14	26,402.56	49,944.21	11,267.14 26,402.56 49,944.21 1,93,295.40 1,01,342.42	1,01,342.42	38,895.71	19,179.94	799.02	4,70,282.63

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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.

Earnings per share 36

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.

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.

Rs in lakhs

		NS. 111 Iaki 15
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit After Tax (A)	61,189.56	50,301.46
Weighted Average Number of Equity Shares (Face Value Rs. 2 Each) - Basic (B)	49,86,19,732	49,75,66,892
Add: Effect of dilutive potential equity shares		
- Employee stock options	23,33,171	14,06,780
Weighted Average Number of Equity Shares (Face Value Rs. 2 Each) - Diluted (C)	50,09,52,903	49,89,73,672
Earnings Per Share - Basic (Rs.) (A / B)	12.27	10.11
Earnings Per Share - Diluted (Rs.) (A / C)	12.21	10.08

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37 Corporate Social Responsibility expenditure:

Rs. In Lakhs

Pa	rticulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a)	Amount required to be spent by the company during the year	986.89	715.72
b)	Amount of expenditure incurred	341.37	147.10
C)	Shortfall at the end of the year*	645.52	568.62
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
	C	1 04 0004 114 1	04.0000

^{*} The Company has provided for the shortfall in CSR expenditure as at March 31, 2024 and March 31,2023.

Rs. in Lakhs

Project Name	Unspent Amount transferred to Bank
Procuring van for Varshini Illam Trust for early detection of development deficiency in small children.	48.12
Providing operation theatre equipment to Sankara Multi Speciality Hospital, Kanchipuram	53.00
Transport assistance for underprivileged Children in collaboration with Golden Butterflies Children's Palliative Care Foundation.	2.39
Transportation support for blind students at Nethra Vidyalaya in association with Sanitation First, an NGO.	52.00
Anganwadi renovation project in collaboration with the NGO - Sanitation First.	45.00
Toilet facility at Swami Dayananda Rotary Matriculation Higher Secondary School, Kadalur Village.	21.00
Providing Furniture for classrooms for Mahila Vidyalaya Nursery & Primary School, Andhra Mahila Sabha	5.00
Total	226.51

⁽ii) The unspent amount apart from ongoing projects mentioned above amounting to Rs. 419.01 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, 2024. The Company has transferred amount of Rs. 332.79 lakhs pertaining to shortfall at the end of FY2022-23 within six months from the end of March 31, 2023 to the schedule VII funds.

Notes forming part of the consolidated financial statements for the year

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.

s at March 31, 2024

	Net Assets (I.e total assets less total liabilities)	otal assets bilities)	Share in Profit and Loss	and Loss	Share in Other Comprehensive Income	ner Income	Share in Total Comprehensive Income	prehensive
Name of the entity	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	86.31%	3,25,196.76	78.55%	48,061.84	104.49%	6.52	78.55%	48,068.36
Indian Subsidiary								
Aptus Finance India Private Limited	13.69%	51,595.62	21.45%	13,127.72	-4.49%	(0.28)	21.45%	13,127.44
Total	100.00%	3,76,792.38	100.00%	61,189.56	100.00%	6.24	100.00%	61,195.80
As at March 31, 2023								
	Net Assets (i.e total assets less total liabilities)	otal assets bilities)	Share in Profit and Loss	and Loss	Share in Other Comprehensive Income	her Income	Share in Total Comprehensive Income	prehensive
					As a % of		As a % of	

	Net Assets (i.e total assets	otal assets	Share in Profit and Loss	and Loss	Share in Other	ner	Share in Total Comprehensive	orehensive
					As a % of		As a % of	
Name of the entity	As a % of Consolidated	Amount (Rs. in	As a % of Consolidated	Amount (Rs. in	Consolidated	Amount (Rs. in	consolidated Total	Amount (Rs. in
	Net Assets	lakhs)	Profit and loss	lakhs)	comprehensive income	lakhs)	comprehensive income	lakhs)
Parent Company								
Aptus Value Housing Finance India Limited	88.59%	2,95,837.82	84.41%	42,458.66	100.00%	(11.88)	84.40%	42,446.78
Indian Subsidiary								
Aptus Finance India Private Limited	11.41%	38,095.30	15.59%	7,842.80	%00.0	ı	15.60%	7,842.80
Total	100.00%	100.00% 3,33,933.12	100.00%	50,301.46	100.00%	(11.88)	100.00%	50,289.58

^{**} 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 FY2023-24 to a separate special bank account.

⁽iii) There is no amount required to be contributed to specified fund u/s 135 (6) by the Company.

for the year ended March 31, 2024

39 Maturity analysis of assets and liabilities

Rs. in lakhs

	As a	at March 31, 2	2024	As a	As at March 31, 2023			
Assets	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total		
Financial Assets								
Cash and cash equivalents	33,612.97	-	33,612.97	44,678.92	-	44,678.92		
Bank Balance other than cash and cash equivalents	-	1,406.41	1,406.41	-	1,322.21	1,322.21		
Loans	86,037.60	7,66,799.23	8,52,836.83	71,512.05	5,87,718.92	6,59,230.97		
Investments	-	5,147.42	5,147.42	-	5,147.42	5,147.42		
Other Financial assets	1,541.88	69.04	1,610.92	2,565.03	270.65	2,835.68		
Non-financial Assets								
Current tax assets (net)	-	402.32	402.32	-	508.55	508.55		
Deferred tax assets (Net)	-	2,539.54	2,539.54	-	1,969.95	1,969.95		
Property, plant and equipment	-	504.84	504.84	-	371.29	371.29		
Intangible assets	-	130.54	130.54	-	84.07	84.07		
Right-of-use assets	-	1,556.16	1,556.16	-	1,072.10	1,072.10		
Other non-financial assets	168.26	-	168.26	175.57	-	175.57		
Assets held for sale	-	545.07	545.07	-	231.75	231.75		
TOTAL ASSETS	1,21,360.71	7,79,100.57	9,00,461.28	1,18,931.57	5,98,696.91	7,17,628.48		
Liabilities								
Financial Liabilities								
Trade Payables	346.53	-	346.53	873.74	-	873.74		
Debt Securities	2,444.85	26,500.89	28,945.74	11,062.92	27,942.39	39,005.31		
Borrowings (Other than Debt Securities)	1,23,161.65	3,66,392.13	4,89,553.78	88,649.86	2,50,950.99	3,39,600.85		
Lease Liabilities	533.68	928.02	1,461.70	467.35	508.60	975.95		
Other financial liabilities	2,075.09	-	2,075.09	2,188.42	-	2,188.42		
Non-Financial Liabilities								
Current tax liabilities (Net)	-	-	-	-	-			
Provisions	-	747.16	747.16	-	462.29	462.29		
Other non-financial liabilities	538.90	-	538.90	588.80	-	588.80		
TOTAL LIABILITIES	1,29,100.70	3,94,568.20	5,23,668.90	1,03,831.10	2,79,864.27	3,83,695.36		
NET ASSETS / (LIABILITIES)	(7,739.99)	3,84,532.37	3,76,792.38	15,100.47	3,18,832.63	3,33,933.12		

40 Change in liabilities arising from financing activities

Rs in lakhs

				RS. III Iaki IS
	01-Apr-23	Cash flows	Other *	31-Mar-24
Debt securities	39,005.31	(9,699.17)	(360.40)	28,945.74
Borrowings (other than debt securities)	3,39,600.85	1,51,627.78	(1,674.85)	4,89,553.78
Lease liabilities	975.95	(808.66)	1,294.41	1,461.70
Total liabilities from financing activities	3,79,582.11	1,41,119.95	(740.84)	5,19,961.22
	01-Apr-22	Cash flows	Other *	31-Mar-23
Debt securities	41,024.83	(2,083.33)	63.81	39,005.31
Borrowings (other than debt securities)	2,31,037.87	1,08,872.58	(309.60)	3,39,600.85
Lease liabilities	780.13	(555.09)	750.91	975.95
Total liabilities from financing activities	2,72,842.83	1,06,234.16	505.12	3,79,582.11

^{*} 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.

Notes forming part of the consolidated financial statements

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Share-based payments

Employee share option plan

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 1,00,00,000 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

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	
Date of Grant	May 20, 2021	May 04, 2023	Jan 18, 2024
Date of Board approval	February 11, 2021	February 11, 2021	February 11, 2021
Date of shareholders approval	May 06, 2021	May 06, 2021	May 06, 2021
Number of options granted	55,22,500	30,37,500	3,52,500
Method of settlement	Equity	Equity	Equity
Vesting period	20.05.2022 to	04.05.2024 to	18.01.2025 to
	20.05.2025	04.05.2027	18.01.2028
Manner of vesting	In a graded manr	ner over a 4 year period	d with 25% of the
	gra	ants vesting in each yea	ar
Exercise price per option	140.00	247.00	332.00
Price of Underlying share at the time of the Option Grant	140.00	258.55	363.00

^{*} Number of options granted and exercise price per option has been adjusted on account of share split.

(c) Movement in share options during the year are as follows:

Particulars	ESOS 2021
Options outstanding as at April 1, 2022	53,65,000
Add: Options granted during the year	-
Less: Options forfeited/lapsed during the year	(12,67,844)
Less: Options exercised during the year	(11,12,156)
Options outstanding as at March 31, 2023	29,85,000
Add: Options granted during the year	34,27,500
Less: Options forfeited/lapsed during the year	(11,63,282)
Less: Options exercised during the year	(8,93,750)
Options outstanding as at March 31, 2024	43,55,468

for the year ended March 31, 2024

Fair value of share options granted

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:

Acquimitions	Date of grant				
Assumptions	20-May-21	04-May-23	18-Jan-24		
Risk Free Interest Rate	4.06% to 5.58%	7.02% to 7.09%	7.14% to 7.18%		
Expected Life (in years)	1.5 to 4.5	1.5 to 4.5	1.5 to 4.5		
Expected Annual Volatility of Shares	13.28% to	19.18% to	13.51% to		
	14.71%	26.04%	25.76%		
Expected Dividend Yield	0.00%	1.20%	0.88%		
Price of Underlying share at the time of the Option Grant	140.00	247.00	332.00		
Fair Value of the Option (Rs.)					
1st Stage	14.44	37.99	46.09		
2nd Stage	20.47	52.20	68.08		
3rd Stage	27.30	74.04	88.01		
4th Stage	34.64	82.08	114.69		

Expense arising from share based payment transaction recognized in profit or loss statement as employee benefit expense are as follows:

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Employee benefit expense	352.25	458.56	

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 'shortterm 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, 2024	As at March 31, 2023
Opening Balance	975.95	780.13
Add: Additions during the year	1,051.40	673.17
Add / Less: Accretion of Interest	121.50	77.73
Less: Payments during the year	(687.15)	(555.08)
Closing Balance	1,461.70	975.95
Current	533.68	467.35
Non Current	928.02	508.60

Lease liabilities are recognised at weighted average incremental borrowing rate ranging from 8% to 10%

The maturity analysis of lease liabilities are disclosed in Note 35.7.1.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

The following are the amounts recognised in the Statement of profit and loss:

Rs. in lakhs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation expense of right-of-use assets	579.46	484.67
Interest expense on lease liabilities	121.50	77.73
Expense relating to short-term leases (included in other expenses)	-	-
Total	700.96	562.40

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Total cash outflow for leases	687.15	555.08

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.

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 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, 2024	As at March 31, 2023
Carrying amount of transferred assets measured at amortised cost	47,286.80	17,767.67
Carrying amount of associated liabilities measured at amortised cost	39,923.16	14,039.35
Fair value of assets	48,852.22	17,733.06
Fair value of associated liabilities	39,923.16	14,039.35
Net position at Fair Value	8,929.06	3,693.71

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, 2024 is Rs. Nil (As at March 31, 2023 Rs. Nil). The balance in the impairment reserve as at March 31, 2024 is Rs. 761.93 lakhs (As at March 31, 2023 Rs. 761.93 lakhs) (Refer Note 20.1 and Note 20.2.5).

for the year ended March 31, 2024

As at March 31, 2024 Rs. in lakhs Loss Difference Gross **Allowances** Asset **Provisions** Carrying Net between Asset Classification as classification (Provisions) required as **Amount as** Carrying Ind AS 109 per IRACP as required per RBI Norms as per Ind AS per Ind AS **Amount** provisions and 109 under Ind norms 109 **IRACP** norms **AS 109** (1) (2) (3) (4) (5)=(3)-(4)(6) (7) = (4)-(6)**Performing Assets** Stage 1 8,09,279.42 3,768.39 8,05,511.03 2,894.81 873.58 Standard 42,968.98 40,523.23 297.75 2,148.00 Stage 2 2,445.75 Stage 3 8,52,248.40 6,214.14 8,46,034.26 3,021.59 Subtotal 3,192.56 **Non-Performing Assets** (NPA) Substandard Stage 3 5,679.26 1,476.93 4,202.33 802.30 674.64 Doubtful - up to 1 year Stage 3 2,685.70 676.45 2,009.25 658.43 18.02 1 to 3 years Stage 3 783.82 198.12 585.70 320.82 (122.71)5.29 7.24 More than 3 years Stage 3 6.99 1.70 (5.54)Subtotal for doubtful 6,802.57 564.41 9,155.77 2,353.20 1,788.79 Loss Stage 3 Subtotal for NPA 9,155.77 2,353.20 6,802.57 1,788.79 564.41 Other 13,176.59 13,155.22 21.37 items such Stage 1 21.37 guarantees, loan 0.13 89.37 0.13 89.24 Stage 2 etc. commitments, Stage 3 3.00 3.00 which are in the scope of Ind AS 109 but not covered under current Recognition, Income Asset Classification and Provisioning (IRACP) norms Subtotal 13.268.96 21.50 13,247.46 21.50 2,894.81 894.95 Total Stage 1 8,22,456.01 3,789.76 8,18,666.25 43,058.35 2,445.88 40,612.47 297.75 2,148.13 Stage 2 564.41 Stage 3 9,158.77 2,353,20 3.00 1,788.79

Total 8,74,673.13

8,588.84 8,59,281.72

4,981.35

3,607.50

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

As at March 31, 2023						Rs. in lakhs
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS 109	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	6,26,818.63	3,726.30	6,23,092.33	2,338.21	1,388.09
	Stage 2	31,797.41	1,380.69	30,416.72	281.92	1,098.77
	Stage 3	-	-	-	-	-
Subtotal		6,58,616.04	5,106.99	6,53,509.05	2,620.13	2,486.86
Non-Performing Assets (NPA)						
Substandard	Stage 3	6,784.41	1,761.60	5,022.81	960.16	801.44
Doubtful - up to 1 year	Stage 3	910.02	210.90	699.12	222.50	(11.60)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		7,694.43	1,972.50	5,721.93	1,182.66	789.84
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		7,694.43	1,972.50	5,721.93	1,182.66	789.84
Other items such	Stage 1	9,819.27	10.91	9,808.36	-	10.91
as guarantees, loan	Stage 2	18.00	0.59	17.41	-	0.59
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 3	5.00	2.33	2.67	-	2.33
Subtotal		9,842.27	13.83	9,828.44	-	13.83
Total	Stage 1	6,36,637.90	3,737.21	6,32,900.69	2,338.21	1,399.00
	Stage 2	31,815.41	1,381.28	30,434.13	281.92	1,099.36
	Stage 3	7,699.43	1,974.83	2.67	1,182.66	792.17

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, 2024 and provided as per norms.

7,093.32 6,63,337.49

3,802.79

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3,290.53

Total 6,76,152.74

288

for the year ended March 31, 2024

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 i.e. September 30, 2023.	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 year i.e. March 31, 2024
	(A)	(B)	(C)	(D)	
Personal Loans	1,752.54	71.03	-	155.17	1,526.34
Corporate persons	-	-	-	-	-
of which MSMEs	-	-	-	-	-
Others	1,215.12	65.21	-	126.80	1,023.11
Total	2,967.66	136.24	-	281.97	2,549.45

The listed Non-Convertible Debentures of the Company secured by way of specific charge on assets under hypothecation and specified immovable property. The total asset cover is more than one hundred percent of the principal amount of the said debentures.

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 year ended March 31, 2024 (March 31, 2023 - Nil).
- (b) The Company has not transferred or acquired, any stressed loans during the year ended March 31, 2024 (March 31, 2023 - Nil).

Events after reporting date

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There have been no events after the reporting date that require disclosure in these financial statements.

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;

Notes forming part of the consolidated financial statements

for the year ended March 31, 2024

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 willful defaulter by any bank or financial institution or Government or any other Government authority.
- d) The Group has not entered into any scheme of arrangement.
- All charges or satisfaction are registered with ROC for the financial years ended March 31, 2024 and March 31, 2023. 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) The Company does not possess any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company during the financial year ended March 31, 2024 and March 31, 2023
- 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, 2024 and March 31, 2023
- 52 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

Membership No: 235031

Place: Chennai Date: May 03, 2024 For and on behalf of the Board of Directors of **Aptus Value Housing Finance India Limited**

M Anandan **Executive Chairman** DIN: 00033633

John Vijayan Rayappa **Chief Financial Officer**

Place: Chennai Date: May 03, 2024

P Balaji **Managing Director**

DIN: 07904681

Sanin Panicker **Company Secretary** Membership No: A32834

APTUS Annual Report 2023-24

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.

(₹ In Lakhs)

Part A: Subsidiary

Particulars	Details
Name of the subsidiary	Aptus Finance India Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	Not Applicable
Share capital	10,080.00
Reserves and surplus	41,515.62
Total assets	2,00,835.74
Total Liabilities	1,49,240.12
Investments	Nil
Turnover	30,663.66
Profit before taxation	17,468.63
Provision for taxation	4,515.75
Profit after taxation	12,952.88
Proposed Dividend	Nil
Extent of shareholding (in percentage)	100%
	Name of the subsidiary Reporting period for the subsidiary concerned, if different from the holding company's reporting period Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. Share capital Reserves and surplus Total assets Total Liabilities Investments Turnover Profit before taxation Provision for taxation Proposed Dividend

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

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 **Executive Chairman** DIN: 00033633

P Balaji DIN: 07904681

John Vijayan Rayappa Managing Director Chief Financial Officer

Sanin Panicker **Company Secretary** Membership No: A32834

Notice to Members

NOTICE is hereby given that the 15th Annual General Meeting of the Members of the Company will be held on Wednesday, August 14, 2024, at 11:00 AM IST through Video Conferencing / Other Audio-Visual Means (VC/OAVM) to transact the following businesses:

ORDINARY BUSINESSES:

1. Adoption of financial statements

To receive, consider and adopt

- a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024, together with the Report of the Auditors thereon.
- 2. To appoint a Director in place of Mr. Sumir Chadha (DIN: 00040789), who retires by rotation and being eligible, has offered himself for re-appointment.
- 3. To appoint the Statutory Auditors of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) thereto or re-enactment thereof for the time being in force) and appointment procedure and eligibility criteria prescribed under the RBI Guidelines (Ref.No.DoS. CO.ARG/SEC.01/08.91.001/2021-22) dated April 27, 2021 (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai, (Firm Registration No: 004207S) be and are hereby appointed as the Statutory Auditors of the Company to hold the office for a period of three consecutive years commencing from the conclusion of the 15th Annual General Meeting to be held in year 2024 until the conclusion of the 18th Annual General Meeting to be held in the year 2027 on such remuneration including fees for certification and other items as may be mutually agreed between the Board of Directors and Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the company (including any committee thereof) be and is hereby authorized to fix the remuneration payable to the statutory auditors of the company, from time to time including the actual travelling and out of pocket expenses incurred in connection with the audit, in addition to taxes as applicable, during the appointed period.

RESOLVED FURTHER THAT the Board of Directors or the Chief Financial Officer or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary for the purpose of giving effect to this Resolution."

SPECIAL BUSINESSES:

4. To approve the increase in borrowing powers in excess of the paid-up share capital, free reserves and securities premium of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL **RESOLUTION:**

"RESOLVED THAT in supersession of the resolution passed by the shareholders at the 14th Annual General Meeting held on August 18, 2023 and pursuant to the provisions of Section 180(1)(c) of the Companies Act. 2013 ("the Act") and all other applicable provisions of the Act and any rules made there under, or any other law for the time being in force (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and in terms of the Memorandum and Articles of Association of the Company, the Company hereby accords its consent to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Resourcing and Business Committee or any such Committee which the Board may constitute / authorize for this purpose) of the Company to borrow such sum or sums of money and for availing all kinds and types of loans, advances, debt facilities and credit facilities including issuance of debentures and other debt instruments, (apart from temporary loans from the Company's Bankers), from time to time, upto a sum of Rs. 9,000 crores (Rupees Nine Thousand Crores only) outstanding at any point of time on account of principal, for and on behalf of the Company, from its Bankers, other Banks, Non-Banking Financial Companies, National Housing Bank, Financial Institutions, Mutual Funds, Trusts, other Body Corporates or from any other person as may be permitted under applicable laws, whether unsecured or secured notwithstanding that money to be borrowed together with the money already borrowed by the Company (apart from temporary loans, including working capital facilities obtained from the Company's bankers in the ordinary course of business) shall exceed the aggregate of the paid-up share capital, free reserves and securities premium of the Company.

RESOLVED FURTHER THAT the Company may issue from time to time, Debenture/Bonds and other debt instruments, aggregating up to Rs. 2,250 Crores (Rupees Two Thousand Two Hundred and Fifty Crores

only) within the overall borrowing limits of Rs. 9,000 crores (Rupees Nine Thousand Crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Resourcing & Business Committee or any such Committee which the Board may constitute/ authorize for this purpose) be and is hereby authorized to take all such steps as may be necessary proper, or expedient to give effect to this resolution."

5. To approve creation of charges on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013 to secure the borrowings made/to be made under section 180(1)(c) of the Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in supersession of the resolution passed by the shareholders at the 14th Annual General Meeting held on August 18, 2023 and pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013 ("the Act") and all other applicable provisions of the Act and any rules made thereunder or any other law for the time being in force (including any statutory modification or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and in terms of the Memorandum and Articles of Association of the Company, consent be and is hereby accorded to the Board of Directors of the Company (which term shall be deemed to include the Resourcing & Business Committee and any such committee which the Board may constitute / authorize for this purpose) for mortgaging / charging / hypothecating all or any of the immovable and 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 between the Board and 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 Non-Banking Financial Companies, Financial Institutions, Mutual Funds, Trusts, other Body Corporates or any other person, which may exceed the paid-up capital, free reserves and securities premium provided that the total amount of monies borrowed / credit facilities obtained or as may be obtained, or Debentures/ Bonds and other instruments issued or to be issued by the Company (apart from temporary loans from the Company's Bankers) shall not at any time exceed a sum of Rs. 9,000 crores (Rupees Nine Thousand Crores only) outstanding at any point of time on account of principal.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Resourcing & Business Committee or any such Committee which the Board

may constitute/ authorize for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

6. To approve issue of Non-Convertible Debentures, in one or more tranches on private placement

To consider and if thought fit, to pass, the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT pursuant to the provisions of Sections 42, 71, 179 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Master Direction - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 and other regulations, rules and guidelines issued by Reserve Bank of India, the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended from time to time) and in accordance with the Memorandum of Association and Articles of Association of the Company, consent of the members be and is hereby given to issue, offer or invite subscriptions for all kinds and types of Non-Convertible Debentures ("NCDs") including NCDs which are Listed/Unlisted, Secured, Rated, Redeemable, in one or more series / tranches, aggregating up to Rs. 2,250 Crores (Rupees Two Thousand Two Hundred and Fifty Crores only) to any Institution, Bodies Corporate, Mutual Fund, entity, any other person or persons, domestic or foreign, as permitted under applicable laws, on private placement basis on such terms and conditions as the Board of Directors (which term shall be deemed to include Resourcing and Business Committee of the Board or any other committee which may be constituted/authorized for this purpose) may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said NCDs be offered, the consideration for the offer, utilization of the proceeds and all matters connected with or incidental thereto.

RESOLVED FURTHER THAT the Board of Directors be and is hereby instructed to act upon the resolution within a period of 12 months.

RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Debentures of the Company, the Board of Directors be and is hereby authorized on behalf of the Company to take all such actions and do all such deeds, matters, and things as it may, in its absolute discretion, deem necessary, desirable or expedient and to settle any question, difficulties or doubts that may arise in this regard including but not limited to the offering, issue and

allotment of debentures of the Company as it may in its absolute discretion deem fit and proper.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to the Resourcing and Business Committee or any Director or Directors or to any member of the Resourcing and Business Committee or to any Committee of Directors or to any officer or officers of the Company to give effect to this resolution."

By Order of the Board of Directors For Aptus Value Housing Finance India Limited

Chennai May 03, 2024

Sanin Panicker Company Secretary

NOTES

- 1. Pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI (hereinafter collectively referred to as "the Circulars"), Companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the Annual General Meeting (AGM) of the Company is being held through Video Conferencing ("VC").
- 2. Pursuant to the circulars, the facility of appointing proxies by Members under Section 105 of the Companies Act, 2013 ("the Act") will not be available for the AGM. However, in pursuance of Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-voting, participation in the AGM through VC and e-voting during the AGM. Corporate members / Institutional members intending to appoint their authorized representatives to attend the AGM are requested to send to the Company a certified copy of the Board resolution/authorization letter authorizing their representative to attend and vote through VC or to vote through remote e-voting, to the Scrutinizer by e-mail at evoting.aptus@sandeepcs.in with a copy marked to cs@aptusindia.com.
- 3. The Notice is being sent to all the Members/ Beneficiaries electronically, whose names appear on the Register of Members/Record of Depositories as on Friday, July 19, 2024 in accordance with the provisions of the Act, read with Rules made thereunder and the Circulars. All correspondence relating to change of address, e-mail ID, transfer / transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding in the company may be made to KFin Technologies Limited ("KFin"), the registrar and share transfer agent ("RTA"). The members holding shares in dematerialised form may send such communication to their respective depository participant/s ("DPs").
- 4. Since the 15th AGM will be held through VC, the route map of the venue of the Meeting is not annexed hereto. The deemed venue for the 15th AGM shall be the Registered Office of the Company.
- 5. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA at einward.ris@kfintech.com or with the Company Secretary at cs@aptusindia.com.
- 6. Members of the Company are requested to note that as per the provisions of Section 124 of the Act, dividends not encashed/ claimed by the Members of the Company, within a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education

- and Protection Fund (IEPF) by the Company. Further, pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority Rules, 2016, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account in the name of the Company within 30 (thirty) days of such shares becoming due for transfer to the Fund.
- 7. A statement pursuant to Section 102(1) of the Act and Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") relating to the Special Businesses to be transacted at the AGM is annexed hereto.
- Information as required under the Listing Regulations in respect of re-appointment of Mr. Sumir Chadha, Non-executive Nominee Director is furnished and forms a part of this notice as **Annexure** A.
- 9. In terms of the requirements of Regulation 36 of the Listing Regulations and the Secretarial Standards 2 on "General Meetings" issued by the Institute of Company Secretaries of India and approved & notified by the Central Government, brief resume and statement as required under paragraph no. 1.2.5 of SS2 Secretarial Standards on General Meetings is enclosed as **Annexure A**.
- 10. The Members can join the AGM in VC mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- 11. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 12. Pursuant to the provisions of Section 108 of the Act, read with the corresponding rules, Regulation 44 of the Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting (e-voting) facility provided by the National Securities Depository Limited (NSDL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized

- mode, physical mode and for members who have not registered their email addresses is provided in the The Instructions for Members for Remote E-Voting and Joining General Meeting' section which forms part of this Notice.
- 13. In line with the Circulars, the Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories and the same will be also available on the Company's website www.aptusindia.com, website of RTA https://www.kfintech.com/ and on the websites of stock exchanges www.nseindia.com and www.nseindia.com. For any queries, the members may write an e-mail to the Company Secretary at cs@aptusindia.com.
- 14. Since shares of the Company are traded on the stock exchanges compulsorily in demat mode, members holding shares in physical mode are advised to get their shares dematerialised. Effective April 01, 2019, SEBI has disallowed listed companies from accepting request for transfer of securities which are held in physical form. The shareholders who continue to hold shares in physical form after this date, will not be able to lodge the shares with Company / its RTA for further transfer. Shareholders shall mandatorily convert them to demat form if they wish to effect any transfer. Only the requests for transmission and transposition of securities in physical form, will be accepted by the Company/RTA.
- 15. As per the SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021, facility for registering nomination is available for members in respect of the shares held by them. Shareholders who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13 which can be obtained from depository participants or downloaded (click here to download). Members holding shares in electronic form may approach their respective DPs for completing the nomination formalities.
- 16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act and the Certificate for the ESOP Schemes of the Company as required under the Listing Regulations will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection by the members

- up to the date of AGM, i.e., August 14, 2024. Members seeking to inspect such documents can send an email to cs@aptusindia.com.
- 17. Members who would like to express their views or ask questions may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/ Folio number, PAN, mobile number at cs@aptusindia. com from Saturday, August 10, 2024 at 09:00 a.m. (IST) till Monday, August 12, 2024 at 05:00 p.m. (IST). Only those members who are registered will be allowed to express their views or ask questions. Please note that questions will be answered only if the member continues to hold the shares as of cut-off date. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Saturday, August 10, 2024 at 09:00 A.M. and ends on Tuesday, August 13, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., Thursday, August 08, 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being August 08, 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders

Login Method

Individual Shareholders Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com holding securities in either on a Personal Computer or on a mobile. On the e-Services home page click on the demat mode with NSDL. "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

> If you are not registered for IDeAS e-Services, option to register is available at https:// eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https:// eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https:// www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enteryour User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

> Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on









Type of shareholders **Login Method**

holding securities in demat mode with CDSL

- Individual Shareholders 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password.
 - 2. After successful login of Easi / Easiest, the user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the **e-Voting service provider i.e. NSDL** for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
 - 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
 - 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.

participants

Individual Shareholders You can also login using the login credentials of your demat account through your (holding securities in Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, demat mode) login you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to through their depository NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL;

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 225533

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B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- 1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
- 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- 3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Your User ID is: Demat (NSDL or CDSL) or physical a) For Members who hold shares in 8 Character DP ID followed by 8 Digit Client ID demat account with NSDL. For example, if your DP ID is IN300*** and Client ID is 12***** then vour user ID is IN300***12*****. b) For Members who hold shares in 16 Digit Beneficiary ID demat account with CDSL. For example, if your Beneficiary ID is 12******* then your user ID is 12******* c) For Members holding shares in EVEN Number followed by Folio Number registered with the company Physical Form. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- 5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders** whose email ids are not registered.
- 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.
 - c) If you are still unable to get the password by aforesaid option, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 8. Now, you will have to click on "Login" button.
- 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

- 1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- 2. Select "EVEN 129413" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- 3. Now you are ready for e-Voting as the Voting page
- 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
- 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation
- 7. Once you confirm your vote on the resolution(s), you 4. In terms of SEBI circular dated December 9, 2020 will not be allowed to modify your vote.

General Guidelines for shareholders

- 1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to evoting.aptus@ sandeep-cs.in with a copy marked to evoting@ nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- 3. In case of any queries, you may refer the Frequently Asked Ouestions (FAOs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call at 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre (Senior Manager) at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this AGM

- 1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@ aptusindia.com.
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@aptusindia.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- 3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
- on e-Voting facility provided by Listed Companies. Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

- 1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- 2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the
- 3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- 4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- 1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the AGM notice to avoid last minute rush.
- 2. Facility for joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT. 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Businesses mentioned in the accompanying Notice:

Item No. 4: Fixing of Borrowing Limits

In terms of provisions of Section 180(1)(c) of the Act, the Board of Directors of the Company cannot, except with the consent of the Company in a general meeting by way of a special resolution, borrow monies (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), in excess of the aggregate of the paidup capital and its free reserves.

At the Annual General Meeting of the Company held on August 18, 2023, the shareholders had passed a special resolution under Section 180 (1) (c) of the Act empowering the Board of Directors of the Company to borrow upto Rs. 7,500 crores which was in excess of the paid up capital and free reserves of the Company as at March 31, 2023.

In order to further expand its business and to meet the loan disbursements, the Board may have to resort to various borrowing options which at times is likely to exceed the present borrowing limit of Rs. 7,500 crores. Considering this and the enabling provisions under Section 180(1)(c) of the Act, in order to enable the Board of Directors to raise adequate funds in a timely manner, the resolution under item no. 4 of the notice is proposed.

Since the borrowing limit of Rs. 9,000 crores as proposed in the special resolution appearing in item no.4 of this notice is in excess of paid up capital and free reserves, the proposal requires the approval of shareholders by means of a special resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in anyway, concerned or

interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

The Board recommends the Special Resolution set out at item no.4 of the Notice for approval by the shareholders.

Item No. 5: Creation of Charge / Mortgage on Assets

Section 180(1)(a) of the Act, provides that the Board of Directors of a Company shall not, without the consent of members in general meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

For creation of security through mortgage or pledge or hypothecation or otherwise of the movable and immovable properties and assets of the company or through a combination of the above for securing the limits/ credit/ debt facilities as may be sanctioned by the lenders, and / or for securing the issuance of debentures, bonds and other instruments, the Company would be required to secure all or any of the movable and immovable assets and properties of the Company, present and future.

Considering the requirement under Section 180(1)(a) of the Act, in order to enable the Board to mortgage/ charge/ hypothecate or otherwise create security against the properties and/or the whole or substantially the whole of the undertaking of the Company and to create charge/ encumbrance on the assets of the Company, approval of the Members is sought by way of a special resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.

The Board recommends the Special Resolution set out at item no.5 of the Notice for approval by the shareholders.

Item No. 6: Offer / invitation to subscribe to Non-Convertible Debentures on private placement basis

Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 prescribed thereunder, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 deals with private placement of securities by a company. Third proviso of Sub-rule (1) of the Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 provides that in case of an offer or invitation to subscribe for non-convertible debentures on private placement basis, it is sufficient if the company obtains previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitations for such debentures during the year.

As part of its fund raising plans for the next 12 months, your Company proposes to issue Non-Convertible Debentures (NCDs) on a private placement basis to institutions, mutual funds, bodies corporate, and other persons, both domestic and non-domestic. The Company may offer or invite

subscription for all kinds of NCDs, in one or more series / tranches on private placement basis. The proceeds of the issue would be utilised for working capital to finance the growth of the lending portfolio of the company.

In this context, approval of the shareholders is being sought for issuance / offers of NCDs aggregating upto Rs. 2,250 Crores by way of a Special Resolution as set out at item no. 6 of the Notice. The said limit of Rs. 2,250 crores for issuance of NCDs shall be within the overall borrowing limits of Rs. 9,000 crores as proposed in the special resolution appearing in item no. 4 of the notice.

This resolution enables the Company to offer or invite subscription for non-convertible debentures, as may be required by the Company, from time to time for a year from the conclusion of this Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in anyway, concerned or interested, financially or otherwise, in the resolution set out at item no. 6 of the Notice.

The Board recommends the Special Resolution set out at item no. 6 of the Notice for approval by the shareholders.

By Order of the Board of Directors

For Aptus Value Housing Finance India Limited

Sanin Panicker

Chennai May 03, 2024 Company Secretary Membership No.: A32834

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ANNEXURE A

Disclosure pursuant to Regulation 36 (3) of SEBI Listing Regulations, a brief resume and a statement as required by paragraph no. 1.2.5 of SS2 – Secretarial Standards on General Meetings.

Name of Director	Mr. Sumir Chadha		
DIN	00040789		
Date of Birth (Age)	23/04/ 1971 (53 years)		
Qualifications	Mr. Sumir Chadha has obtained an MBA from Harvard Business School, and a bachelor's degree in computer science from Princeton University.		
Experience / Expertise in specific functional areas	Mr. Sumir Chadha is the co-founder and Managing Director of WestBridge Capital. Earlier in his career, he also co-founded and was Managing Director of Sequoia Capital India, and worked at Goldman Sachs and at McKinsey & Co.		
	Mr. Sumir Chadha serves on Boards of Princeton University, Crystal Springs Uplands School and the American India Foundation.		
Terms and conditions of appointment / reappointment	Appointment as a Non-Executive Director, nominated by WestBridge Crossover Fund, LLC.		
Remuneration sought to be paid			
Remuneration last drawn (for financial year 2023-24)			
Date of first appointment on the Board	05/11/2019		
Shareholding in the Company	Nil		
Relationship with other Directors, Manager and KMP of the Company	None		
Number of Board Meetings attended during the Financial Year 2023-24	4 (Four) out of 4 (Four) meetings held		
Other Directorships, Membership/ Chairmanship of Committees of other Boards	 a) Director/Designated Partner in the following companies/LLP: Star Health and Allied Insurance Company Limited India Shelter Finance Corporation Limited Kuhoo Technology Services Private Limited Mountain Managers Private Limited Marketxpander Services Private Limited Safecrop Investments India LLP b) Member of the following committees in Star Health and Allied Insurance Company Limited: Nomination and Remuneration Committee Corporate Social Responsibility Committee Investment Committee c) Member of the following committees in India Shelter Finance Corporation Limited: Nomination and Remuneration Committee Corporate Social Responsibility Committee 		

GRI LINKAGE

Capital	GRI Standard/Code	Description	Page Reference
Manufactured Capital	GRI 203: Indirect Economic Impacts	Aptus' extensive branch network and diverse loan products contribute to economic development in underserved regions by providing access to finance, thus promoting home ownership and entrepreneurial growth.	29 & 31
Manufactured Capital	GRI 413: Local Communities	The company's focus on semi-urban and rural areas enhances financial inclusion, supports local communities by offering tailored financial solutions, and improves living standards.	30
Manufactured Capital	GRI 201: Economic Performance	Aptus' efficient operational model and customer-centric approach drive economic performance, ensuring financial sustainability and growth.	33-37
Financial Capital	GRI 201: Economic Performance	Direct Economic Value Generated and Distributed: Demonstrated by substantial revenue and profit growth, effective cost management, and enhanced shareholder returns.	33-37
Financial Capital	GRI 203: Indirect Economic Impacts	Infrastructure Investments and Services Supported: Significant AUM growth and branch expansion indicate investments in infrastructure supporting economic growth in underserved regions.	9 & 28
Financial Capital	GRI 413: Local Communities	Operations with Local Community Engagement: Growth in loan disbursements, particularly to LIG customers and self-employed borrowers, highlights our commitment to financial inclusion and community support.	30 & 31
Relationship Capital	GRI 102-43: Approach to stakeholder engagement	Including customer feedback mechanisms.	38-41
Relationship Capital	GRI 102-44: Key topics and concerns raised	Through customer feedback.	38-41
Relationship Capital	GRI 418-1: Substantiated complaints	Concerning breaches of customer privacy and losses of customer data.	38-41
Relationship Capital	GRI 203-2: Significant indirect economic impacts	Including digital literacy and inclusion.	39 & 47

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SASB LINKAGE

Capital	SASB Code	Description	Page Reference
Manufactured Capital	FN-CB-240a.2	Financial Inclusion & Capacity Building: Access to Finance for Underserved Segments: Significant disbursements to LIG and self-employed borrowers reflect our commitment to financial inclusion and support for underserved communities.	30 & 31
Financial Capital	FN-CB-240a.1	Credit Risk: Credit Quality and Provisioning: Improved GNPA and NNPA ratios demonstrate effective credit risk management and conservative provisioning practices.	38, 48 & 49
Financial Capital FN-CB-510a.1		Systemic Risk Management: Liquidity Coverage Ratio: Strong liquidity management with undrawn sanctions ensures adequate liquidity to meet operational and growth requirements.	33 & 35

