P Y S & CO LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

To
The Members of
Family Home Finance Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Family Home Finance Private Limited**, (hereinafter referred to as "the Company"), which comprise the balance sheet as at 31 March 2023, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the financial statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules 2015 as amended (Ind AS) and the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, the profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	**Measurement of investments in accordance with Ind AS 109 "Financial Instruments"** On initial recognition, investments are recognized at fair value, in case of Investments which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the investments. The Company's investments are subsequently classified into following categories based on the objective of its business model to manage the cash flows and options available in the standard: • Debt instruments at amortised cost • Debt instruments and equity instruments at fair value through profit or loss (FVTPL) • Equity instruments measured at fair value through other comprehensive income FVTOCI. The Company has assessed the following two business model: - Held to collect contractual cash flows - Realising cash flows through the sale of investments. The Company makes decisions based on the assets' fair values and manages the assets to realise those fair values. Since valuation of investments at fair value involves critical assumptions, significant risk in valuation and complexity in assessment of business model, the valuation of investments as per Ind AS 109 is determined to be a key audit matter in our audit of the financial statements. (Refer note 2, 5, 26, 27 and 28 to the financial statements)	**Principal Audit Procedures** • Obtained an understanding of Company's business model assessed in accordance with Ind AS 109; • Evaluated the Company's assessment of business model; • Obtained an understanding of the determination of the measurement of the investments and tested the reasonableness of the significant judgments applied by the management; • Evaluated the design of internal controls relating to the measurement and also tested the operating effectiveness of the aforesaid controls; • Ensured that the Company has used 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; • Obtained and assessed the valuation certificate of independent valuer in respect of fair value of investments; and • Assessed the appropriateness of the disclosure in the financial statements in accordance with the applicable financial reporting framework.

S. No.	Key Audit Matter	How the matter was addressed in our audit
2	**Expected Credit Loss – Impairment of carrying value of loans and advances.** The value of loans as at 31 March 2023 is significant and there is a high degree of complexity and judgment involved for the Company in estimating individual and collective credit impairment provisions and write-offs against these loans. Recognition and measurement of impairment relating to the loans measured at amortized cost involves significant management judgment and as per the requirements of Ind AS 109, credit loss assessment is based on management's ECL model. The Company's impairment allowance is computed based on estimates including the historical default and loss ratios. Management exercises judgment in determining the quantum of loss based on a range of factors. The most significant areas are: - Credit worthiness of the parties to whom loans have been given; - Loans staging criteria; - Calculation of probability of default rate / Loss given default rate; - Consideration of probability weighted scenarios; and - Forward looking macro-economic factors. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its loans to estimate the Probability of Default (PD) and Loss Giving Default (LGD) in future. There is a large increase in the data inputs required for the computation of ECL of loans. This increases the risk of completeness and accuracy of the data that has been used as a basis of assumptions in the model and therefore we identified allowance for credit losses of loans as a key audit matter. (Refer note 2, 4, 26 and 27 to the financial statements)	**We performed audit procedures set out below:** We have started our audit procedures with understanding of the internal control environment related to loans and impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company. We also assessed whether the impairment methodology used by the Company is in line with Ind AS 109 "Financial instruments" requirements. Particularly, we assessed the approach of the Company regarding definition of default, Probability of Default, Loss Given Default and incorporation of forward-looking information for the calculation of ECL. For loans which are assessed for impairment on a portfolio basis, we performed particularly the following procedures: • We read and understood the methodology and policy laid down for loans given by the Company; • We have verified loan agreements and related financial and non-financial covenants on sample basis; • We have verified the existence of recovery process plan in the event of default; • We have verified the historical trends of repayment of principal amount of loan and repayment of interest; • We tested the reliability of key data inputs and related management controls; • We checked the stage classification as at the balance sheet date as per definition of default of the Company; • We have assessed the assumptions made by the Company in making provision considering forward looking information; and

Information Other than the financial statements and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the annual report namely Directors' Report, Annexures to Board Report, Management Discussion and Analysis, but does not include the financial statements and our auditor's report thereon. The Reports are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the Board report including Annexures to Board Report, Management Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 (Revised) 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the financial Statements

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

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

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

Auditors' Responsibility for the audit of the Financial Statements

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

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

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

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) 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 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 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.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 financial statements of the current period 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 Matter

The financial statements of the Company for the year ended 31 March 2022 have been audited by the predecessor auditors. The report of the predecessor auditors dated 10 May 2022 expressed an unmodified opinion.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

   e) On the basis of the written representations received from the directors as on 31 March 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023, 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 over financial reporting 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 control over financial reporting;

   g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided to its directors during the year is in accordance with the provision 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:

      i. The Company does not have any pending litigations which would impact its financial position;

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

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

iv. a) The Management has represented that, to the best of its knowledge and belief, as mentioned in note 49 (a) to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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, as mentioned in note 49 (b) to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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 the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year;

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

For PYS & CO LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

SANJAY KOKATE Digitally signed by SANJAY KOKATE
Date: 2023.05.16 17:34:35 +05'30'

Sanjay Kokate
Partner
Membership No.: 130007
UDIN: 23130007BGRWTR4245

Place: Mumbai
Date: 16 May 2023

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date of Family Home Finance Private Limited)

(i) In respect of the Company's Property, Plant and Equipment and Intangible Assets, according to the information and explanations given to us and on the basis of our examination of the records of the Company:

a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment. Further, the Company does not have right-of-use assets.

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

b) The Company has a regular programme for physical verification of its property, plant and equipment by which all the assets are verified every year. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, all the property, plant and equipment have been physically verified by the management during the year and no discrepancy were observed in such verification.

c) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties. In view of this, clause 3 (i) (c) of the Order is not applicable to the Company.

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

e) No proceedings have been initiated during the year or are pending against the Company as of 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of the Company's inventories:

a) Considering the nature of the business, the Company does not have inventory. In view of this, Clause 3 (ii) (a) of the Order is not applicable to the Company.

b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions on the basis of security of current assets, and accordingly, reporting under Clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) In respect of the Company's investments, loan, guarantee or security:

a) Since the Company is in business of Housing Finance, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

b) During the year, the Company has invested in debt instruments, mutual fund and alternative investment fund and granted loans and advances in the nature of loans to any other parties. In our opinion, the investments made, and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the interest of the Company.

c) The Company is principally engaged in the business of providing loans. In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been duly stipulated and the repayments of principal amounts and receipts of interest have generally been regular as per repayment schedules except for 8 cases having loan outstanding balance at year end aggregating to Rs. 76.63 Lakhs wherein the repayments of principal and interest are not regular. Having regard to the nature of the Company's business, it is not practicable to provide an itemised list of loan assets where repayment of principal and interest have not been regular.

d) In respect of loans granted by the Company, there are no amounts overdue for more than 90 days as at the balance sheet date and accordingly, reporting under Clause 3(iii)(d) of the Order is not applicable to the Company.

e) Since the Company is in the business of Housing Finance, and accordingly, reporting under Clause 3(iii)(e) of the Order is not applicable to the Company.

f) During the year, 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 and accordingly, reporting under Clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans and investments in respect of which provisions of Sections 185 and 186 of the Act are attracted to the Company. Accordingly, Clause 3(iv) of the Order is not applicable to the Company. Further, the Company has not granted any guarantee and not provided any securities during the year.

(v) The Company has not accepted any deposits during the year from the public to which the directives issued by the Reserve Bank of India and provision of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder apply. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Sub-section (1) of Section 148 of the Act.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us, the Company is regular in depositing the undisputed statutory dues including provident fund, goods and service tax, income tax, cess and any other statutory dues applicable to it with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year for the period of more than six month from the date they became payable. As explained to us, the Company did not have any dues on account of duty of excise, sales tax and value added tax.

(b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax and other statutory dues which have not been deposited on account of any dispute with the appropriate authorities.

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

(ix) In respect of borrowings:

(a) During the year, the Company has not defaulted in repayment of loans or other borrowings in the payment of interest thereon to any lender and hence, reporting under Clause 3(ix) (a) of the Order is not applicable to the Company.

(b) The Company is not declared wilful defaulter by any bank or financial institution or other lender and hence, reporting under Clause 3(ix) (b) of the Order is not applicable to the Company.

(c) The Company has applied the term loans for the purpose for which the loans were obtained.

(d) During the year, no funds were raised on short term basis by the Company and accordingly the reporting under Clause 3(ix) (d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiaries, associates or joint ventures and hence, reporting under Clause 3(ix) (e) and Clause 3(ix) (f) of the Order are not applicable to the Company.

(x) In respect of issue of shares or debt instruments:

(a) The Company has not raised money by way of 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 to the Company.

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

(xi) In respect of frauds and whistle blower complaints:

(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

(c) No whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

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

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

(xiv) According to the information and explanations given to us, in our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act 2013. Accordingly, reporting under clause 3(xiv) of the Order is not applicable to the Company.

(xv) In our opinion 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) In respect of the Reserve Bank of India Act, 1934:

(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).

(b) The Company is a Housing Finance Company and it holds a valid Certificate of Registration (CoR) from the National Housing Bank issued under Section 29A(2) of the National Housing Bank Act, 1987 for conducting housing finance business.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has not more than one CIC as part of the Group. The CIC company in the Group is not required to be registered with the Reserve Bank of India.

(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 during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company is not required to spent amounts towards Corporate Social Responsibility as it does not fulfill the condition given under section 135 of Companies Act, 2013. Accordingly, reporting on Clauses 3(xx) (a) and 3(xx)(b) of the Order is not applicable to the Company.

For PYS & CO LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

SANJAY KOKATE

Digitally signed by SANJAY KOKATE
Date: 2023.05.16 17:35:39 +05'30'

Sanjay Kokate
Partner
Membership No.: 130007
UDIN: 23130007BGRWTR4245

Place: Mumbai
Date: 16 May 2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **Family Home Finance Private Limited** (the Company) as of 31 March 2023 in conjunction with our audit of the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (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

authorisations 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 Over Financial Reporting

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

Opinion

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

For PYS & CO LLP
Chartered Accountants
Firm's Registration No. 012388S/S200048

SANJAY KOKATE

Digitally signed by SANJAY KOKATE
Date: 2023.05.16 17:36:07 +05'30'

Sanjay Kokate
Partner
Membership No.: 130007
UDIN: 23130007BGRWTR4245

Place: Mumbai
Date: 16 May 2023

Family Home Finance Private Limited

Balance Sheet as at 31 March 2023

Amount in (Rs. Lacs)

Particulars	Notes	As at 31-March-2023	As at 31-March-2022
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	3	48.59	20.06
(b) Loans	4	3,324.48	1,373.98
(c) Investments	5	678.58	880.14
(d) Other financial assets	6	15.21	6.50
Total financial assets		**4,066.86**	**2,280.68**
(2) Non-financial assets			
(a) Deferred tax assets (net)	7	5.34	2.40
(b) Property, plant and equipment	8	0.01	0.05
(c) Intangible assets	9	-	-
(d) Other non financial assets	10	10.00	10.12
Total non-financial assets		**15.35**	**12.57**
TOTAL ASSETS		**4,082.21**	**2,293.25**
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial liabilities			
(a) Trade Payables			
(i) Total outstanding dues of micro enterprises and small enterprises	11	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		3.84	0.45
(b) Borrowings (other than debt securities)	12	1,692.86	-
(c) Other financial liabilities	13	2.62	0.92
Total financial liabilities		**1,699.32**	**1.37**
(2) Non-financial liabilities			
(a) Current tax liabilities (net)		8.49	4.94
(b) Provisions	14	0.43	-
(c) Other non-financial liabilities	15	3.42	1.41
Total non-financial liabilities		**12.34**	**6.35**
TOTAL LIABILITIES		**1,711.66**	**7.72**
EQUITY			
(a) Equity share capital		2,000.00	2,000.00
(b) Other equity	16	370.55	285.53
TOTAL EQUITY		**2,370.55**	**2,285.53**
TOTAL LIABILITIES AND EQUITY		**4,082.21**	**2,293.25**

Significant accounting policies -See note 2

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For PYS & CO LLP
Chartered Accountants
Firm's Reg. No.: 012388S/S200048

SANJAY KOKATE
Digitally signed by SANJAY KOKATE
Date: 2023.05.16 17:36:45 +05'30'

Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 16 May 2023

For and on behalf of the Board of Directors of
Family Home Finance Private Limited

ADITI MITTAL
Digitally signed by ADITI MITTAL
DN: cn=ADITI MITTAL, o, ou, email=aditi.mittal@vkgroup.com, c=IN
Date: 2023.05.16 11:30:52 +05'30'

Aditi Mittal
Director
DIN-00698397

ANNU GARG

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR

Ajay Tendulkar
Chief Executive Officer

MAHESH SHIVPRAKASH BHOOTRA

Mahesh Bhootra
Chief Finance Officer

GOVIND LALWANI
Digitally signed by GOVIND LALWANI

Govind Lalwani
Company Secretary
(ACS:A38806)

Place: Mumbai
Date : 16 May 2023

Family Home Finance Private Limited

Statement of profit and loss for the year ended 31 March 2023

Amount in (Rs. Lacs)

Particulars	Notes	For the year ended 31-March-2023	For the year ended 31-March-2022
Revenue from operations			
Interest income	**17**	211.33	77.91
Fees income	**18**	0.07	3.23
Net gain on fair value changes	**19**	29.29	22.22
Total Revenue from operations		**240.69**	**103.36**
Other income	**20**	0.06	-
Total income		**240.75**	**103.36**
EXPENSES			
Finance Cost	**21**	57.62	0.74
Employee Benefit Expense	**22**	40.01	24.41
Depreciation, amortization and impairment	**8 & 9**	0.04	0.93
Impairment of financial assets		6.10	3.08
Other expenses	**23**	24.94	14.70
Total expenses		**128.71**	**43.86**
Profit before exceptional items and tax		**112.04**	**59.50**
Exceptional Items		**-**	**-**
Profit before tax		**112.04**	**59.50**
Tax expense:			
Current tax		30.50	17.05
Prior period tax adjustment		(0.54)	0.28
Deferred tax expense/ (credit)		(2.94)	(1.08)
Profit for the year after tax [A]		**85.02**	**43.25**
Other comprehensive income, net of tax			
Item that will not be reclassified to the statement of profit and loss		-	-
Less: Income tax expense on above		-	-
[I]		**-**	**-**
Item that will be reclassified to the statement of profit and loss		-	-
Less: Income tax expense on above		-	-
[II]		**-**	**-**
Other comprehensive income for the year [I+II] [B]		**-**	**-**
Total comprehensive income for the year [A+B]		**85.02**	**43.25**
Earnings per equity share (Rs.)			
Basic and diluted earnings per share	**35**	**0.43**	**0.31**

Significant accounting policies -See note 2

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For PYS & CO LLP
Chartered Accountants
Firm's Reg. No.: 012388S/S200048

SANJAY KOKATE
Digitally signed by SANJAY KOKATE
Date: 2023.05.16 17:37:16 +05'30'

Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 16 May 2023

For and on behalf of the Board of Directors of
Family Home Finance Private Limited

ADITI MITTAL

Aditi Mittal
Director
DIN-00698397

ANNU GARG

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR

Ajay Tendulkar
Chief Executive Officer

MAHESH SHIVPRAKASH BHOOTRA

Mahesh Bhootra
Chief Finance Officer

GOVIND LALWANI

Govind Lalwani
Company Secretary
(ACS:A38806)

Place: Mumbai
Date : 16 May 2023

Family Home Finance Private Limited

Statement of Cash Flow for the year ended 31 March 2023

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Cash flow from/(used in) operating activities		
Profit /(loss) before tax	112.04	59.50
Adjustment for:		
Depreciation, amortization and impairment	0.04	0.93
Impairment of financial assets	6.10	3.08
Net gain on fair value changes	(29.29)	(22.22)
Finance Cost	57.62	0.74
Interest income	(26.51)	(27.86)
Movement in working capital:		
Increase/(decrease) in trade payable and other financial liabilities	5.09	0.95
Increase/(decrease) in other non financial liabilities	2.01	(0.09)
(Increase)/decrease in trade receivables and other financial assets, Loans	(1,968.41)	(1,231.70)
(Increase)/decrease in provisions	0.43	-
(Increase)/decrease in other non financial assets	0.12	0.96
Cash generated from/(used in) operations	**(1,840.76)**	**(1,215.71)**
Income tax paid	(27.10)	(16.75)
Cash generated from/(used in) operations [A]	**(1,867.86)**	**(1,232.46)**
Cash flow from/(used in) investing activities		
Interest received	29.61	21.37
Payment for acquisition of Investments	230.85	204.59
Cash generated from/(used in) investing activities [B]	**260.46**	**225.96**
Cash flow from/(used in) financing activities		
Proceeds from long term borrowings	1,800.00	-
Repayment of long term borrowings	(107.14)	-
Issue of equity shares	-	899.00
Securities premium received	-	116.87
Interest paid	(56.93)	-
Cash generated from/(used in) financing activities [C]	**1,635.93**	**1,015.87**
Net increase/(decrease) in cash and cash equivalents [A+B+C]	**28.53**	**9.37**
Add: Cash and cash equivalents at the beginning of the period	20.06	10.69
Cash and cash equivalents at the end of the period	48.59	20.06

Reconciliation of liabilities arising from financing activities

Particulars	As at 31 March 2022	Cash Flows	Transaction cost	Interest accrual	As at 31 March 2023
Long-term borrowings	-	1,692.86	-	-	1,692.86
Interest on above borrowings	-	(56.93)	-	-	(56.93)
Total liabilities from financing activities	**-**	**1,635.93**	**-**	**-**	**1,635.93**

Particulars	As at 31 March 2021	Cash Flows	Transaction cost	Interest accrual	As at 31 March 2022
Long-term borrowings	-	-	-	-	-
Interest on above borrowings	-	-	-	-	-
Total liabilities from financing activities	**-**	**-**	**-**	**-**	**-**

Significant accounting policies - See note 2

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For PYS & CO LLP
Chartered Accountants
Firm's Reg. No.: 012388S/S200048

SANJAY KOKATE
Digitally signed by SANJAY KOKATE
Date: 2023.05.16 17:37:57 +05'30'

Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 16 May 2023

For and on behalf of the Board of Directors
Family Home Finance Private Limited

ADITI MITTAL

Aditi Mittal
Director
DIN-00698397

ANNU GARG

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR

Ajay Tendulkar
Chief Executive Offic

MAHESH SHIVPRAKASH BHOOTRA

Mahesh Bhootra
Chief Finance Officer

GOVIND LALWANI

Govind Lalwani
Company Secretary
(ACS:A38806)

Place: Mumbai
Date : 16 May 2023

Family Home Finance Private Limited

Notes to the financial statements for the year ended 31 March 2023

1 Corporate Information

Family Home Finance Private Limited (hereinafter referred to as the Company) was incorporated on 29 June 2017. It is a Subsidiary of A.K. Capital Finance Limited; and a Step down Subsidiary of A. K. Capital Services Limited, a SEBI Category I Merchant Banker in India.The company is a non deposit taking housing finance company. The company was granted certificate of registration from National Housing Bank on 09 April 2018. The registered address of the Company is situated at 601-602, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai - 400098. The financial statements are approved for issue by the Company's Board of Directors on 20 May 2023.

2 Significant accounting policies

2.01 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of Companies Act, 2013 ("the Act") and the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and the guidelines issued by the National Housing Bank ("NHB") and Reserve Bank of India (RBI) to the extent applicable and the relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Financial Statements are presented in Lakhs or decimal thereof unless otherwise specified.

The financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

2.02 Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company. All amounts are rounded to two decimal places to the nearest lakh, unless otherwise stated.

2.03 Use of estimates and judgements

The preparation of financial statements in conformity of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the year. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are:

- Determination of Expected Credit Loss ("ECL")

The measurement of impairment losses (ECL) across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows based on Company's historical experience and collateral values when determining impairment losses along with 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. Elements of the ECL models that are considered accounting judgements and estimates include:

- Bifurcation of the financial assets into different portfolios when ECL is assessed on collective basis.
- Company's criteria for assessing if there has been a significant increase in credit risk.
- Development of ECL models, including choice of inputs/assumptions used.

- Effective interest rate computation

Computation of effective interest rate involves significant estimates and judgements with respect to expected loan tenure (period within which all cash flows pertaining to such financial instruments are expected to be received), nature and timings of such estimated cashflows considering the contractual terms of the financial instrument. These estimations are done considering various factors such as historical behavior patterns of the instrument with respect to average repayment period and cash flows behaviors. Such estimates and assumptions are reviewed by the Company at each reporting date and changes, if any are given effect to.

- Fair Value Measurements

In case of financial assets and financial liabilities recorded or disclosed in financial statements the Company uses the quoted prices in active markets for identical assets or based on inputs which are observable either directly or indirectly for determining the fair value. However in certain cases, the Company adopts valuation techniques and inputs which are not based on market data. When Market observable information is not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- **Taxes**

The Company's tax jurisdiction is in India. Significant judgements are involved in determining the provision for direct and indirect taxes, including amount expected to be paid/recovered for certain tax positions.

- **Measurement of defined employee benefit obligation**

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

- **Provisions and Liabilities**

Provisions and liabilities are recognized in the period when they become probable that there will be an outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires judgment to existing facts and circumstances which may be subject to change.

2.04 Fair value measurement and heirachy

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.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.
For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.05 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

i. Interest income

Interest income on financial instruments at amortized cost is recognized on a time proportion basis taking into account the amount outstanding and the effective interest rate ("EIR") applicable. The 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 instrument. The future cash flows are estimated considering all the contractual terms of the instrument. Interest income/expenses is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets/liabilities (i.e. at the amortized cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets, interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses).

Penal Interest are recognized as income only when revenue is virtually certain which generally coincides with receipts.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at fair value through profit and loss ("FVTPL"), transaction costs are recognized in the Statement of Profit and Loss at initial recognition.

ii. Fees and commission income

Revenue from fee-based activities are recognized when the services are rendered. Fees earned from contract with customer is recognised as and when performance obligation is satisfied. Fees or compnents of fees that are linked to certain performance are recognised after fulfilling the corresponding criteria.

iii. Net gain on fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss held by Company on the balace sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under revenue from operations and if there is a net loss, the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTL and debt instruments measured at Fair value through Other Comprehensive Income ("FVOCI") is recognised in net gain\loss on fair value changes.
However, net gain / loss on derecognition of financial instruments classified as amortised is presented separetely under the respective head in the Statement of Profit and Loss.

2.06 Taxes

The tax expense for the period comprises of current tax and deferred tax. Tax is recognised in the Statement of Profit and Loss except to the extent it relates to items recognised in the other comprehensive income or equity. In which case, the tax is also recognised in other comrehensive income or equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

Current income taxes are recognized in profit or loss except to the extent that the tax relates to items recognized outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates position taken in the tax returns with respect to situations in which applicable tax regulations are subjected to interpretation and establishes provisions, where appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.
Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised , based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

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

2.07 Property, plant and equipment

Property, plant and equipement are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent cost

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation

Depreciation is calculated as per the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013.
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.

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

2.08 Intangible assets

Intangible assets that are acquired by the Company, which have finite useful life, are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the intangible asset.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, are recognised in profit or loss as incurred.

Amortisation of intangible assets with finite useful lives:

Amortisation is recognised in profit and loss on a straight line basis over the estimated useful lives of intangible assets from the date that they are available for use. The estimated useful lives for the current and previous year are as follows:

Asset class	Useful life as per management
Software	5 years
Software License	3 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

2.09 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.10 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.
If 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 recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in books of account but its existence is disclosed in financial statements.

A contingent assets, where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect, measured using the principles set out for provisions in Ind AS 37.

2.11 Impairment of assets

a) **Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 months ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in the Statement of profit or loss.

Financial assets (and the related impairment allowances) are written off in full, when there is no realistic prospect of recovery. The Company may apply enforcement activities to certain qualifying financial assets written off.

b) **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 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.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.12 Financial instruments

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

A Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value, in case of Financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at:

Amortised cost: Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortization of EIR and loss arising from impairment, if any is recognized in the Statement of Profit and Loss.

Fair value through profit and loss (FVTPL): A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, is recognised in the Statement of Profit and Loss.

Fair value through other comprehensive income (FVOCI): Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss.

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

(i) Trade Receivables and loans:

Trade receivables and loans (including loans granted by way of Business Correspondence agrrangement) are initially recognized at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

(ii) Debt Instruments:

Debt instruments are initially measured at amortised cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till derecognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

a) **Measured at amortised cost:** Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

b) **Measured at fair value through other comprehensive income:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity in the Statement of Profit and Loss.

c) **Measured at fair value through profit or loss:** A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income , recognised in the Statement of Profit and Loss.

(iii) Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value , the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

B Financial Liabilities:

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. All financial liabilities are recognised initially at fair value and in the case of borrowings trade payables and other financial liabilities, net of directly attributable transaction costs. The Company's financial liabilities include borrowings, trade payables, deposits and other financial liabilities.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss.

(a) Borrowings: Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the EIR method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

(b) Trade and Other Payables:

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Derecognition

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

When 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 the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

2.13 Segment Reporting:

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

Segment information

Companies whole business is being considered as one segment.

2.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, as they are considered an integral part of the Company's cash management.

2.15 Retirement benefits

i) Defined contribution plans (Provident fund)

In accordance with Indian Law, eligible employees receive benefits from Provident Fund and Labour welfare fund which is defined contribution plan. In case of Provident fund, both the employee and employer make monthly contributions to the plan, which is administrated by the Government authorities, each equal to the specific percentage of employee's basic salary. The Company has no further obligation under the plan beyond its monthly contributions. Obligation for contributions to the plan is recognised as an employee benefit expense in the Statement of Profit and Loss when incurred.

ii) Defined benefit plans (Gratuity)

In accordance with applicable Indian Law, the Company provides for gratuity, a defined benefit retirement plan (the Gratuity Plan) covering eligible employees. The Gratuity Plan provides a lumsump payment to vested employees, at retirement or termination of employment, and amount based on respective last drawn salary and the years of employment with the Company. The Company's net obligation in respect of the Gratuity Plan is calculated by estimating the amount of future benefits that the employees have earned in return of their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service cost and the fair value of plan assets are deducted. The discount rate is yield at reporting date on risk free government bonds that have maturity dates approximating the terms of the Company's obligation. The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognised asset is limited to the total of any unrecognised past service cost and the present value of the economic benefits available in the form of any future refunds from the plan or reduction in future contribution to the plan.

The Company recognises all remeasurements of net defined benefit liability/asset directly in other comprehensive income and presented within equity.

iii) Short term benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as a related service provided. A liability is recognised for the amount expected to be paid under short term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2.16 Earnings per share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.17 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31 March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023.

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

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023.

Ind AS 12 - Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after 1 April 2023.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Family Home Finance Private Limited

Statement of Changes in Equity for the year ended 31 March 2023

A. Equity share capital

Amount in (Rs. Lacs)

Particulars	Number of shares	Amount
At 31 March 2021	11,010,000	1,101.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at 31 March 2021	**11,010,000**	**1,101.00**
Issue of share capital	8,990,000	899.00
At 31 March 2022	**20,000,000**	**2,000.00**
At 31 March 2022	20,000,000	2,000.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at 31 March 2022	**20,000,000**	**2,000.00**
Issue of share capital	-	-
At 31 March 2023	**20,000,000**	**2,000.00**

B. Other equity

Amount in (Rs. Lacs)

Particulars	Retained Earnings			
	Special Reserve	Securities premium	Retained earnings	Total
Balance at 31 March 2021	**22.52**	**-**	**102.89**	**125.41**
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at 31 March 2021	**22.52**	**-**	**102.89**	**125.41**
Profit for the period	-	116.87	43.25	160.12
Transfer to special reserve	9.00	-	(9.00)	-
Other comprehensive income for the year	-	-	-	-
Balance at 31 March 2022	**31.52**	**116.87**	**137.14**	**285.53**
Changes in accounting policy/prior period errors	-	-	-	-
Restated balance at 31 March 2022	**31.52**	**116.87**	**137.14**	**285.53**
Profit for the year	-	-	85.02	85.02
Transfer to special reserve	19.48	-	(19.48)	-
Other comprehensive income for the year	-	-	-	-
Balance at 31 March 2023	**51.00**	**116.87**	**202.68**	**370.55**

Significant accounting policies - See note 2

The accompanying notes are an integral part of financial statements

As per our report of even date attached

For PYS & CO LLP
Chartered Accountants
Firm's Reg. No.: 012388S/S200048

SANJAY KOKATE
Digitally signed by SANJAY KOKATE
Date: 2023.05.16 17:38:36 +05'30'

Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 16 May 2023

For and on behalf of the Board of Directors of
Family Home Finance Private Limited

ADITI MITTAL
Digitally signed by ADITI MITTAL
DN: cn=ADITI MITTAL, o, ou, email=aditi.mittal@aligroup.co.in, c=IN
Date: 2023.05.16 11:35:02 +05'30'

Aditi Mittal
Director
DIN-00698397

ANNU GARG
Digitally signed by ANNU GARG
DN: c=IN, o=PERSONAL, title=6415, pseudonym=a4cf8bc585446c3843673c2843668a, 2.5.4.20=d53cc4d84a24477bf2766bc2856115bb3f3d1575d6094bab2017349f74bbf, postalCode=400063, st=Maharashtra, serialNumber=2f0c4176cc241ea1fbd74ca38c42a15bd6c2f6f0751cb2b0ac3f7329e77b1b, cn=ANNU GARG
Date: 2023.05.16 11:39:57 +05'30'

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR
Digitally signed by AJAY ARUN TENDULKAR
DN: c=IN, o=PERSONAL, pseudonym=d5f0fe9f1c0b9e9aa7b047e4b6ecad, 2.5.4.20=d1d4f7d1b7b4b5fa2fa9e4d5c9f1f9c4f1e4b1f0f2f7c8f8b5d0b1c3e6, postalCode=400063, st=Maharashtra, serialNumber=f3f3f4e8f6bc1bc1bc2cd1bbe7a6d4f6e9c6c0f67ca9f9f7d9d7bc4c7ba4b4f3f3, cn=AJAY ARUN TENDULKAR
Date: 2023.05.16 11:10:20 +05'30'

Ajay Tendulkar
Chief Executive Officer

MAHESH SHIVPRAKASH BHOOTRA
Digitally signed by MAHESH SHIVPRAKASH BHOOTRA
DN: c=IN, o=PERSONAL, title=5237, pseudonym=7ccc4b2d5ea9d9f9b3f1f8b0f7d2b3f7ad4c9e7b9d3b4a4c9f9d7f4c6f8b3f1e4d1f7c9f3b9d5f4c3f1f7d9f4c7f1f9f4f3f4, postalCode=400063, st=Maharashtra, serialNumber=7c3f3f4e8f6bc1bc1bc2cd1bbe7a6d4f6e9c6c0f67ca9f9f7d9d7bc4c7ba4b4f3f3, cn=MAHESH SHIVPRAKASH BHOOTRA
Date: 2023.05.16 11:10:20 +05'30'

Mahesh Bhootra
Chief Finance Officer

GOVIND LALWANI
Digitally signed by GOVIND LALWANI
DN: c=IN, o=PERSONAL, title=7191, pseudonym=d5f0fe9f1c0b9e9aa7b047e4b6ecad, 2.5.4.20=d1d4f7d1b7b4b5fa2fa9e4d5c9f1f9c4f1e4b1f0f2f7c8f8b5d0b1c3e6, postalCode=400064, st=Maharashtra, serialNumber=ee9f9fa8c6bc6b7d8c9b4bc9f7f9c4f1e7bc7f9e8bc8f7b6c9f7ec6f4bc6f7, cn=GOVIND LALWANI
Date: 2023.05.16 11:26:44 +05'30'

Govind Lalwani
Company Secretary
(ACS:A38806)

Place: Mumbai
Date : 16 May 2023

3 Cash and cash equivalents

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Cash on hand	0.77	1.12
Balances with banks	47.82	18.94
	48.59	**20.06**

4 Loans (at amortised cost)

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Loans		
(A)		
(i) Loans and advances	3,334.02	1,377.42
Total (A) -Gross	**3,334.02**	**1,377.42**
Less: Impairment loss allowance	9.54	3.44
Total (A) - Net	**3,324.48**	**1,373.98**
(B)		
(i) Secured by tangible assets	3,334.02	1,377.42
Total (B)-Gross	**3,334.02**	**1,377.42**
Less: Impairment loss allowance	9.54	3.44
Total (B)-Net	**3,324.48**	**1,373.98**
(C) Loans in India		
(i) Public Sector	-	-
(ii) Others	3,334.02	1,377.42
Total (C)- Gross	**3,334.02**	**1,377.42**
Less: Impairment loss allowance	9.54	3.44
Total(C)-Net	**3,324.48**	**1,373.98**

4 (a) (i) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person which are repayble on demand as on 31 March 2023 and 31 March 2022

(ii) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person that are without specifying any terms or period of repayment as on 31 March 2023 and 31 March 2022

(iii) Credit quality of assets

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Stage 1	3,294.36	1,377.42
Stage 2	39.66	-
Stage 3	-	-

4 (b) (i) An analysis of changes in gross carrying amount and corresponding Impairment Loss allowances in relation to lending as at 31 March 2023 is as follows;

Amount in (Rs. Lacs)

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	**1,377.42**	**-**	**-**
New assets orginated / (repaid) [excluding write offs]	1,973.75	-	(17.15)
Transfer to / from Stage 1	-	56.81	-
Transfer to / from Stage 2	(56.81)	-	17.15
Transfer to / from Stage 3	-	(17.15)	-
Amount written off	-	-	-
Gross carrying amount closing balance	**3,294.36**	**39.66**	**-**

(ii) An analysis of changes in gross carrying amount and corresponding Impairment Loss allowances in relation to lending as at 31 March 2022 is as follows:

Amount in (Rs. Lacs)

Particulars	Stage 1	Stage 2	Stage 3
Gross carrying amount opening balance	**145.73**	**-**	**-**
New assets orginated / (repaid) [excluding write offs]	1,231.69	-	-
Transfer to / from Stage 1	-	-	-
Transfer to / from Stage 2	-	-	-
Transfer to / from Stage 3	-	-	-
Amount written off	-	-	-
Gross carrying amount closing balance	**1,377.42**	**-**	**-**

4 (c) (i) Reconciliation of Impairment Loss allowances in relation to lending as at 31 March 2023 is as follows;

Amount in (Rs. Lacs)

Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss allowance opening balance	**3.44**	**-**	**-**
New assets orginated / (repaid) [excluding write offs]	6.10	-	-
Transfer to / from Stage 1	-	0.40	-
Transfer to / from Stage 2	(0.40)	-	-
Transfer to / from Stage 3	-	-	-
Amount written off	-	-	-
Impairment Loss allowance closing balance	**9.14**	**0.40**	**-**

4 (c) (ii) Reconciliation of Impairment Loss allowances in relation to lending as at 31 March 2022 is as follows;

Amount in (Rs. Lacs)

Particulars	Stage 1	Stage 2	Stage 3
Impairment Loss allowance opening balance	**0.37**	**-**	**-**
New assets orginated / (repaid) [excluding write offs]	3.07	-	-
Transfer to / from Stage 1	-	-	-
Transfer to / from Stage 2	-	-	-
Transfer to / from Stage 3	-	-	-
Amount written off	-	-	-
Impairment Loss allowance closing balance	**3.44**	**-**	**-**

5 Investments

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
(I) Mutual Fund		
i) Quoted (at fair value through profit and loss account)	235.12	580.08
(II) Debt Securities		
i) Quoted (at fair value through profit and loss account)	143.46	300.06
(III) AIF Investments		
i) Unquoted (at fair value through profit and loss account)	300.00	-
Total (A)	**678.58**	**880.14**
(i) Investments outside India	-	-
(ii) Investments in India	678.58	880.14
Total (B)	**678.58**	**880.14**
Less: Allowance for Impairment loss (C)	**-**	**-**
Total D= (A)-(C)	**678.58**	**880.14**

6 Other financial assets

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Other deposits	0.03	0.01
Other receivables	11.79	-
Income receivable on financial assets	3.39	6.49
	15.21	**6.50**

7 Deffered tax assets (net)

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Deferred tax assets:		
On account of:		
Timing difference arising on preliminary expenses (Section 35D on Income Tax Act 1961)	1.44	1.93
Impairment allowance on investments	2.40	-
Transaction cost on financial assets	1.96	-
Timing difference arising on depreciation	0.30	0.49
Expenses allowable on payment basis (gratuity)	0.11	-
Less: Deferred tax liabilities:		
Fair value gain on investments in debt securities	(0.87)	(0.02)
Income tax assets (net)	**5.34**	**2.40**

8 Property, plant and equipment

Amount in (Rs. Lacs)

Particulars	Computers	Office Equipment	Total
Gross block			
As at 31 March 2021	2.23	0.22	2.45
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2022	**2.23**	**0.22**	**2.45**
As at 31 March 2022	2.23	0.22	2.45
Additions	-	-	-
Disposals	-	-	-
As at 31 March 2023	**2.23**	**0.22**	**2.45**
Accumulated depreciation			
As at 31 March 2021	2.08	0.12	2.20
Additions	0.15	0.05	0.20
Disposals	-	-	-
As at 31 March 2022	**2.23**	**0.17**	**2.40**
As at 31 March 2022	2.23	0.17	2.40
Additions	-	0.04	0.04
Disposals			
As at 31 March 2023	**2.23**	**0.21**	**2.44**
Net Block			
As at 31 March 2022	**-**	**0.05**	**0.05**
As at 31 March 2023	**-**	**0.01**	**0.01**

(a) The Company has not revalued any of its Property, Plant and Equipment.

(b) There was no impairment loss on the property, plant and equipment on the basis of review carried out by the management in accordance with Accounting Standard (Ind AS) – 36 'Impairment of Assets'.

9 Intangible Assets

Amount in (Rs. Lacs)

Particulars	Intangible assets	
	Software	Total
Gross block		
As at 31 March 2021	12.23	**12.23**
Additions	-	-
Deductions/adjustments	-	-
As at 31 March 2022	12.23	**12.23**
As at 31 March 2022	12.23	**12.23**
Additions	-	-
Deductions/adjustments	-	-
As at 31 March 2023	12.23	**12.23**
Depreciation/amortisation		
As at 31 March 2021	11.50	**11.50**
Additions	0.73	**0.73**
Deductions/adjustments	-	-
As at 31 March 2022	12.23	**12.23**
As at 31 March 2022	12.23	**12.23**
Additions	-	-
Deductions/adjustments	-	-
As at 31 March 2023	12.23	**12.23**
Net block		
As at 31 March 2022	-	-
As at 31 March 2023	-	-

(a) The Company has not revalued any of its Intangible Assets.

10 Other non financial assets

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Prepaid Expense	0.08	-
Balance with Government authorities	9.92	10.12
	10.00	**10.12**

11 Trade payables

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	3.84	0.45
	3.84	**0.45**

Following disclosures as required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 has been made to the extent information available with the Company and the same have been relied upon by the auditors:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprise Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(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	-	-

Outstanding of Trade Payable from due date of payment

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023		As at 31-March-2022	
	MSME	Others	MSME	Others
Unbilled	-	1.69	-	-
Less than 1 year	-	2.15	-	0.45
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Total	**-**	**3.84**	**-**	**0.45**

(a) There are no outstanding of disputed trade payable from MSME or Others, from due date of payment as on 31 March 2023 and 31 March 2022

(b) There are no unbilled disputed dues as on 31 March 2023 and 31 March 2022

12 Borrowings (other than debt securities) (at amortised cost)

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
(a) Term loans		
(i) from NBFC*	1,692.86	-
Total (A)	**1,692.86**	**-**
Borrowings in India	1,692.86	-
Borrowings outside India	-	-
Total (B)	**1,692.86**	**-**
Secured	1,692.86	-
Unsecured	-	-
Total (C)	**1,692.86**	**-**

* Term loan from NBFC is repayable in 84 equated monthly installments along with interest from the date of first disbursement. The loans are secured by 1st pari-passu charge by way of Hypothecation/ Pledge/ Mortgage over Housing Loan receivables/ Business Assets of the Company with a minimum security cover of 1 times.

12 (a) The Company has used the borrowings from NBFC for the specific purpose for which it was taken at the balance sheet date.

12 (b) The quarterly returns and / or statements of current assets i.e. identified business assets filed by the Company with NBFC are in agreement with books of accounts and there is no discrepancies in the same.

12 (c) The Company is not declared a wilful defaulter by any bank or financial institution or other lender.

12 (d) The Company has registered the charges towards secured borrowings outstanding as on 31 March 2023. There is no satisfaction of charge pending on secured borrowings which are repaid during the financial year ended 31 March 2023. The Company did not have any borrowings during the financial year ended 31 March 2022.

12 (e) Refer Note - 48 for utilisation of borrowed funds.

13 Other financial liabilities

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Employee dues	1.56	0.92
Income received in advance	0.26	-
Other payables	0.80	-
	2.62	**0.92**

14 Provisions

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Provisions for Employee Benefits		
Gratuity (Refer Note - 29)	0.43	-
	0.43	**-**

15 Other non-financial liabilities

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Statutory dues	3.42	1.41
	3.42	**1.41**

16 (a) Share Capital

(i) Equity share capital

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023		As at 31-March-2022	
	Numbers of shares	Amount	Numbers of shares	Amount
Authorized:				
Equity shares of Rs. 10 each	22,000,000	2,200.00	22,000,000	2,200.00
Total		**2,200.00**		**2,200.00**
Issued, subscribed and paid-up:				
Equity shares of Rs. 10 each fully paid up	20,000,000	2,000.00	20,000,000	2,000.00
Total		**2,000.00**		**2,000.00**

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

In the event of the liquidation of the Company, the holder 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.

(iii) Shares held by its holding company (i.e. A. K. Capital Finance Limited):

Name of the shareholder	As at 31-March-2023		As at 31-March-2022	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
A. K. Capital Finance Limited	20,000,000	100.00%	20,000,000	100.00%

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

Name of the shareholder	As at 31-March-2023		As at 31-March-2022	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
A. K. Capital Finance Limited	20,000,000	100.00%	20,000,000	100.00%

The is no percentage change in the shareholding of promoters during the financial year ended 31 March 2023 and 31 March 2022.
During the previous year, the Company had issued 8,990,000 equity shares of face value of Rs.10 per share to its holding company, A. K. Capital Finance Limited which would rank pari passu with the existing equity share capital.

(v) Details of shares held by promoters in the company:

Name of the shareholder	As at 31-March-2023		As at 31-March-2022	
	Numbers of shares	Percentage of shareholding	Numbers of shares	Percentage of shareholding
A. K. Capital Finance Limited	20,000,000	100.00%	20,000,000	100.00%

(vi) The reconciliation of the number of shares outstanding at the beginning and end of the year:

Particulars	As at 31-March-2023	As at 31-March-2022
Shares at the beginning of the year	20,000,000	11,010,000
Add :Shares issued during the year	-	8,990,000
Shares at the end of the year	**20,000,000**	**20,000,000**

Family Home Finance Private Limited

Notes to the financial statements for the year ended 31 March 2023

(b) Other equity

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Special Reserve		
At the beginning of the year	31.52	22.52
Changes in acocunting policy /prior period errors	-	-
Restated Opening Balance	**31.52**	**22.52**
Add: Transfer from retained earning	19.48	9.00
Closing balance of special reserve	**51.00**	**31.52**
Security Premium Account		
At the beginning of the year	116.87	-
Changes in acocunting policy /prior period errors	-	-
Restated Opening Balance	**116.87**	**-**
Add: Current year addition	-	116.87
Closing balance of security premium account	**116.87**	**116.87**
Retained Earning		
At the beginning of the year	137.14	102.89
Changes in acocunting policy /prior period errors	-	-
Restated Opening Balance	**137.14**	**102.89**
Add: Profit for the year	85.02	43.25
Profit available for appropriation	**222.16**	**146.14**
Appropriations:		
Transfer to special reserves	(19.48)	(9.00)
Closing balance of retained earnings	**202.68**	**137.14**
	370.55	**285.53**

(i) Refer Note - 48

*Special Reserve represents the reserve created pursuant to the National Housing Bank Act, 1987 ("the NHB Act"). In terms of Section 29C(1) of the NHB Act, a Housing Finance Company is required to transfer an amount not less than 20% of its net profit to a reserve fund before declaring any dividend. Appropriation from this Reserve Fund is permitted only for the purpose specified by the RBI .

17 Interest income

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023			For the year ended 31-March-2022		
	On Financial Assets measured at Amortised Cost	Interst income on securities classified at fair value through Profit or loss	Total	On Financial Assets measured at Amortised Cost	Interst income on securities classified at fair value through Profit or loss	Total
Interest on loans	184.55	-	184.55	46.57	-	46.57
Processing fees income	0.27	-	0.27	3.48	-	3.48
Interest income on investments	-	26.51	26.51	-	27.86	27.86
	184.82	**26.51**	**211.33**	**50.05**	**27.86**	**77.91**

18 Fees and commission Income

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Fees income	-	3.23
Other charges recovered	0.07	-
	0.07	**3.23**

19 Net gain on fair value changes

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Net gain/(loss) on investments at fair value through profit and loss		
- Realised	25.83	22.16
- Unrealised	3.46	0.06
	29.29	**22.22**
Additional Information :		
Profit on sale of Investments (actual) (A)	25.89	21.99
Net gain/(loss) on investments due to fair value change (B)		
- Realised	(0.06)	0.17
- Unrealised	3.46	0.06
	29.29	**22.22**

20 Other income

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Interest on income tax refund	0.06	-
	0.06	**-**

21 Finance cost

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Interest on borrowings	56.93	-
Interest on income tax	0.69	0.74
	57.62	**0.74**

22 Employee benefits expenses

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Salaries and wages	37.81	23.98
Gratuity	0.43	-
Employers contribution to provident fund	1.75	0.43
Staff welfare expenses	0.02	-
	40.01	**24.41**

23 Other expenses

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Rent, rates and taxes	0.09	0.09
Auditor's remuneration	1.50	0.20
Selling expenses	0.17	-
Communication costs	0.03	0.02
Support service expenses	6.00	-
Conveyance expenses	5.86	1.88
Travelling expenses	0.98	-
Collection and sourcing fees	5.27	-
Legal and Professional charges	3.34	12.05
Miscellaneous expenses	1.70	0.46
	24.94	**14.70**

24 Segment Reporting

The Company's main business is financing by way of loans for the purchase or construction of residential houses, Loans against property, construction of real estate and certain other purposes, in India. All other activities of the Company revolve around the main business. As such, there are no separate reportable segments, as per the Indian Accounting Standard (Ind AS) 108 on 'Segment Reporting'.

25 Related party disclosures:

A Ind AS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) a person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply; (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity.(iii) Both entities are joint ventures of the same third party. (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity. (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.(vi) The entity is controlled or jointly controlled by a person identified in (a).(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

B Related party relationships:

Ultimate holding Company
A. K. Capital Services Limited

Holding Company
A. K. Capital Finance Limited

Fellow subsidiary
A. K. Stockmart Private Limited

Key managerial personnel
Ms. Annu Garg - Director
Mr. Ajay Tendulkar - Chief Executive Officer
Mr. Mahesh Bhootra - Chief Finance Officer
Mr. Govind Lalwani - Company Secretary

Notes:

a The related party relationships have been determined on the basis of the requirements of the Indian Accounting Standard (AS) - 24 'Related Party Disclosures' and the same have been relied upon by the auditors.

b The relationship as mentionned above pertains to those related parties with whom transactions have taken place during the year except, in which case the relationship has been mentioned irrespective of the transaction with the related parties.

.

Family Home Finance Private Limited

Notes to the financial statements for the year ended 31 March 2023

i Details of Transactions with Related Parties are given as under:

Disclosure in respect of transactions which are more than 10% of the total transactions of the same type during the year is as under:

Amount in (Rs. Lacs)

	Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
A)	**Transaction with related parties:**		
	Demat Charges		
	A. K. Stockmart Private Limited	0.03	0.02
	Key managerial remuneration		
	Short term benefits	34.23	23.98
	Support Services		
	A. K. Capital Finance Limited	6.00	-
	Loan taken		
	A. K. Capital Finance Limited	1,800.00	-
	Repayment of Loan taken		
	A. K. Capital Finance Limited	107.14	-
	Interest paid on loan taken		
	A. K. Capital Finance Limited	56.93	-
	Purchase of Securities (exluding accrued interest)		
	A. K. Capital Services Limited	-	170.15
	Sale of Securities (exluding accrued interest)		
	A. K. Capital Finance Limited	-	341.88
	Issuance of equity share capital (including securities premium of Rs.116.87 lakhs)		
	A. K. Capital Finance Limited		1,015.87

Amount in (Rs. Lacs)

	Particulars	As at 31-March-2023	As at 31-March-2022
B)	**Balances with related parties:**		
	Loan outstanding		
	A. K. Capital Finance Limited	1,692.86	-

Notes:

(i) Transaction amount is excluding taxes wherever applicable

(ii) Reimbursement of expenses has not been considered for above disclosure.

26 Financial instruments

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework. In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

The carrying value and fair value of financial instrument by categories as of 31 March 2023 were as follows:

Amount in (Rs. Lacs)

Particulars	At amortised cost	At Fair value through profit and loss	Total carrying value	Total fair value
Assets:				
Cash and cash equivalents	48.59	-	48.59	48.59
Loans	3,324.48	-	3,324.48	3,324.48
Investments	-	678.58	678.58	678.58
Other financial assets	11.82	3.39	15.21	15.21
TOTAL	**3,384.89**	**681.97**	**4,066.86**	**4,066.86**
Liabilities:				
Trade and other payables	3.84	-	3.84	3.84
Borrowings (other than debt securities)	1,692.86	-	1,692.86	1,692.86
Other financial liabilities	2.62	-	2.62	2.62
TOTAL	**1,699.32**	**-**	**1,699.32**	**1,699.32**

The carrying value and fair value of financial instrument by categories as of 31 March 2022 were as follows:

Amount in (Rs. Lacs)

Particulars	At amortised cost	At Fair value through profit and loss	Total carrying value	Total fair value
Assets:				
Cash and cash equivalents	20.06	-	20.06	20.06
Loans	1,373.98	-	1,373.98	1,373.98
Investments	-	880.14	880.14	880.14
Other financial assets	0.01	6.49	6.50	6.50
TOTAL	**1,394.05**	**886.63**	**2,280.68**	**2,280.68**
Liabilities:				
Trade and other payables	0.45	-	0.45	0.45
Other financial liabilities	0.92	-	0.92	0.92
TOTAL	**1.37**	**-**	**1.37**	**1.37**

27 Risk management

Financial risk management

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Credit risk

Revenue/Trade receivables

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Loans

Credit risk is controlled by analysing the credit limits and creditworthiness of the customer on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. An impairment analysis is performed at each reporting date on a individual basis. The Company holds collateral as security against the loans. The impairment of the credit risk on the loan is carried out through a detailed ECL model. The ECL model provides for the ECL on a 12 month ECL basis for standard to stage 1 Assets whereas the same is calculated based on a lifetime ECL for stage 2 & 3 level assets. The ECL is calculated based on a probability default (PD)X exposure at default (EAD) X (Loss given default X discount rate - LGD)). The Company calculates the PD by taking into account the past historical trends of the portfolio and its credit performance based on a homogenous charateristic of the underlying portfolio. This is calculated based on a 12 month PD perspective. In case of Impaired assets where lifetime PD is applied, the PD is extrapolated to take into account the probability of default over the life time of asset.

a) The following table gives details in respect of fees and income from loans generated from top customer and top 5 customers:

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Revenue from top customer	3.01	3.48
Revenue from top 5 customers	11.89	8.96

Exposure to credit risk

Financial assets for which loss allowance is measured using expected credit loss model:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Financial assets		
Loans	3,334.02	1,377.42
At end of the year	**3,334.02**	**1,377.42**

The Company's exposure to customers is diversified and no single customer contributes to more than 15% of outstanding loans which are measured at amortised cost as at 31 March 2023 and 31 March 2022.
The Company has used a practical expedient by computing the expected credit loss allowance for Loans and advances taking into account historical credit loss experience.

Balances with banks and other financial assets:

The Company held cash and cash equivalents of Rs. 48.59 lacs as at 31-March-2023 (as at 31-March-2022: Rs.20.06 lacs). The cash and cash equivalents are held with banks with good credit ratings. Also, the Company invests its surplus funds in Liquid Mutual Fund, which carry no / low mark to market risks for short duration and therefore, does not expose the Company to credit risk.

For banks only high rated banks/institutions are accepted. The Company holds cash and cash equivalents with bank, which are having highest safety ratings based on ratings published by various credit rating agencies. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of the counterparties.

For other financial assets, the Company assesses and manages credit risk based on reasonable and supportive forward looking information. The Company does not have significant credit risk exposure for these items.

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has interest rate risk exposure mainly from changes in rate of interest on borrowing, loans and securities. The following table analyse the breakdown of the interest bearing financial assets and liabilities by type of interest rate:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Financial assets		
Interest bearing		
- fixed interest rate		
Loans	1,411.62	1,377.42
Investments	143.46	300.06
- floating interest rate		
Loans	1,922.40	-
Non interest bearing		
Investments	535.12	580.08
Cash and cash equivalents	48.59	20.06
Other financial assets	15.21	6.50
Financial liabilities		
Interest bearing		
- floating interest rate		
Borrowings	1,692.86	-
Non interest bearing		
Trade payables	3.84	0.45
Other financial liabilities	2.62	0.92

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after excluding the credit exposure for which interest rate swap has been taken and hence the interest rate is fixed. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Increase in basis points	50.00	50.00
Effect on profit before tax (Rs. Lacs)	1.15	-
Decrease in basis points	50.00	50.00
Effect on profit before tax (Rs. Lacs)	(1.15)	-

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt from NBFC at an optimised cost.

The Company's maximum exposure to liquidity risk for the components of the balance sheet at 31 March 2023 and 31 March 2022 is the carrying amounts. The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The Company's major financial liabilities include term loans with maturity profile ranging between 0 to 7 years. The average credit period taken to settle trade payables is about 15 days. The other payables are with short-term durations. The following table analysis undiscounted financial liabilities by remaining contractual maturities:

Amount in (Rs. Lacs)

Particulars	On demand	Less than 3 months	3 to12 months	1 to 5 years	>5 years
As at 31 March 2023					
Borrowings (other than debt securities)	-	97.31	285.08	1,327.87	414.65
Trade and other payables	-	3.84	-	-	-
Other financial liablities	-	2.62	-	-	-
	-	**103.77**	**285.08**	**1,327.87**	**414.65**
As at 31 March 2022					
Trade and other payables		0.45	-	-	-
Other financial liablities	-	0.92	-	-	-
	-	**1.37**	**-**	**-**	**-**

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep optimum gearing ratio. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Borrowing (other than debt securities)	1,692.86	-
Trade payables	3.84	0.45
Other financial liabilities	2.62	0.92
Net debt (A)	**1,699.32**	**1.37**
Equity share capital	2,000.00	2,000.00
Other equity	370.55	285.53
Total member's capital (B)	**2,370.55**	**2,285.53**
Capital and net debt (C=A+B)	**4,069.87**	**2,286.90**
Gearing ratio (%) (A/C)	**41.75**	**0.06**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the NBFC to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the aforesaid financial period.

28 Fair Value hierarchy

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets measured at fair value on a recurring basis as of 31 March 2023:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	Fair value measurement at end of the reporting year using		
		Level I	Level 2	Level 3
Financial assets:				
Investments	678.58	235.12	443.46	-

The following table presents fair value hierarchy of assets measured at fair value on a recurring basis as of 31 March 2022:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2022	Fair value measurement at end of the reporting year using		
		Level I	Level 2	Level 3
Financial assets:				
Investments	880.14	580.08	300.06	-

Description of techniques and valuation inputs used for Level II and Level III hierarchy are under:

Assets class	Fair value hierarchy	Valuation techniques and inputs
Debt instruments, Government securities, commercial paper and state development loan measured at FVTPL	Level II	Valuation techniques and inputs in order of first preference are as under:
		1.Cost of securities only if the securities are allotted within last 20 days or purchased within 7 days from the measurement date or, latest traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-7 days, whichever is later.
		2. Weighted average (appropriate weight considered by the company) of; -Future cash flows which are discounted using a discount rate arrived at by adding the spread provided by FIMMDA and -Latest subsequent traded price reported on recognised stock exchange or settlement house close to measurement date i.e. in the range of 0-7 days.
		3.Future cash flows are discounted using a discount rate arrived at by adding the spread provided by FIMMDA or other approved agencies and annualised government security yield provided by regulatory authorities.
Unquoted equity instruments measured at FVOCI	Level III	Based on unobservable inputs which generally approximates to the carrying value of the investments unless significantly impaired. Fair value has been considered Nil for significantly impaired investments. Sensitivity change in the unobservable input does not have a significant impact in its value and accordingly, sensitivity disclosure is not given.

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents and other financial asset approximate their carrying amount largely due to short term maturity of these instruments.

29 Employee benefit obligation

A. Defined contribution plans

The following amount recognized as an expense in statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Contribution to provident fund	1.75	0.43

B. Defined benefit plans

The Company has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972 with total ceiling on gratuity of Rs.20.00 Lacs (for the year ended 31-March-2022 - Rs 20.00 Lacs)

The following tables summaries the components of net benefit expense recognised in the statement of profit and loss and the

Amount in (Rs. Lacs)

Particulars	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022
(a) Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	0.27	-
Past service cost	0.16	-
Interest cost on defined benefit obligation	-	-
(Gain) / losses on settlement	-	-
Total expense charged to profit and loss account (included in salaries,	**0.43**	**-**
(b) Amount recorded in Other Comprehensive Income (OCI)		
Opening amount recognised in Other Comprehensive Income outside		
Remeasurement during the period due to :		
Actuarial loss / (gain) arising from change in financial assumptions	-	-
Actuarial loss / (gain) arising from change in demographical assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	-	-
Amount recognised in Other Comprehensive Income (B)	**-**	**-**
Gratuity expense recognised in the statement of profit and loss and Other Comprehensive Income (A+B)	**0.43**	**-**
(c) Reconciliation of net liability / asset		
Opening defined benefit liability / (assets)	-	-
Expense charged to profit & loss account	0.43	-
Amount recognised in outside profit and loss account	-	-
Benefit paid	-	-
Closing net defined benefit liability / (asset)	**0.43**	**-**

29 Employee Benefit Obligation (continued)

Amount in (Rs. Lacs)

Particulars	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022
(d) Movement in benefit obligation and balance sheet		
Opening defined benefit obligation	-	-
Current service cost	0.27	-
Past service cost	0.16	-
Interest on defined benefit obligation	-	-
Remeasurement during the period due to :		-
Actuarial loss / (gain) arising from change in financial assumptions	-	-
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	-	-
Benefits paid / payable	-	-
Closing defined benefit obligation [liability / (asset)] recognised in balance sheet	**0.43**	**-**

(e) The principal assumptions used in determining gratuity benefit obligation for the company's plans are shown below:

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Discount rate	7.52%	-
Expected rate of return on plan assets (p.a.)		-
Salary escalation rate (p.a.)	5.00%	-
Withdrawal rate		-
Upto 30 Years	3.00%	-
Upto 31-44 Years	2.00%	-
Above 45 Years	1.00%	-
Mortality pre-retirement	Indian Assured Lives Mortality (2012-14)	-

(f) A quantitative analysis for significant assumption is as shown below:

Significant Actuarial Assumptions for the determination of the defined benefit obligation are discount trade, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period , while holding all other assumptions constant. The result of Sensitivity analysis is given below:

Indian gratuity plan:

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Assumptions -Discount rate		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.50%	0.50%
Impact on defined benefit obligation -increase of sensitivity level	(0.02)	-
Impact on defined benefit obligation -decrease of sensitivity level	0.02	-
Assumptions -Future salary escalations rates		
Sensitivity Level (a hypothetical increase / (decrease) by)	0.50%	0.50%
Impact on defined benefit obligation-increase of sensitivity level	0.02	-
Impact on defined benefit obligation-decrease of sensitivity level	(0.02)	-

The following payments are expected contributions to the defined benefit plant in future years.

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Within 1-2 year	0.01	-
2-3 year	0.02	-
3-4 year	0.02	-
5-6 year	0.02	-
6-7 year	0.04	-

The average duration of the defined benefit plan obligation at the end of the reporting period is 1.59 years.

30 Income Tax

The major components of income tax expense for the years are:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Current income tax:		
Current income tax charge	30.50	17.05
Adjustments in respect of previous year	(0.54)	0.28
Deferred tax:		
Relating to origination and reversal of temporary differences	(2.94)	(1.08)
Income tax expense reported in the statement of profit and loss	**27.02**	**16.25**

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Profit before income tax	112.04	59.50
Rate of Income tax	25.17%	25.17%
Computed expected tax expenses	28.20	14.97
Tax effect due to non-deductable expenses	0.17	3.22
Tax effect due to deductable expenses	-	(1.18)
Other adjustments	0.05	0.04
Adjustments in respect of current income tax of previous year	(0.54)	0.28
Tax effect due to recognition / non recognition of deferred tax assets/(liabilities)	(0.86)	(1.08)
Income tax expense reported in the statement of profit and loss	**27.02**	**16.25**

The Gross movement in the current income tax asset/(Liability) for the year ended March 31, 2023 and March 31, 2022 is as follows:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Net current income tax asset/(liability) at the beginning	(4.94)	(3.62)
Income tax paid	27.10	16.75
Current tax expenses	(30.50)	(17.05)
Interest on income tax	(0.69)	(0.74)
Excess short provision of earlier year	0.54	(0.28)
Net current income tax asset/(liability) at the end	**(8.49)**	**(4.94)**

The balance comprises temporary differences attributable to the below items and corresponding movement in deferred tax liabilities / assets:

Amount in (Rs. Lacs)

Particulars	As at 31-March-2023	As at 31-March-2022
Net deferred tax asset/(liability) at the beginning of the year	2.40	1.32
Disallowance of share issue expenses	(0.49)	1.23
Property plant and equipments	(0.19)	(0.09)
Expenses allowable on payment basis (gratuity)	0.11	-
Transaction cost on financial assets	1.96	-
Impairment of financial instruments	2.40	-
Fair value gain on investments in debt securities	(0.85)	(0.06)
Net current income tax asset/(liability) at the end	**5.34**	**2.40**

31 Disaggregated revenue information

The table below represents disaggregation of the Company's revenue from contracts with the customers. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of its revenues and cash flows are affected by industry, market and other economic factors.

Amount in (Rs. Lacs)

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Type of goods or service		
Fees and commission Income	0.07	3.23
Total revenue from contracts with the customers	**0.07**	**3.23**
Geographical markets		
-India	0.07	3.23
-Outside India	-	-
Total revenue from contracts with the customers	**0.07**	**3.23**
Relation with customer		
-Non related party	0.07	3.23
-Related Party	-	-
Total revenue from contracts with the customers	**0.07**	**3.23**
Timing of revenue recognition		
-Service transferred over a period of time	-	-
-Service transferred over a point of time	0.07	3.23
Total revenue from contracts with the customers	**0.07**	**3.23**

Geographical revenue is allocated based on the location of the services.

32 (a) Disclosure on Principal Business Criteria:

For the year ended 31-March-2023

Criteria-I NBFC	%	Limit
Financial Asstes/ Total Assets (net of Intangible Assets) (I/IV)	98.43	> 50%
Income from Financial Assets/Gross Income (VII/VIII)	99.98	> 50%

Criteria-II HFC	%	Limit
Housing Finance/ Total Assets (net of Intangible Assets) (V/IV)	81.67	≥ 55 %
Housing Finance for Individual/Total Assets (net of Intangible Assets) (VI/IV)	81.67	≥ 45 %

For the year ended 31-March-2022

Criteria-I NBFC	%	Limit
Financial Asstes/ Total Assets (net of Intangible Assets) (I/IV)	98.58	> 50%
Income from Financial Assets/Gross Income (VII/VIII)	100.00	> 50%

Criteria-II HFC	%	Limit
Housing Finance/ Total Assets (net of Intangible Assets) (V/IV)	60.06	≥ 50 %
Housing Finance for Individual/Total Assets (net of Intangible Assets) (VI/IV)	60.06	≥ 40 %

Amount in (Rs. Lacs)

Sr. No	Particulars	As at 31-March-2023	As at 31-March-2022
I	Financial Assets (Refer Note-1 below)	4018.27	2260.62
II	Total Assets	4082.21	2293.25
III	Intangible Assets (All Intangible Assets)	-	-
IV	Total Assets (net of Intangible Assets)	4082.21	2293.25
V	Housing Finance	3334.02	1377.42
VI	Housing Finance for Individual	3334.02	1377.42

Amount in (Rs. Lacs)

Sr. No	Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
VII	Income from financial assets (Refer Note-2 below)	240.69	103.36
VIII	Gross Income	240.75	103.36

Note:

1 Cash/Bank Balance and Investments in fixed deposits cannot be treated as "financial assets"

2 Interest income on fixed deposits cannot be treated as "income from financial assets"

32 (b) Disclosure in pursuance Para No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021

	Particulars	As at 31-March-2023		As at 31-March-2022	
		Amount in (Rs. Crores)		Amount in (Rs. Crores)	
	Liability side	**Amount outstanding**	**Amount overdue**	**Amount**	**Amount overdue**
1	**Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:**				
	(a) Debentures				
	: Secured	Nil	Nil	Nil	Nil
	: Unsecured	Nil	Nil	Nil	Nil
	(b) Deferred credits	Nil	Nil	Nil	Nil
	(c) Term loans	Nil	Nil	Nil	Nil
	(d) Inter-coporate loans and borowings	16.93	Nil	Nil	Nil
	(e) Commercial paper	Nil	Nil	Nil	Nil
	(f) Public deposits	Nil	Nil	Nil	Nil
	(g) Others (specify nature)	Nil	Nil	Nil	Nil
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	Nil	Nil	Nil	Nil
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil	Nil	Nil
	(c) Other public deposits	Nil	Nil	Nil	Nil

Amount in (Rs. Crores)

	Asset side	As at 31-March-2023	As at 31-March-2022
		Amount outstanding	Amount outstanding
3	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**		
	(a) Secured	33.34	13.77
	(b) Unsecured	Nil	Nil
4	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**	**As at 31-March-2023**	**As at 31-March-2022**
	(a) Lease assets including lease rentals under sundry debtors		
	(i) Financial lease	Not applicable	Not applicable
	(ii) Operating lease	Not applicable	Not applicable
	(b) Stock on hire including hire charges under sundry debtors		
	(i) Assets on hire	Not applicable	Not applicable
	(ii) Repossessed Assets	Not applicable	Not applicable
	(c) Other loans counting towards asset financing activities		
	(i) Loans where assets have been repossessed	Not applicable	Not applicable
	(ii) Loans other than (a) above	Not applicable	Not applicable

Amount in (Rs. Crores)

5	**Break-up of Investments**	As at 31-March-2023	As at 31-March-2022
		Amount outstanding	Amount outstanding
	Current Investments		
	(a) Quoted:		
	(i) Shares		
	(1) Equity	Nil	Nil
	(2) Preference	Nil	Nil
	(ii) Debentures and bonds	1.44	3.00
	(iii) Units of mutual funds	2.35	5.80
	(iv) Government securities	Nil	Nil
	(v) Others (Please specify)	Nil	Nil
	(b) Unquoted:		
	(i) Shares		
	(1) Equity	Nil	Nil
	(2) Preference	Nil	Nil
	(ii) Debentures and bonds	Nil	Nil
	(iii) Units of mutual funds	Nil	Nil
	(iv) Government securities	Nil	Nil
	(v) Others - Units of AIF	3.00	Nil

32 (b) Disclosure in pursuance Para No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021

Amount in (Rs. Crores)

6 **Break-up of Investments**	**As at 31-March-2023**	**As at 31-March-2022**
	Amount outstanding	**Amount outstanding**
Long Term Investments		
(a) Quoted:		
(i) Shares		
(1) Equity	Nil	Nil
(2) Preference	Nil	Nil
(ii) Debentures and bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government securities	Nil	Nil
(v) Others (Please specify)	Nil	Nil
(b) Unquoted:		
(i) Shares	Nil	Nil
(1) Equity	Nil	Nil
(2) Preference	Nil	Nil
(ii) Debentures and bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government securities	Nil	Nil
(v) Others (Please specify)	Nil	Nil

Amount in (Rs. Crores)

7 Borrower group-wise classification of assets financed as in (3) and (4) above: As at 31-March-2023

Category	**Amount Net of Provisions**		
	Secured	**Unsecured**	**Total**
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related Parties	33.34	Nil	33.34
Total	**33.34**	**Nil**	**33.34**
Refer note no. 1 below			

Amount in (Rs. Crores)

Borrower group-wise classification of assets financed as in (3) and (4) above: As at 31-March-2022

Category	**Amount Net of Provisions**		
	Secured	**Unsecured**	**Total**
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related Parties	13.77	Nil	13.77
Total	**13.77**	**Nil**	**13.77**
Refer note no. 1 below			

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

Amount in (Rs. Crores)

Category	**As at 31-March-2023**		**As at 31-March-2022**	
	Market Value / Break up or fair value or NAV	**Book Value (Net of Provisions)**	**Market Value / Break up or fair value or NAV**	**Book Value (Net of Provisions)**
1. Related Parties				
(a) Subsidiaries	Nil	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil	Nil
2. Other than related Parties	6.79	6.79	8.80	8.80
Total	**6.79**	**6.79**	**8.80**	**8.80**

* As per Accounting Standard notified by Central Government of India (Refer note no. 2 below)

9 Other information

Amount in (Rs. Crores)

Paticulars	**As at 31-March-2023**	**As at 31-March-2022**
(i) Gross Non-performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	Nil	Nil
(ii) Net Non-performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	Nil	Nil
(iii) Assets acquired in satisfaction of debt	Nil	Nil

Notes:

1 Provisioning norms shall be applicable as prescribed in Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

2 All Accounting Standards notified by Central Government of India and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments (except Debentures and Government Securities are valued at cost as the market value is not available) and break up/ fair value/ NAV in respect of unquoted investments has been disclosed irrespective of whether they are classified as long term or

3 The financial information in the above disclosure as required in terms of Regulation No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021 as on 31 March 2023 are based on the IND AS financial statements for the year ended 31 March 2023

33 Disclosure in pursuance Para No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

1 Capital

Amount in (Rs. Crores)

Particulars	As at 31-March-2023	As at 31-March-2022
(i) CRAR (%)	122.40	165.68
(ii) CRAR - Tier I Capital (%)	121.91	165.43
(iii) CRAR - Tier II Capital (%)	0.49	0.25
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

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

Amount in (Rs. Crores)

Particulars	As at 31-March-2023	As at 31-March-2022
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	0.32	0.23
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	**0.32**	**0.23**
Addition/ Appropriation/ Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	0.19	0.09
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
Less:		
a) Amount appropriated from the u/s 29C of the NHB Act, 1987	-	-
b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-
Balance at the end of the year		
a) Amount appropriated from the u/s 29C of the NHB Act, 1987	0.51	0.32
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	**0.51**	**0.32**

3 Investment

Amount in (Rs. Crores)

Particulars	As at 31-March-2023	As at 31-March-2022
Value of Investments		
(i) Gross value of investments		
(a) In India	6.79	8.80
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	6.79	8.80
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off / Written-bank of excess provisions during the year	-	-
Closing balance	-	-

4 Derivatives

The Company did not have any transactions in Derivatives.

5 Securitisation- Deleted

33 Disclosure in pursuance Para No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

6 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as on 31 March 2023 **Amount in (Rs. Crores)**

Particulars	1 day to 7days	8 days to 14 Days	15 Days to 30/31 Days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities:											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrwoings from banks	-	-	-	-	-	-	-	-	-	-	-
Borrwoings from NBFC	-	-	0.22	0.22	0.22	0.65	1.30	5.21	5.21	3.90	16.93
Market borrowings	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets:											
Advances	-	-	0.34	0.22	0.22	0.68	1.38	5.66	6.01	18.90	33.41
Investments	-	-	-	3.79	-	-	-	3.00	-	-	6.79
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities) as on 31 March 2022 **Amount in (Rs. Crores)**

Particulars	1 day to 7days	8 days to 14 Days	15 Days to 30/31 Days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities:											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrwoings from banks	-	-	-	-	-	-	-	-	-	-	-
Borrwoings from NBFC	-	-	-	-	-	-	-	-	-	-	-
Market borrowings	-	-	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets:											
Advances	-	-	0.16	0.15	0.14	0.42	0.84	3.45	3.57	5.04	13.77
Investments	-	-	-	8.80	-	-	-	-	-	-	8.80
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-

Note:

Advances includes loans and advances in the nature of loans and excludes advances recoverable in cash or kind or for value to be received, advance payment of taxes and

33 Disclosure in pursuance Para No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

7 Exposures

A. Exposures to real estate sector **(Rs. In Crores)**

	Category		As at 31-March-2023	As at 31-March-2022
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;	33.34	13.77
	(ii)	**Commercial Real Estate -**		
		Lending secured by mortgages on commercial real estate's (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	-	-
	(iii)	**Investments in Mortgage Backed Securities (MBS) and securitised exposures -**		
		a. Residential	-	-
		b. Commercial real estate	-	-
		Total Exposure to Real Estate Sector	**-**	**-**
b)	**Indirect exposure**			
	(i)	Funded and Non Funded Exposures through Housing Finance Companies (HFCs)	-	-
		Total Exposure to Real Estate Sector	**-**	**-**
c)	**Direct Investment**			
	(i)	**Commercial Real Estate -**	-	-
	(ii)	**Investments in Mortgage Backed Securities (MBS) and securitised exposures -**		
		a. Residential	-	-
		b. Commercial real estate	-	-
		Total Exposure to Real Estate Sector	**-**	**-**
d)	**Indirect Investment**			
	(i)	Funded and Non Funded Exposures through Housing Finance Companies (HFCs)	-	-
		Total Investment Exposure to Real Estate Sector	**-**	**-**

*Investments Exposure means Investment in Mortgaged Backed Securities and other securitized exposures

B. Exposures to Capital Market **(Rs. In Crores)**

Particulars		As at 31-March-2023	As at 31-March-2022
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not full cover the advances	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds/Alternate Investment Funds (both registered and unregistered)*	-	-
	Total Exposure to Capital Market	**-**	**-**

*For the year ended 31st March 2023, the Company has an investment amounting to Rs.3 Crores in SEBI Registered Alternative Investment Fund - Category II Debt Fund as defined in Regulation 2(1)(i) of Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and hence not classified under Capital Market Exposure.

C. Details of financing of parent company products

The Company did not have any financing of parent company's products.

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

Single Borrower Limit (SGL) / Group Borrower Limit (GBL) has not been exceeded the prudential exposure limits during the year by the Compan

E. Unsecured Advances

The Company does not have any unsecured advances as on 31 March 2023.

F. Exposure to group companies engaged in real estate business

The Company does not have any exposure to companies engaged in real estate business as on 31 March 2023.

33 Disclosure in pursuance Para No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

8 Miscellaneous

A. Registration obtained from other financial sector regulators

There is no other registration obtained from any other financials sector regulators.

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

There is no penalty imposed by NHB/RBI and other regulators.

C. Related Party Transactions

i) All material transactions with related parties are disclosed in Note 25 of the Financial Statements.

ii) The Company have the policy on dealing with Related party Transactions and it is disclosed on group website www.akgroup.co.in

E. Rating assigned by credit rating agencies and migration of rating during the year

During the current year, the company does not have any rating assigned by credit rating agencies.

F. Remuneration of Directors

During the year, no sitting fees has been paid, however remuneration of Rs 0.34 Crores has been paid to the directors.

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

There are no prior period items and change in accounting policies except as reported in the Financial Statements.

H. Revenue Recognition

There are no such circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

I. Indian Accounting Standard 110 and 28- Consolidated Financial Statements (CFS)

The Company does not have subsidiary company or associates thus consolidated financial statements are not applicable to the Company

9 Additional Disclosures

A. Provisions and Contingencies

(Rs. in Crores)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account		For the year ended 31-March-2023	For the year ended 31-March-2022
(i)	Provisions for depreciation on Investments	-	-
(ii)	Provision towards NPA	-	-
(iii)	Provision made towards Income tax (Including Deferred tax and Earlier period tax adjustments)*	0.30	0.17
(iv)	Other Provision and Contingencies	-	-
(v)	Impairment on loans and advances (net)	0.06	0.03

* including recognised in other comprehensive income

(Rs. in Crores)

Break up of Loans & Advances & Provisions thereon		Housing		Non-Housing	
Standard Assets		For the year ended 31-March-2023	For the year ended 31-March-2022	For the year ended 31-March-2023	For the year ended 31-March-2022
(a)	Total Outstanding Amount	32.84	13.77	0.50	-
(b)	Provisions made	0.10	0.03	-	-
Sub-Standard Assets					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Doubtful Assets – Category I					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Doubtful Assets – Category II					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Doubtful Assets – Category III					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Loss Assets					
(a)	Total Outstanding Amount	-	-	-	-
(b)	Provisions made	-	-	-	-
Total					
(a)	Total Outstanding Amount	32.84	13.77	0.50	-
(b)	Provisions made	0.10	0.03	-	-

B. Draw Down from Reserves

There have been no drawdown from Reserves.

33 Disclosure in pursuance Para No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

C. Concentration of Deposits, Advances, Exposures and NPAs

(Rs. in Crores)

a.

Concentration of Deposits (for deposit taking HFC)	As at 31 March 2023	As at 31 March 2022
Total Deposits of twenty largest depositors	Not Applicable	Not Applicable
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	Not Applicable	Not Applicable

(Rs. in Crores)

b.

Concentration of Advances	As at 31 March 2023	As at 31 March 2022
Total Advances to twenty largest borrowers	6.04	4.94
Percentage of Advances to twenty largest borrowers to Total Advances of the HFC	18.12%	35.86%

(Rs. in Crores)

c.

Concentration of Exposures	As at 31 March 2023	As at 31 March 2022
Total Exposure to twenty largest borrowers / customers (Including interest accrued and due)	6.06	4.94
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	18.18%	35.86%

(Rs. in Crores)

d.

Concentration of NPAs	As at 31 March 2023	As at 31 March 2022
Total Exposure to top four NPA accounts	-	-

e.

Sector-wise NPAs	As at 31 March 2023	As at 31 March 2022
Sector	% of NPAs to Total Advances in that Sector	% of NPAs to Total Advances in that Sector
A. Housing Loans		
1. Individuals	-	-
2. Builder/project loans	-	-
3. Corporates	-	-
4. Others (specify)	-	-
B. Non-Housing Loans		
1. Individuals	-	-
2. Builder/project loans	-	-
3. Corporates	-	-
4. Others (specify)	-	-

D. Movements of NPAs

(Rs. in Crores)

Particular		As at 31 March 2023	As at 31 March 2022
(i)	Net NPAs to Net Advances (%)	-	-
(ii)	Movement of NPA (Gross)		
	(a) Opening Balance	-	-
	(b) Additions during the year	0.17	-
	(c) Reductions during the year	(0.17)	-
	(d) Closing Balance	-	-
(iii)	Movement of Net NPA		
	(a) Opening Balance	-	-
	(b) Additions during the year	-	-
	(c) Reductions during the year	-	-
	(d) Closing Balance	-	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
	(a) Opening Balance	-	-
	(b) Provisions made during the year	0.17	-
	(c) Write-off / write-back of excess provisions	(0.17)	-
	(d) Closing Balance	-	-

E. Overseas Assets

During the year, there are no overseas assets in the Company.

F. Off-Balance Sheet SPVs sponsored

During the year, there are no off-balance sheet SPVs sponsored by the Company.

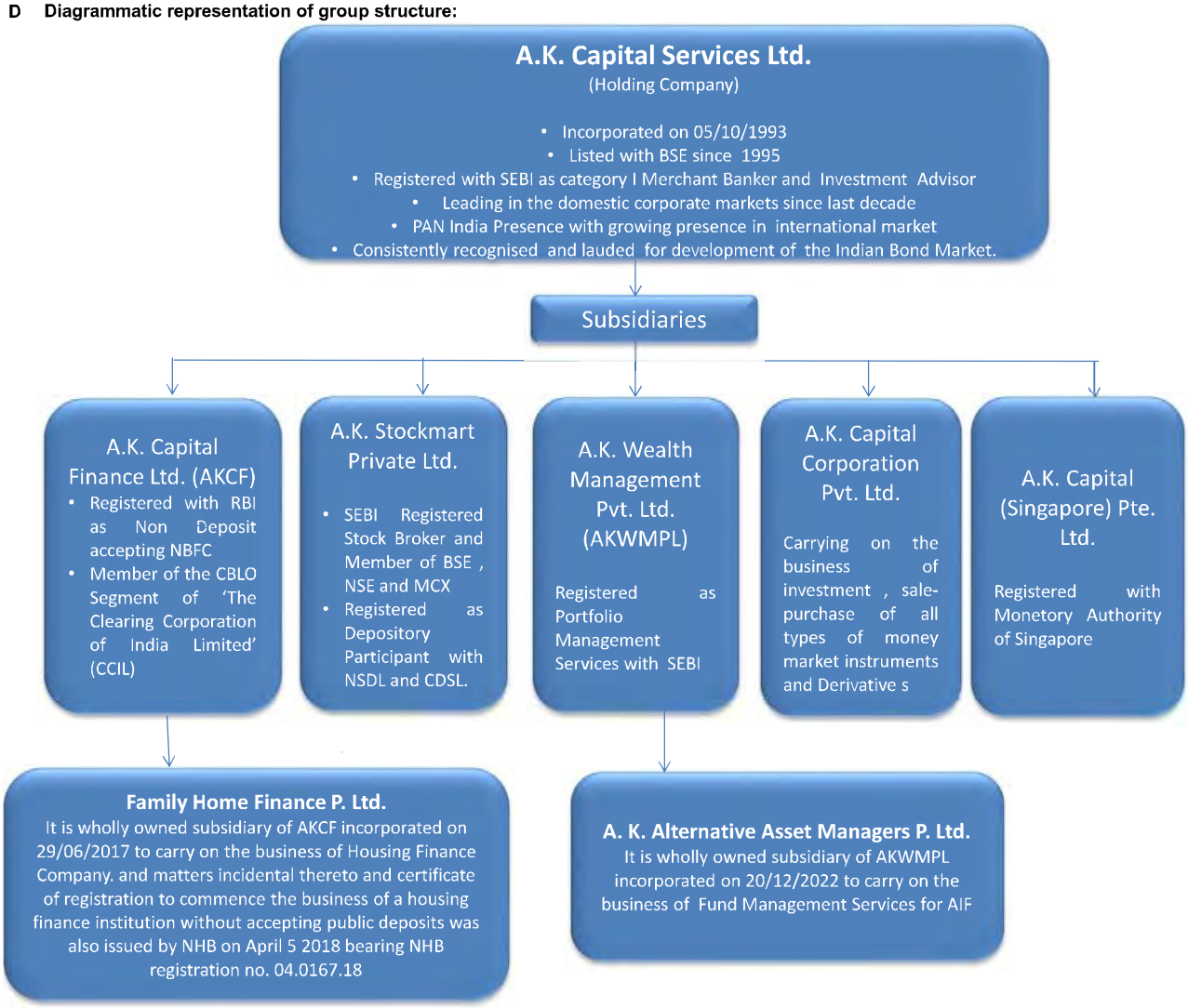
G. Disclosure of Complaints

During the year, there are no Customer Complaints received from any Customers of the company.

33

Disclosure in pursuance Para No 16 of Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021.

D Diagrammatic representation of group structure:



34 The following table sets out the disclosure as required by the notification no. RBI/2021-22/112/DOR.CRE.REC.No.60/03.10/001/2021-22 dated 22 October 2021 and RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-2023 dated 19 April 2022 issued by RBI.

SECTION I

A Exposures

1 Exposures to real estate sector

(Rs. In Crores)

	Category		As at 31-March-2023	As at 31-March-2022
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; Exposure would also include non-fund based (NFB) limits.	33.34	13.77
	(ii)	**Commercial Real Estate -**		
		Lending secured by mortgages on commercial real estate's (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 limits	-	-
	(iii)	**Investments in Mortgage Backed Securities (MBS) and securitised exposures -**		
		a. Residential	-	-
		b. Commercial real estate	-	-
		Total Exposure to Real Estate Sector	**-**	**-**
b)	**Indirect exposure**			
	(i)	Funded and Non Funded Exposures on National Housing Bank and Housing Finance Companies (HFCs)	-	-
		Total Exposure to Real Estate Sector	**33.34**	**13.77**

2 Exposures to Capital Market

(Rs. In Crores)

Particulars		As at 31-March-2023	As at 31-March-2022
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
(ix)	Financing to stockbrokers for margin trading	-	-
(x)	All exposures to Alternative Investment Funds:		
	(i) Category I	-	-
	(ii) Category II*	-	-
	(iii) Category III	-	-
	Total Exposure to Capital Market	**-**	**-**

*For the year ended 31st March 2023, the Company has an investment amounting to Rs.3 Crores in SEBI Registered Alternative Investment Fund - Category II Debt Fund as defined in Regulation 2(1)(i) of Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 and hence not classified under Capital Market Exposure.

34

The following table sets out the disclosure as required by the notification no. RBI/2021-22/112/DOR.CRE.REC.No.60/03.10/ 001/2021-22 dated 22 October 2021 and RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-2023 dated 19 April 2022 issued by RBI.

3 Sectoral exposure

(Rs. In Crores)

S.No	Sectors	As at 31-March-2023			As at 31-March-2022		
		Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs (crore)	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs (crore)	Percentage of Gross NPAs to total exposure in that sector
1	**Agriculture and Allied Activities**	-	-	-	-	-	-
2	**Industry**						
	2.1	-	-	0.00%	-	-	0.00%
	2.2	-	-	0.00%	-	-	0.00%
	2.3 Others	-	-	0.00%	-	-	0.00%
	Total of Industry (2.1+2.2+2.3+2.4)	**-**	**-**	**0.00%**	**-**	**-**	**-**
3	**Services**						
	3.1	-	-	0.00%	-	-	0.00%
	3.2	-	-	0.00%	-	-	0.00%
	3.5	-	-	0.00%	-	-	0.00%
	3.6	-	-	0.00%	-	-	0.00%
	3.7	-	-	0.00%	-	-	0.00%
	3.8	-	-	0.00%	-	-	0.00%
	3.9	-	-	0.00%	-	-	0.00%
	Total of Services (3.1+3.2+3.3+3.4)	**-**	**-**	**0.00%**	**-**	**-**	**-**
4	**Personal Loan**	-	-	0.00%	-	-	0.00%
5	**Others (Housing loans & Loans against property)**	33.34	-	0.00%	13.77	-	0.00%

4 Intra-group exposures

(Rs. In Crores)

Particulars		As at 31-March-2023	As at 31-March-2022
(i)	Total amount of intra-group exposures	-	-
(ii)	Total amount of top 20 intra-group exposures	-	-
(iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	0.00%	0.00%

5 Unhedged foreign currency exposure

Company does not have any Unhedged foreign currency exposure as at 31 March 2023 and 31 March 2022.

34

The following table sets out the disclosure as required by the notification no. RBI/2021-22/112/DOR.CRE.REC.No.60/03.10/ 001/2021-22 dated 22 October 2021 and RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-2023 dated 19 April 2022 issued by RBI.

B Related Party Disclosure (Rs. In Crores)

Related Party	Parent (as per ownership or control)		Directors		Relative of Directors		Key Management Personnel		Relative of Key Management Personnel		Others		Total	
Items	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022	For the year ended/ As at 31-March-2023	For the year ended/ As at 31-March-2022
Borrowings	16.93	-	-	-	-	-	-	-	-	-	-	-	16.93	-
(Maximum o/s during the year)	16.93	-	-	-	-	-	-	-	-	-	-	-	16.93	-
Interest Paid	0.57	-	-	-	-	-	-	-	-	-	-	-	0.57	-
Interest Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others:													-	-
Support Services	0.06	-	-	-	-	-	-	-	-	-	-	-	0.06	-
Demat Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration	-	-	0.34	0.24	-	-	-	-	-	-	-	-	0.34	0.24
Loan Taken	18.00	-	-	-	-	-	-	-	-	-	-	-	18	-
Repayment of Loan taken	1.07	-	-	-	-	-	-	-	-	-	-	-	1.07	-
Purchase of Securities*	-	1.70	-	-	-	-	-	-	-	-	-	-	-	1.70
Sale of Securities*	-	3.42	-	-	-	-	-	-	-	-	-	-	-	3.42
Issuance of equity Shares	-	10.16	-	-	-	-	-	-	-	-	-	-	-	10.16

* Transactions with Ultimate Holding Company i.e. A. K. Capital Services Limited

34 The following table sets out the disclosure as required by the notification no. RBI/2021-22/112/DOR.CRE.REC.No.60/03.10/001/2021-22 dated 22 October 2021 and RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-2023 dated 19 April 2022 issued by RBI.

C Disclosure of Complaints

1 Summary information on complaints received by the HFCs from customers and from the Offices of Ombudsman

S.no	Paticulars	For the year ended 31-March-2023	For the year ended 31-March-2022
	Complaints received by the HFC from its customers	Nil	Nil
1	Number of complaints pending at beginning of the year		
2	Number of complaints received during the year		
3	Number of complaints disposed during the year		
3.1	of which, number of complaints rejected by the company		
4	Number of complaints pending at the end of the year		

Currently, the Company is not included under The Reserve Bank - Integrated Ombudsman Scheme, 2021

2 Top five grounds of complaints received by the HFCs from customers

As at 31-March-2023

S.no	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	(1)	(2)	(3)	(4)	(5)	(6)
1	Nil					
2						
3						

As at 31-March-2022

S.no	Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
	(1)	(2)	(3)	(4)	(5)	(6)
1	NIL					
2						
3						

Family Home Finance Private Limited

Notes to the financial statements for the year ended 31 March 2023

34 The following table sets out the disclosure as required by the notification no. RBI/2021-22/112/DOR.CRE.REC.No.60/03.10/ 001/2021-22 dated 22 October 2021 and RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-2023 dated 19 April 2022 issued by RBI.

Section II

A Corporate Governance

1 Composition of the Board of Directors as on March 31, 2023

Sr.no	Name of Director	Director Since	Capacity	DIN	No of Board Meeting		No of Other Directorship	Remuneration (Amount (Rs. In Crores))			No. of shares held in and convertible instruments held in the NBFC
					Held	Attended		Salary and other compensation	Sitting Fee	Commission	
1	Ms. Annu Garg	June 29, 2017	Whole-time Director	07817550	12	12	1	0.24	0	0	*1
2	Mr. Vikas Jain	July 24, 2017	Non-Executive Director	07887754	12	12	3	0	0	0	0
3	Ms. Aditi Mittal	July 06, 2017	Non-Executive Director	00698397	12	12	5	0	0	0	*1

* Holding shares as a nominee shareholder for A. K. Capital Finance Limited

Details of change in composition of the Board of Directors during the current and previous financial year.

During the Year Ended 31 March 2023

Sr. NO	Name of Director	Capacity	Nature of Change	Effective Date
No Change				

During the Year Ended 31 March 2022

Sr. NO	Name of Director	Capacity	Nature of Change	Effective Date
No Change				

Notes to the financial statements for the year ended 31 March 2023

34 The following table sets out the disclosure as required by the notification no. RBI/2021-22/112/DOR.CRE.REC.No.60/03.10/ 001/2021-22 dated 22 October 2021 and RBI/2022-23/26 DOR.ACC.REC.No.20/21.04.018/2022-2023 dated 19 April 2022 issued by RBI.

Section II

2 Committees of the Board of Directors and their composition: Nil.

3 General Body Meetings held during the year

Sr. NO	Type of Meeting	Date and Place	Special resolutions passed
1	Annual General Meeting	Date:September 02, 2022 Place: Mumbai	1. Re-appointment of Ms. Annu Garg (DIN: 07817550) as the Whole-time Director of the Company. 2. Fixation of remuneration of Mr. Ajay Tendulkar (PAN: ACAPT9123H), Chief Executive Officer (CEO) of the Company. 3. To approve the borrowing limits of the Board of Directors under Section 180(1)(c) of the Companies Act, 2013 upto INR 50 Crores. 4. Creation of charge / mortgage over the Properties of the Company, both present and future,in favour of lenders.

4 Details of non-compliance with requirements of the Companies Act, 2013

During the year, the Company has generally complied with the provisions of the Act, Old Act, Rules, Regulations, Guidelines, Standards under the Companies Act, 2013 and the rules made thereunder.

5 No penalties or stricture are imposed on the Company by Reserve Bank or any other statutory authority.

6 There are no instances of breach of coveant of loan avalied or debt securities issued

7 Divergence in Asset Classification and Provisioning

Below two conditions are not satisfied hence the details of diversions are not required to be disclosed:

(a) No additional provisions have been assessed by RBI exceeding 5 percent of the reported profits before tax and impairment loss on financial instruments for the year ended 31 March 2023 and 31 March 2022.

(b) During the financial year 2022-23 the NHB conducted and completed its inspection of Company for financial year ending on 31 March 2021, in that inspection NHB has not identified any additional requirement of Gross NPA for future years

.

35 Earnings Per Share:

Particulars	For the year ended 31-March-2023	For the year ended 31-March-2022
Profit for the year after tax as per Sattement of Profit and Loss (Rs. in lacs)	85.02	43.25
Weighted average number of equity shares outstanding during the period/year for basic earnings per share (No.)	20,000,000	14,014,877
Basic and diluted earnings per share (Rs.)	0.43	0.31
Nominal value of share (Rs.)	10	10

36 There are no Capital / Other Commitments and Contingent Liabilities at 31 March 2023 and 31 March 2022.

37 Comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 as required by notification DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020

Amount in (Rs. Lacs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	3,294.36	9.14	3,285.22	8.24	0.90
	Stage 2	39.66	0.40	39.26	0.10	0.30
Subtotal		**3,334.02**	**9.54**	**3,324.48**	**8.34**	**1.20**
Non Performing Assets						
Sub-standard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	**Stage 1**	**3,294.36**	**9.14**	**3,285.22**	**8.24**	**0.90**
	Stage 2	**39.66**	**0.40**	**39.26**	**0.10**	**0.30**
	Stage 3	-	-	-	-	-

Note:

(i) The assets includes loans and advances only

(ii) In terms of the requirement as per RBI notifications no.RBI/2019-20/170DOR(NBFC).CC.PDNo.109/22.10.106/2019-20 dated 13 March 2020 on implementation of Indian Accounting Standards,Non-Banking Financial Companies (NBFCs) 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 impairment allowances under Ind AS 109 made by the Company exceeds the total provision required under IRACP (including standard asset provisioning) as at 31 March 2023 and accordingly, no amount is required to be transferred to impairment reserve.

38 Disclosures as required by RBI Notification No. RBI/2020-21/16DOR.No.BP.BC/3/21.04.048/2020-21dated 6 August 2020 "Resolution Framework for COVID-19-related Stress" read with RBI Notification No. RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 "Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses" (the Notification) are given as under;

Amount in (Rs. Lacs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous year (A)	Of (A), aggregate debt that slipped into NPA during the year	Of (A) amount written off during the year	Of (A) amount paid by the borrowers during the year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this year
Personal Loans	Nil	Nil	Nil	Nil	Nil
Corporate persons					
of which, MSMEs	Nil	Nil	Nil	Nil	Nil
Others	Nil	Nil	Nil	Nil	Nil
Total	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

39 Disclosures as required by RBI Notification dated 24 September 2021 "Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021" (the Notification) are given as under;

(a) (i) Details of transfer and acquired through assignments in respect of loans not in default during the year ended 31 March 2023

Amount in (Rs. Lacs)

Description	**Acquired**
Entity	Housing Finance Company (HFC)
Count of loan accounts assigned (in numbers)	113
Amount of loan accounts assigned	2,126.43
Retention of beneficial economic interest (MRR)	15.00%
Weighted average maturity (residual maturity in months)	162.29
Weighted average holding period (in months)	6.00
Coverage of tangible security	100.00%
Rating-wise distribution of rated loans	NA

(a) (ii) Details of loans not in default through assignments transferred during the year ended 31 March 2023 - Nil.

(b) The Company has not trasnferred or acquired, any stressed loans during the year ended 31 March 2023.

40 Code On Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and the Rules thereunder. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020, and has invited suggestions from the stakeholders which are under active consideration by the Ministry. The Company will evaluate the rules, assess the impact, if any, and account the same once the rules are notified and become effective.

41 The Company does not have any Capital Work in Progress and intangible assets under development.

42 No proceedings have been initiated during the year or are pending against the Company as of 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

43 The Company does not have any transactions with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956, during the financial year ending 31 March 2023 and 31 March 2022.

44 The Company has complied with the number of layer prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on Number of Layers) Rules, 2017.

45 The ratios pertaining to Capital to risk-weighted assets ratio (CRAR), Tier I CRAR and Tier II CRAR have been duly disclosed in Note 33 of the financial statements. Liquidity Coverage Ratio is not applicable to the Company.

46 Compliance with approved Scheme(s) of Arrangements: Not Applicable

.

47 The Company is not required to spend amounts towards Corporate Social Responsilility as it does not fulfill the condition given under section 135 of the Companies Act, 2013.

48 Utilisation of borrowed funds and share premium

(a) No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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) No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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.

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

50 The Company does not traded or invested in Crypto Currency or Virtual Currency during the financial year ended 31 March 2023 and 31 March 2022.

51 The Company has been incorporated on 29 June 2017 as a non deposit taking housing finance company. The company was granted certificate of registration from National Housing Bank on 09 April 2018. As the company's assets size is less than 50 Crores and the company being a non deposit taking housing finance company the disclosures pursuant to Non-Banking Financial Company- Housing Finance Company (Reserve Bank) Directions, 2021 is not applicable.

52 The Company has not received any intimation from its suppliers regarding their registration under the 'Micro, Small and Medium Enterprises Development Act, 2006'. Hence, the disclosure has been made as per information available with the Company.

53 Previous year figures have been regrouped or rearranged wherever considered necessary, to conform with the current year's presentation.

Signatures to 1 to 53

As per our report of even date attached

For PYS & CO LLP
Chartered Accountants
Firm's Reg. No.: 012388S/S200048

SANJAY KOKATE
Digitally signed by SANJAY KOKATE
Date: 2023.05.16 17:39:48 +05'30'

Sanjay Kokate
Partner
Membership No. 130007

Place: Mumbai
Date : 16 May 2023

For and on behalf of the Board of Directors of
Family Home Finance Private Limited

ADITI MITTAL
Digitally signed by ADITI MITTAL
DN: cn=ADITI MITTAL, o, ou, email=aditi.mittal@wk.group.co m, c=IN
Date: 2023.05.16 11:36:21 +05'30'

Aditi Mittal
Director
DIN-00698397

ANNU GARG
Digitally signed by ANNU GARG
DN: c=IN, o=PERSONAL, title=6413, pseudonym=a4cf9cc785f4fc...2673c7284868c, 2.5.4.20=053c3fdf4424477f9737f6fae2f9f61154b359d1576fc6f69bfab301734f6f7d6aef, postalCode=400075, st=Maharashtra, serialNumber=260c4117ecc241aaf8d4ae38f42a15ddbc73b9b7e1db42b0c0648288cf0b4b, cn=ANNU GARG
Date: 2023.05.16 11:10:55 +05'30'

Annu Garg
Director
DIN-07817550

AJAY ARUN TENDULKAR
Digitally signed by AJAY ARUN TENDULKAR
DN: c=IN, o=PERSONAL, pseudonym=cbe973722414b42a9ec16b8415e5cbf6c, 2.5.4.20=1dc758c1079c5a1c418a0c458a07aa2c317ec9ff7f5b90aa6f3f379ff418a1e0e7, postalCode=400063, st=MAHARASHTRA, serialNumber=2c1c8f8ae1ac7b7c61154fcabbb71469e9d28f07c744dc1da7e9b3a27482c8, cn=AJAY ARUN TENDULKAR
Date: 2023.05.16 11:16:24 +05'30'

Ajay Tendulkar
Chief Executive Officer

MAHESH SHIVPRAKASH BHOOTRA
Digitally signed by MAHESH SHIVPRAKASH BHOOTRA
DN: c=IN, o=PERSONAL, title=3572, pseudonym=2fddd9b255e8f4418b01f78f0f87026ef, 2.5.4.20=cb9b3bb4840911e3/4dc886619a458/eefcb0195f94511fa788aec7cd60b1b1, postalCode=400067, st=Maharashtra, serialNumber=73753e4886841ad58090cd16bea720d6d1ef6dccf8f1e75/d1001/d987bc4e807, cn=MAHESH SHIVPRAKASH BHOOTRA
Date: 2023.05.16 11:18:35 +05'30'

Mahesh Bhootra
Chief Finance Officer

GOVIND LALWANI
Digitally signed by GOVIND LALWANI
DN: c=IN, o=PERSONAL, ... 7331, pseudonym=d35c9f61f884c34ca6fb4474e54ada6, 2.5.4.20=fbf4...b37d6258b67d99a935f985925...48bc4e44d07fc5f3b5c0f8cc6ab, postalCode=303304, st=Rajasthan, serialNumber=ea888ef0d0c8d7d8c4490ad2191c4f87bbc3f39eeb6917f82d3f45dd14cdb71, cn=GOVIND LALWANI
Date: 2023.05.16 11:26:02 +05'30'

Govind Lalwani
Company Secretary

Place: Mumbai
Date : 16 May 2023