Management Discussion & Analysis

1. Introduction

The financial year 2022 was marked with 2 key events; continuing impact of pandemic and escalation of geopolitical tensions between Russia and Ukraine into a war.

The year began with a far more lethal second wave of Covid that penetrated deeper in the hinterlands of the country and we saw people experiencing heightened fear, panic and exercising caution bringing business activity to a near halt in first quarter. This wave had a far-reaching impact in our target market - rural & semi-urban India; our portfolio growth was marginal in Q1 but ensuring health and safety of the team was our prime objective.

However, backed by experience of first wave, general population - businesses and borrowers were much better prepared to address the challenges posed by the second lock down. Our employees/business processes realigned seamlessly in order to comply with local level administrative restrictions. Collections performance dipped in the Q1 but were quick to bounce back as effects of wave ebbed and the normalcy restored by Q2. Emboldened by how our borrowers withstood the two covid waves, we progressed our expansion plans and added over 21 branches in our existing states, initiated operations in new state of Madhya Pradesh and increased our team strength by 65%.

Third wave, the Omnicron variant, was experienced in the latter part of the year. Although it impacted a larger population, thankfully, claimed less casualties and had lesser impact on the economic activity compared to the earlier waves.

In February 2022, the geopolitical tension escalated between Russia and Ukraine developing into a large scale war. In addition to a humanitarian crises, this conflict led to severe sanctions on Russia, severely affecting global food, energy and commodity prices, resulting in significant escalation in inflation rates. To combat inflation, advanced economies commenced policy normalisation/tightening which led to high volatility in our equity/debt markets. Indian CPI inflation reached an 8 year high of 7.8% in April'22. To balance the volatility and combat domestic inflation, the Reserve Bank, on its part, increased the policy Repo rate by an aggregate 90 bps; 40 bps during an out-of-turn monetary policy meeting on May 4th and 50 bps in it June'22 meeting. In view of expected continuing inflationary pressure and complimentary to global counterparts, further rate increases are expected.

We remain cautious on the growth outlook for next year and will be closely monitoring the macro economic developments, monetary policy measures, pace of rate hikes and impact of consumption, monsoons, commodity prices and various fiscal measures on our borrower's behaviour.

Adani Housing Finance Pvt. Ltd.

2. Adani Housing Finance Private Limited (Adani Housing Finance)

2.1 Overview

In sync with Adani Group's vision of "Growth with Goodness", Adani Housing Finance, aims to meet the housing needs of 'young India' and is focussed on affordable housing segment to realize home-ownership aspirations of millions of lower and middle income families in semi-urban and rural India. Our aim is to leverage technology and provide efficient, transparent and cost-effective solutions to our home borrowers.

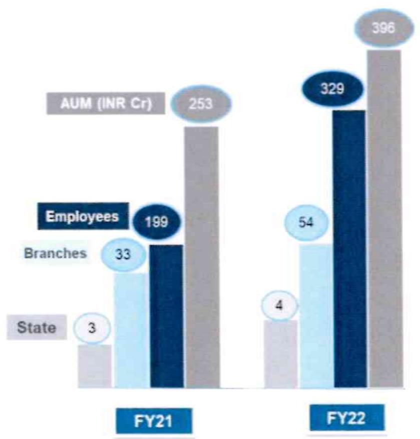
Adani Housing focusses on affordable housing segment and provides loans ranging from Rs. 2 lakh to 30 lakh for home loans and non-housing loans.

Adani Housing received NHB license in June 2018 and immediately commenced business in Gujarat and Maharashtra. Operations were expanded in measured stance to new states - Rajasthan in 2019 and Madhya Pradesh towards end of FY22. As of Mar 31st, 2022, we have 88 branches (54 branch, 30 spoke locations, and 4 central/administrative office) across these 4 states.

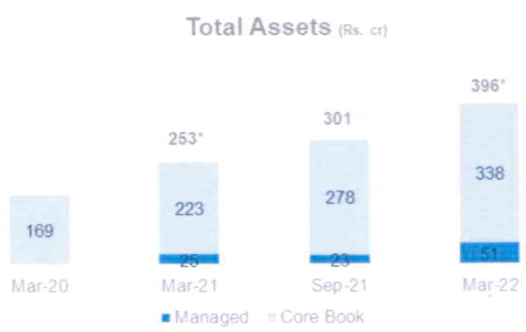
3. Business Review

3.1 Asset Portfolio Highlights

As of Mar'22, total assets under management (AUM) were Rs. 396 cr, increase of c.57% YoY and over 4,200 retail borrower customers across our 54 branch locations in 4 states. 81% of the book is Home Loan and 19% is Non-housing (LAP) loans.

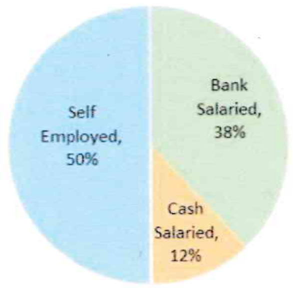


*active branch count

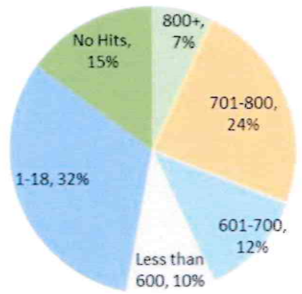


Over 50% of loan book comprises salaried profile and approximately 47% (No-Hits profile on Credit Bureau) of borrowers are new to credit and over 43% of the borrowers have credit score over 600.

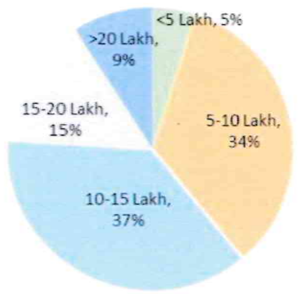
Borrower Profile



Bureau Score



Ticket Size



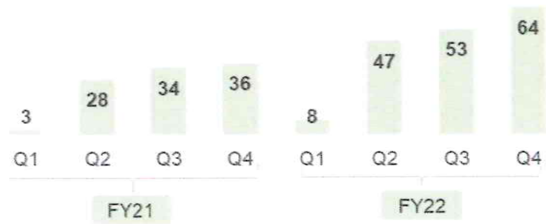
Borrowers	Avg Tkt size
4243	Rs. 12.3 lakhs

The top 20 borrowers have an average ticket size of Rs. 30 lakhs and aggregate 1.78 % of the total loan assets. 71% of the loan book is in the ticket size of Rs. 5-15 lakhs and the average ticket size for the book is c. Rs. 12.3 lakhs

3.2 Disbursement trends this year

Business activity was affected in the first quarter due to second wave, but the gross disbursements resumed trend from second quarter once lockdown restrictions were relaxed. During the year, Adani Housing Finance disbursed loans aggregating Rs. 172 cr which compares with Rs. 101 cr in FY21.

Gross Disbursements (Rs. cr)



FY22 incremental disbursement mix

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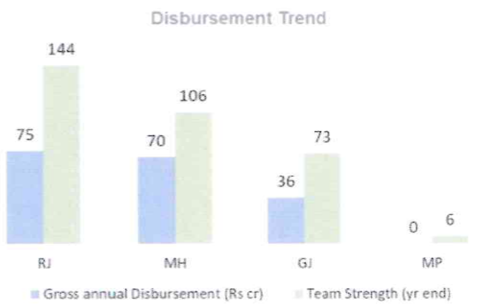
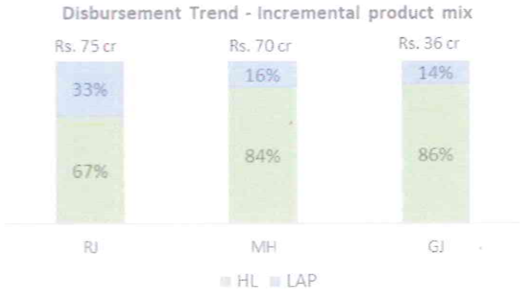
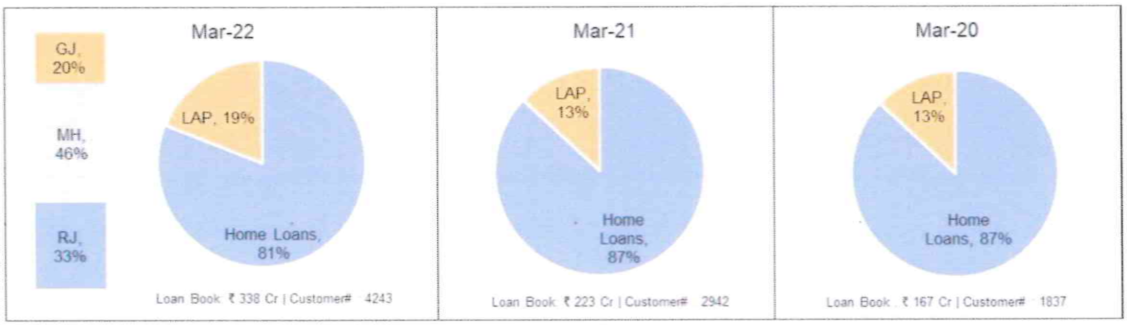




*disbursement amount includes undisbursed instalments

Rajasthan contributed 41% of total disbursements followed by 39% from Maharashtra and balance from Gujarat. Operational setup in Madhya Pradesh was initiated in Q4 and business commenced in the following FY.

This year, we focused on Non-Housing (LAP) loans to adjust overall portfolio mix toward targeted 80:20 mix and improve the overall portfolio yield. Accordingly, by end of the FY, overall portfolio mix was 81% home loans and 19% Non-Housing (LAP) Loans.



3.3 Financial Performance Highlights

	SUMMARY (Rs. Cr)	FY 2022 (IndAS-Audited)	FY 2021 (IndAS-Audited)	FY 2020 (IndAS-Audited)
BALANCE SHEET	AUM	396	255	169.0
	Loan Assets*	**338**	**223**	**169**
	Net Worth	134.7	128.6	94.4
	Borrowings	260.4	130.7	82.0
	Deposits/Investments	62.2	5.0	15.2
INCOME STATEME	Interest Income#	48.3	34.4	16.6
	(-) Interest Expense	14.2	8.6	4.9
	Net Interest Income (NII)	**34.1**	**25.8**	**11.7**

Adani Housing Finance Pvt. Ltd.

	(+) Non Interest Income	1.1	0.4	0.2
	(-) Operating Expenses	26.4	17.6	17.1
	Pre-provisioning operating Profit (PPOP)	**8.9**	**8.6**	**-5.2**
	Impairment	**22.6**	**10.0**	**4.7**
	- ECL provision	0.6	2.6	1.3
	- Loss on repo / write-off	0.2	0.0	0.0
	Depreciation	0.1	0.1	0.1
	Profit Before Tax	**8.0**	**5.9**	**-6.5**
	Tax	2.2	-1.0	-0.8
	Profit After Tax	**5.8**	**6.9**	**-5.7**
KEY RATIOS	CRAR	56.46%	105.63%	99.63%
	Net Debt/Equity Ratio	1.93	1.02	0.87
	Gross NPA % / Net NPA	1.09%/0.61%	0.94%/0.35%	0.43%/0.26%
	Net Interest Income (NIM) (incl pf)	12.2%	13.2%	13.5%
	Cost/Income Ratio	75%	67%	143%
	Return on Assets (RoA)	2.6%	3.5%	-6.63%
	Return on Equity (RoE)	5.7%	6.2%	-5.43%

*Including accrued interest, net of provisions
Includes revenue from operations

Total Income

Adani Housing's AUM grew 57% to Rs. 396 cr (of which on-book was Rs. 338 cr) in FY22. Total income, however, grew slower at 40% y-o-y to Rs. 48.3 Cr in FY22, as the growth in the loan book was skewed towards end of the FY. The effect in the top line growth will be seen in following quarters.

Operating Expense

Operating expenses increased 51% to Rs. 26.4 cr in FY'22 compared with Rs. 17.6 cr in FY'21 as we expanded our operations in existing and new states. We added 21 new branches and added 130 employees to our team. With most of planned expansion completed and minimal new branches/team addition proposed in FY23, the opex ratio is expected to improve next FY.

Profitability

The company turned profitable since FY21, its 3rd year of operations, a period that was marked with major market challenges for new entrants – IL&FS & DHFL crises followed by severe stress of pandemic.

Profitability this FY was affected by 3 factors –

Adani Housing Finance Pvt. Ltd.

- cost associated with business expansion in existing + new states. 21 branches were added and over 65% increase in team strength in existing and new locations,
- pandemic related impact on credit cost,
- topline growth was muted as most of the portfolio growth was rear ended.

Pre-provisioning operating profit was Rs. 8.9 cr (Rs. 8.6 cr in FY21). The net profit marginally reduced to Rs. 5.8 cr in FY22 compared to Rs. 6.9 cr in FY21

With most of planned business expansion rolled out this year, the profitability expected to increase with productivity improvement and increase in our scale of operations.

Capital Adequacy

The company has maintained strong capital adequacy levels over the years. CRAR is 56.46% as of Mar'22, well above the RBI benchmark.

Leverage

Company is well capitalized and conservatively leveraged with Net worth of INR 134.7 Cr and DE ratio of 1.93 times as of Mar'22.

Portfolio Quality: Movement of NPA, Provisions and Restructured Accounts

The portfolio quality held well during the year. Collection Efficiency (installment received for billing month/billing only for the month) dipped to 89% in April/May'21 (2nd wave impact) but improved thereafter and stayed over 96% for the balance year.

Adani Housing follows a 90-days definition (90 DPD) for NPA (default) classification since inception and has a prudent provisioning policy in accordance with the RBI prudential norms for HFCs. The Gross NPA and Net NPA were Rs. 3.68 Cr or 1.09% and Rs. 2.02 Cr or 0.61% as of March 31, 2022.

Delinquent, stage 2 & 3, assets were c. Rs. 19 crore or 5.5% of the total loan book as of 31st Mar 22 which were lower than 7.3% as of 31st March 2021.

Products	AUM (Rs. cr)	Avg. Ticket Size (Rs. Lakh)	NPA (Rs. cr)	NPA on AUM (%)
Home Loan	331	12.6	3.2	1.0%
Non-housing Loan (LAP)	65	11.1	0.5	0.8%
Total	**396**	**12.3**	**3.7**	**0.9%**

Adani Housing Finance Pvt. Ltd.

The company has made ECL provisions of INR 0.6 Cr in FY22 towards loans/other assets with cumulative ECL provision of INR 4.8 Cr or 1.4% of total loan assets as of Mar'22.

Stagewise Provision summary

Asset portfolio	Loan Assets (Rs.cr)	% of total	Provision (Rs. cr)	Provision (%)
Stage 1 (0 - 30 dpd)	319.3	94.4%	1.9	0.6%
Stage 2 (31 - 90 dpd)	15.3	4.5%	1.2	8.0%
Stage 3 (90+ dpd)	3.7	1.1%	1.7	45.2%
Total Loans and Advances	**338.3**	**100%**	**4.8**	**1.4%**

RBI's clarification on the recognition and upgradation of the NPA's for NBFC's in its circular dated Nov 12th, 2021 effective from Oct'22, is likely to increase the company's NPA, but will not affect the delinquency proportion or the net credit loss (NCL) as a majority of the Stage 3 assets are being serviced. Our Collections/Sales team are adept at early delinquency management and have been re-organised for effective 3rd bucket resolution. Borrower education and call center follow-up is an ongoing process and should arrest the impact of the NPA recognition guidelines effective from HY FY23.

Restructured Portfolio

Rs. 12.2 cr or 98 cases were restructured under the RBI window to support borrower affected by second wave of the pandemic - Rs. 10.5 cr or 79 cases from Maharashtra and Rs. 1.7 cr or 19 cases from Gujarat and nil from Rajasthan. Businesses / borrowers from Maharashtra and Gujarat were most affected by the pandemic and needed support to regularise their livelihood.

3.4 Resource Mobilisation, ALM and Liability Management

Borrowings

We have total sanctioned credit limits of INR 377.5 Cr as of Mar'22 from 10 lenders a diversified mix of public, private banks and financial institutions. We have also availed a refinance facility of Rs. 50 Cr from NHB.

This year we have added 5 new lenders with sanctioned term loan limit of Rs. 145 crore.

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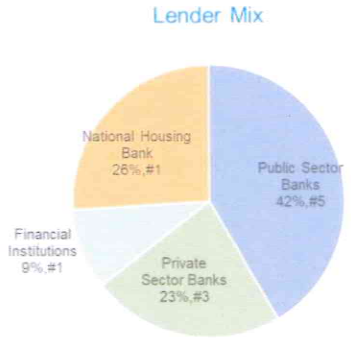
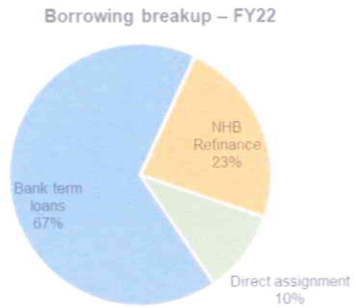


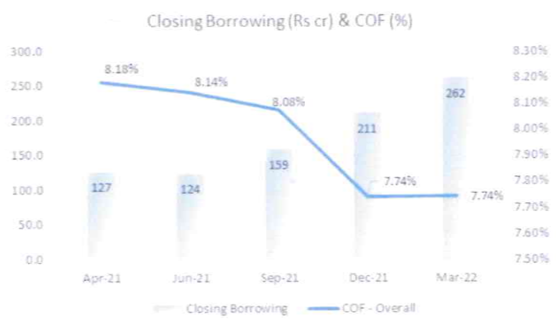
	Rs crs
Opening Borrowing - Apr'21	131.6
Repayment - Bank Loan	64.5
NCD/CPs	-
Availment - Bank Loan	195.0
NCD/CPs	-
Closing Borrowing - Mar'22	**262.1**

Borrowings: **Rs. 262 cr** (FY 21@ Rs 131 cr)



We concluded our second Direct Assignment Transaction of Rs. 33 Cr with a private sector bank.

Cost of funds



Our overall cost of funds improved in the year due to negotiating lower borrowing rates from new lenders, refinance facility from NHB and repricing of outstanding MCLR-linked borrowings. This year the overall cost of funds improved by over 47 bps to 7.74% in Mar'22.

For FY'23, with hardening of interest rates and as our borrowings MCLR / market linked, the overall cost of funds is expected to increase.

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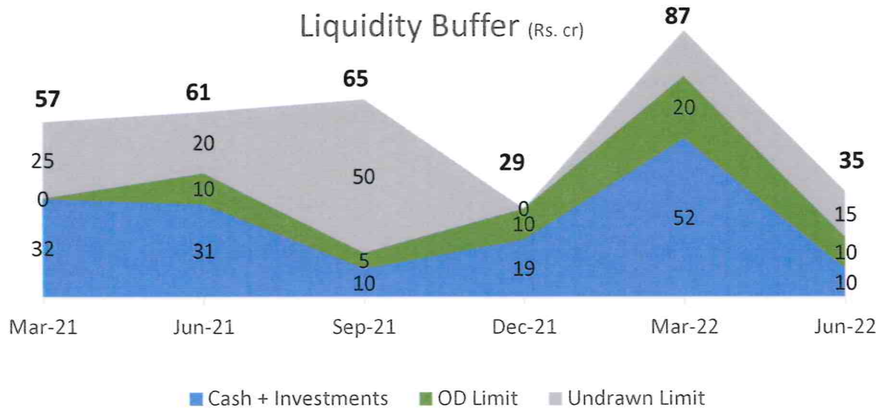
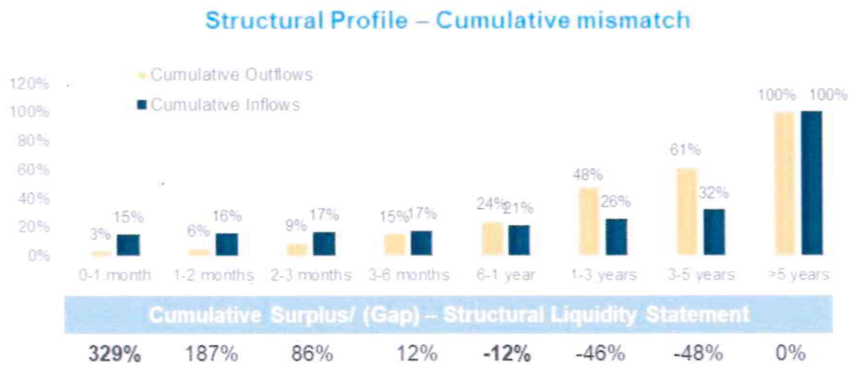
Liquidity



In FY22, we improved the liquidity profile and maintained higher levels of liquidity buffer compared to the previous year. The maintenance of higher liquidity buffers entailed a negative carry but was necessary as a prudent strategy given the overall uncertainties on account of the disruptions caused by pandemic.

Asset Liability Management

In order to maintain a balanced ALM profile, we seek only longer tenor loans (5-7 years) from all new lenders.



Credit Rating

CRSIL Ratings has retained company's long term credit rating at 'CRISIL AA –' (High Degree of Safety) with a stable outlook and highest short term rating (including Commercial Paper) at CRISIL A1+.

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4 Risk Management

4.1 Risk Management Framework

Our Risk management framework has 4 pillars as below:

- Dynamic credit risk policy
- Underwriting standards
- Risk Analytics
- Collections management

Dynamic Credit Risk policy

Adani Housing Finance manages the credit risk through a balanced, structured credit policy framework - well-defined selection criteria, boundary conditions and deviations. Risk based approval authority is delegated by our Board of Directors and the Risk Management Committee and our risk governance framework ensures adherence to the approval matrix. The credit policy is very dynamic in nature and reviewed and calibrated regularly, based on the micro and macro industry changes.

Underwriting standards

The fundamentals of the underwriting regarding the credit, capacity, collateral and capital is ascertained through a well-trained team with adequate experience in respective product and geography. Most of the verifications - KYC, bank statements, Income Tax returns, property verifications, vehicle registration details are done digitally and part of the ever-evolving digital underwriting journey. The team is regularly trained on policy and overall risk management.

Risk Analytics

We have a comprehensive portfolio monitoring mechanism. Our Risk Analytics team uses historic information to extrapolate trends which presents opportunities to better identify, measure and mitigate risk. The team integrates multiple sources of data which includes internal –transactional and behavioural data, external data - credit bureau and market information. A well-tuned early warning system helps us identify and take preventive measures to arrest any deterioration of the portfolio. The Risk analytics team provides valuable feedback for Credit policy configuration.

Risk analytics support deeper customer insights for better decisioning by way of predictive and perceptive information.

Data drawn / inference help to predict risk from a micro and macro point of view.

Collection management

With a strong emphasis on debtor management, we have a well-defined organization structure and SOPs for overdue accounts. We leverage technology for digital collection (multiple channels

Adani Housing Finance Pvt. Ltd.

– NACH, e-Nach, UPI) and call center support for regular pre-presentation reminders, overdue follow-ups. Our rule-based collection management system provides a 360-degree visibility of customers to our field team.

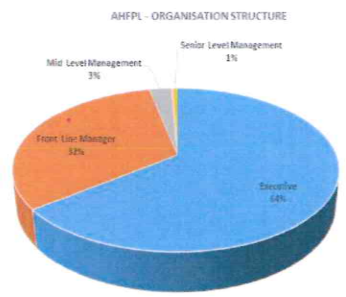
We have a strong dedicated debtor management team which includes a robust legal recourse cell.

4.2 Internal Audit and Control

Adani Housing Finance has an adequate system of internal control in place which has been designed to provide a reasonable assurance with regard to maintaining proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting.

Adani Housing Finance has robust internal audit program, where the Group level internal auditors conduct a risk-based audit with a view to not only test adherence to laid down policies and procedures but also to suggest improvements in processes and systems.

5 Human Resource



In line with our strategy of expanding PAN India footprints we continued expansion in manpower headcounts. Adani Housing had 329 employees as on March 31, 2022.

We explore and use multiple sources to hire experienced and self-motivated professionals whilst maintaining source mix. We aim at selective hiring - hire right people for right profile, enabling us to bring in employees adding value. Contingent compensation and employment security are our other best practices. We believe in employee development and growth of employees. Around 70% of the managerial opportunities are met internally.

Our people are our asset and we have created a flat and egalitarian organization. Employee security, defined career path, regular learning, trainings, growth opportunities and recognitions are central in our human resources framework.

Continuous learning is our mantra. We continued to deploy robust learning programs through virtual training sessions and digital learning to ensure continuous development of our employees. Training program covered First Time Manager, Remote Team Management Skill, Setting Priorities, Effective Review Mechanism, Managing Conflict, Time Management and e-mail Etiquettes, lending Operations, Documentation, KYC & AML Policy, IT System & Security, POSH and Accounts among others.

6 Outlook of the Company

FY'23 has started with a confidence and optimism among general population. Although risk of a fourth wave exists, adequate/successful vaccination drive, improved immunity levels and learning co-existence with pandemic within the population should allow a normal, uninterrupted business year.

Adani Housing Finance's aim is to leverage technology and provide efficient, transparent and cost-effective solutions to our home borrowers

- Branch/team expansion phase has been completed at the beginning of the CY23 and we are now focused to improve productivity and consolidate position in our existing locations.
- Improve sourcing through alternative lead referral channels (non-DSA) – QR codes, CSC partnership, lender partnership programs.
- End to end digital process right from onboarding to sanction to disbursement using tele verification, rule engine for bureau score/underwriting, quick valuation of security
- Leverage technology to improve the quality of underwriting and TAT
- Review & benchmark performance at a business executive, branch and segment level to increase productivity
- Focus on people, process, productivity and profitability

7 Cautionary Statement

Statements made in the Management Discussion & Analysis describing the Company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the domestic & overseas markets in which the Company operates, changes in the government regulations, tax laws & other statutes and other incidental factors.

Adani Housing Finance Pvt. Ltd.

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BOARD'S REPORT

To,
The Members
Adani Housing Finance Private Limited

Your Directors are pleased to present the Annual Report of your Company along with the Audited Financial Statements for the year ended 31st March 2022.

INDUSTRY OUTLOOK

Going forward, the COVID-19 pandemic has changed the market dynamics and the norm of work from home has brought tier-II and tier-III cities in the reckoning of real estate opportunities. These cities are emerging as hubs for logistics and warehousing. Several upcoming industrial corridors are running through many of these smaller cities, and this will provide seamless connectivity. The unprecedented rise in homeownership sentiment, faster adoption of technology and digital marketing and innovative business practices have served to soften the overall impact of Covid-19 on the Indian residential housing sector.

The policy changes involving Stamp duty rate cuts, benign interest rates and subvention under the PMAY scheme have aided the growth in the affordable segment, even in the Tier II and Tier III cities. The housing segment is going to see an influx of demand and the future looks brighter ahead.

State Governments are taking various initiatives to provide housing through their own policies and programmes.

Urbanization in India has become an important and irreversible process, and it is an important determinant of national economic growth and poverty reduction. The process of urbanization is characterized by a dramatic increase in the number of large cities, although India may be said to be in the midst of transition from a predominantly rural to a quasi-urban society. At current rate of growth, urban population in India is estimated to reach a staggering 57.5 crore by 2030. According to Census 2011, 37.71 crore Indians comprising 31.16 per cent of the country's population, lived in urban areas. Urban population is projected to grow to about 60 crores by 2031. While India continues its journey to become the 3rd largest economy in the world by 2050, the role of Urban India in its contribution to India's growth is note-worthy. Urban India contributes 65 per cent to India's GDP, which is estimated to rise to 70 per cent by 2030, an unprecedented expansion that will change the economic, social, and political

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landscape of India. During this time, 60 per cent of urban citizens will move into middle class bracket and will see 0.10 crore plus young people moving into workforce every year thus demanding faster and transparent services and world class infrastructure. Government of India plays a coordinating and monitoring role and supports various urban housing programmes, urban livelihood mission and overall urban development through Central Sector and Centrally Sponsored Schemes.

PMAY has contributed significantly to the Government intentions. The scheme was effective till 31st March 2022, however the Union Cabinet has approved for the continuation of the ' Pradhan Mantri Awas Yojana-Gramin (PMAY-G)' beyond March 2022, with a target of 2.95 crore houses. Under this Scheme financial assistance will be provided for the construction of the remaining 155.75 lakh houses. As on 29th November 2021, out of the target of 2.95 crore houses under PMAY-G, 1.65 crore houses have been constructed. Hence, the Scheme is continuing till March 2024 to achieve the overall target

Hence, Looking at the significant support from the Government, temporary halt in the pricing of real estate, low Bank rate offered by the Banks/NBFCs and the enthusiasm amongst the countrymen to have a self-owned house, it is expected that there is an immense opportunity for the Company to grow substantially in the near future.

FINANCIAL RESULTS

Summary of Financial Results for the year ended 31st March 2022 is as under:

(Amount in million)

Sr. No.	Particulars	For the year ended 31st March 2022	For the year ended 31st March, 2021
1	Revenue From operations	482.86	343.74
2	Other income	11.31	4.38
3	Total income	494.17	348.12
4	Finance costs	141.57	85.98
5	Impairment on financial instruments	5.69	25.69
6	Employee benefits expenses	163.32	111.70
7	Depreciation, amortization and impairment	1.17	1.15

ADANI HOUSING FINANCE PVT. LTD.

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8	Others expenses	102.41	64.19
9	Total expenses	414.16	288.71
10	Profit before tax	80.02	59.41
11	Total Tax expenses	22.42	(10.14)
12	Profit After Tax	57.59	69.55
13	Other comprehensive income / (loss) for the year	0 .04	(0.12)
14	Total comprehensive income for the period	57.63	69.43
15	Transfer to Special Reserve u/s 29C of the NHB Act, 1987	(11.52)	(13.91)
16	Surplus carried to Balance Sheet	(8.93)	(55.04)

DIVIDEND

No Dividend has been declared for the current financial year.

INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

The Information on the State of Affairs of the Company has been given as part of Management Discussion & Analysis Report forming part of Annual Report of the Company.

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the year we continued to build our business in Maharashtra, Gujarat, Rajasthan and Madhya Pradesh with 54 branches & 30 spoke locations as on 31st March 2022.

During the year under review, your Company earned revenue of Rs. 49.41 Crore as against Rs. 34.81 Crore in the previous year. The total expenditure during the year under review was Rs. 41.41 Crore as against Rs. 28.87 Crore in the previous year. The Profit/Loss after tax was Rs. 5.76 Crore as against Rs. 6.95 Crore in the previous year.

The mission of the Company is to focus on the affordable housing segment, catering to the aspirations of mid and low income Indian families who want to own a home.

ADANI HOUSING FINANCE PVT. LTD.

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CAPITAL STRUCTURE

AUTHORISED SHARE CAPITAL

The Authorised share capital of the Company for the year ended 31st March, 2022 is Rs. 75,00,00,000/- (Rupees Seventy-Five Crores) divided into 7,50,00,000 (Seven Crores and Fifty Lakhs) Equity Shares of Re. 10/- each.

PAID-UP SHARE CAPITAL

The Paid-up capital of the Company for the year ended 31st March, 2022 is Rs. 75,00,00,000/- (Rupees Seventy-Five Crores) divided into 7,50,00,000 (Seven Crores and Fifty Lakhs) Equity Shares of Re. 10/- each.

LOAN OUTSTANDING

As on 31st March 2022, Company has a Loan book of Rs. 338.32 crores comprising of Housing Loans of Rs. 275.54 crores and Non housing loans of Rs. 62.78 crores in comparison with 222.96 crores of Loan portfolio in previous year 2020-21, comprising of housing loans of Rs. 194.26 crores and 28.70 Crores.

BANK LOANS

AHFPL raised fresh funding of Rs. 190 crores from Banks during year. Term loans are secured by way of hypothecation over loan receivables & Investment receivables. Outstanding loans as at March 31, 2022 were Rs.260.38 crores.

PUBLIC DEPOSITS

The Company is registered as Housing Finance Company not accepting Public Deposits.

CREDIT RATINGS

The Company's borrowings enjoy the following Credit Ratings:

Nature of Borrowing	Rating/ Outlook
	CRISIL
Short Term	
Bank Borrowings	CRISIL A1+

Adani Housing Finance Private Limited
1004-1005, 10th Floor, C – 66, Block G,
One BKC, Bandra Kurla Complex,
Mumbai 400 051
Maharashtra, India
CIN: U65999GJ2017PTC098960

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ADANI HOUSING FINANCE PVT. LTD.

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Long Term	
Bank Borrowings	CRISIL AA-/Stable
Non-Convertible Debentures	CRISIL AA-/Stable

NON- PERFORMING ASSETS AND PROVISIONS FOR CONTINGENCY

Your Company adhered to the prudential guidelines for Non- Performing Assets (NPAs), issued by National Housing Bank (NHB) under its Direction 2010, as amended from time to time. The Company has created provisions for contingencies on standard Assets (housing loan and property loans), in accordance with the National Housing Bank Directions.

The amount of Gross Non- Performing Assets (NPAs) as on March 31, 2022 Rs. 3.68 crores which is equivalent to 1.08 % of the loan portfolio of the Company, as against Rs. 2.10 crores i.e.,0.94% of the portfolio as on March 31, 2021. The Net NPA as on March 31, 2022 is Rs. 2.01 crores i.e., 0.60% of the NPA as against Rs. 0.77 crores i.e., 0.35% of the NPA as at March 31, 2021.The total cumulative provisions towards NPA as at March 31, 2022 is Rs. 1.67 crores as against Rs. 1.32 crores in the previous financial year 2020-21.

In order to prevent frauds in loan cases involving multiple lending from different banks / housing finance companies, the Government of India has set up the Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) under section 20 of the SARFAESI Act 2002 to have a central database of all mortgages created by lending institutions. The object of this registry is to compile and maintain data relating to all transactions secured by mortgages. Your Company is registered with CERSAI.

RISK MANAGEMENT FRAMEWORK

The risk strategy laid down by your Company helps foster a disciplined culture of risk management and control. In conjunction with these practices, your Company intends to optimise its capital needs through growth, by achieving highest returns on capital employed while managing risks appropriately.

Your Company continuously monitors loan portfolio. Portfolio level delinquency metrics are tracked at regular intervals with focus on detection of early warning signals of stress. These limits are periodically reviewed based on changes in the macro-economic environment, regulatory environment and industry dynamics. Existing credit exposure

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in the portfolio is continuously monitored and reviewed. Key sectors are analysed in detail to suggest strategies, considering both risks and opportunities. Corrective action, if required, is taken well in advance.

PRUDENTIAL NORMS FOR HOUSING FINANCE COMPANIES

With issue of Master Direction – Non-Banking Finance Company – Housing Finance Company (Reserve Bank) Directions, 2021 on February 17, 2021, the Reserve Bank of India ('RBI') have covered Housing Finance Companies within its ambit and therefore with effect from the date of Master Direction, the Company is regulated by RBI and supervisory powers will be with NHB.

The Company is in compliance with guidelines on income recognition, asset classifications, provisioning, provisioning for bad and doubtful debts, capital adequacy, accounting and disclosure policies, fair practice code and asset liability management issued by NHB/RBI from time to time.

Your Company's Board has approved Know Your Customer & Anti Money Laundering Policy (KYC & AML Policy) and adheres to the said Policy.

Your Company has in place a Fair Practices Code (FPC), which includes guidelines on appropriate staff conduct when dealing with the customers and on the organisation's policies vis-à-vis client protection.

Your Company has an effective grievance redressal mechanism and as on 31st March 2022 there are no complaints which are pending for closure.

CAPITAL ADEQUACY RATIO (CAR)

As per the provisions of notification issued by RBI vide Master Direction – Non-Banking Finance Company – Housing Finance Company (Reserve Bank) Directions, 2021 on February 17, 2021, your Company is presently required to maintain a minimum capital adequacy of 15%.

The capital adequacy ratio as of 31st March, 2022 was 56.46 %. Tier I and Tier II capital adequacy ratios as at 31st March, 2022 were at 55.57 % and 0.89 % respectively.

SPECIAL RESERVE (U/S 29C OF THE NATIONAL HOUSING BANK ACT, 1987)

During the period under review, your Company has transferred Rs. 1.15 Cr to Special Reserve as per the requirement of the Section 29C of the National Housing Bank Act, 1987.

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HOLDING/SUBSIDIARY COMPANY

During the year under review, the Company has no Subsidiary Company. However, the Company is a Subsidiary of Adani Finserve Private Limited.

DIRECTORS OF THE COMPANY

Mr. Amrendra Prasad Saxena was inducted as Independent Director in the Company w.e.f. 16th April 2021. The composition of the Board of the Company is follows:-

- Mr. Sagar Adani
- Mr. Gaurav Gupta
- Mr. Amlendra Prasad Saxena

Your Company being Private Limited Company, none of the Directors are required to retire by rotation.

The Company has received necessary declaration from Independent Director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013. Further the Company has also received the Declaration and Undertaking from Directors, as per the requirement of "Non-Banking Financial Companies – HFC(RBI) Directions 2021.

KEY MANAGERIAL PERSONNEL

Board appointed Mr. Rakesh Sharma as Chief Executive Officer of the Company on 18th June 2021.

Mr. Mayank Jain, Company Secretary and Compliance officer of the Company resigned from the Company w.e.f. 12th July 2021. On 28th October 2021, Company appointed Mr. Manish Singh Payal as Company Secretary and Compliance officer of the Company.

FORMAL ANNUAL EVALUATION:

Company evaluated the performance of its Directors. However, as your Company is neither a Listed Company nor a public Company having a paid-up capital of Rs. 25 crores or more, the statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors is not required to be disclosed.

ADANI HOUSING FINANCE PVT. LTD.

EMPLOYEE STOCK OPTION SCHEME (ESOS)

Members of the Company have approved various Employee Stock Option schemes for attracting, retaining and rewarding Employees of the Company. Board of the Company has granted the options to the eligible employees of the Company, as detailed hereunder:-

Sr. No.	Particulars	Employee Stock Option Scheme
1.	Options granted	Refer to the Note No. 42 of the Financial Statements
2.	The Pricing formula	
3.	Options vested	
4.	Options exercised	

POLICY AGAINST SEXUAL HARASSMENT

Company has in place policy against the sexual harassment and the said policy seeks to protect women employees from sexual harassment at the place of work. The primary objective of the same is to safeguard the interest of female employees in the Company and also provides for punishment in case of false and malicious representations. The policy has been communicated to the employees.

During the year, no complaint has been received by the Sexual Harassment Committee.

DISCLOSURE ON MAINTENANCE OF COST RECORDS

The Company engaged in Housing Finance activity during the year under review is not required to maintain cost records in accordance with the provisions of the Act.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Housing Finance Companies are exempt from the provisions of the section 186 (except sub- Section (1)) of the Companies Act, 2013. Hence the said provision is not applicable to the Adani Housing Finance Pvt Limited.

NUMBER OF BOARD MEETINGS

During the period under review Ten (10) Board Meetings were held on 16th April 2021, 18th May 2021, 5th June 2021, 18th June 2021, 28th September 2021, 28th October 2021, 22nd December 2021, 2nd February 2022, 28th February 2022 and 10th March 2022.

ADANI HOUSING FINANCE PVT. LTD.

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DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:—

a) in the preparation of the annual accounts for the year ended 31st March 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures.
b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit and loss of the Company for the year ended on that date;
c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
d) the Directors had prepared the annual accounts on a going concern basis.
e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS

In accordance with the provisions of the Section 139 of the Companies Act, 2013, the Company had appointed the Statutory Auditors, M/s. MBD & CO. LLP, Chartered Accountants for a period of five years at its first Annual General Meeting, subject to ratification of appointment by members in every subsequent Annual General Meeting of the Company.

However, the said requirement is dispensed with according to related provision of Companies Amendment Act, 2017 becoming effective and accordingly, the appointment of Auditors is not to be ratified by the members in the General Meeting.

In lines with the above stated, the shareholders are further informed that M/s. MBD & CO. LLP,, Chartered Accountants will continue to be remain the Statutory Auditors of the Company till the 6th Annual General Meeting of the Company without further ratification.

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STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

The Company duly ensure the Fit and Proper Criteria, as prescribed by RBI read with the provisions of Companies Act, 2013 and other applicable provisions of law, regarding the appointment of Directors. Your Directors, including the Director appointed during the FY 2021-22, also submitted the required Disclosures and Undertakings to confirm the aforesaid compliance.

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE

The Company pursuant to the provisions of Section 178 of the Companies Act 2013 has formulated and adopted a Nomination & Remuneration Policy which is available on the website of the Company i.e. https://www.adanihousing.in/Download

AUDITORS REPORT

The Auditors Report to the Members on the Accounts of the Company for the financial year ended March 31, 2022 does not contain any qualification and is self-explanatory, hence does not call for any comment of Board.

SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. Chirag Shah & Associates, Company Secretaries in whole-time practice, based in Ahmedabad, to carry out the Secretarial Audit of the Company for the year under consideration i.e., FY 2021-22.

There are no qualifications, reservations, adverse remarks or disclaimers, mentioned in Secretarial Audit Report provided by the aforesaid Secretarial Auditor in the prescribed format i.e., MR-3, since the Company has ensured compliance of all applicable statutory provisions.

The report of the Secretarial Auditor is enclosed as Annexure A

Further, as there is no qualification, reservation or adverse remark or disclaimer is given by the Statutory Auditors in their Audit Report and by the Company Secretary in practice in their Secretarial Audit Report, hence there is no explanation or comments have been given by the Board in the Report.

ADANI HOUSING FINANCE PVT. LTD.

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VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has framed Vigil Mechanism / Whistle Blower Policy ("Policy") to enable Directors and employees to report genuine concerns or grievances, significant deviations from key management policies and reports any non-compliance and wrong practices, e.g., unethical behavior, fraud, violation of law, inappropriate behavior / conduct, etc.

The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. None of the Directors or employees have been denied access to the Audit Committee of the Board.

The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls, or fraudulent reporting of financial information.

COMPLIANCE OF SECRETARIAL STANDARDS

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

CORPORATE SOCIAL RESPONSIBILITY:

The Company was having negative profits in the initial years owing to high operational cost, which was required to lay down the foundation, the average net profit of past three years is negative. Hence there was no requirement to take up any CSR activity as mandated under Companies Act in the financial year 2021-22.

Even though there was no requirement for CSR contribution in the F.Y 2021-22, Company has formed a CSR Committee comprising of the following members:-

- Mr. Gaurav Gupta - Director
- Mr. Sagar Adani - Director
- Mr. AP Saxena - Independent Director

The Company has also formulated a Corporate Social Responsibility Policy which is available on the website of the Company (https://www.adanihousing.in/Download/).

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Terms of reference of the CSR Committee: -

a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013
b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a)
c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.
d) Update the Board on the implementation of various programmes and initiatives.

AUDIT COMMITTEE

The Audit Committee consists of the following members:

- Mr. Gaurav Gupta - Director
- Mr. Sagar Adani - Director
- Mr. AP Saxena - Independent Director

Terms of reference of the Audit Committee: -

(a) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
(b) review and monitor the auditor's independence and performance, and effectiveness of audit process.
(c) examination of the financial statement and the auditors' report thereon.
(d) approval or any subsequent modification of transactions of the Company with related parties.
(e) scrutiny of inter-corporate loans and investments.
(f) valuation of undertakings or assets of the Company, wherever it is necessary.
(g) evaluation of internal financial controls and risk management systems.
(h) Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, RBI guidelines or any other regulatory authorities from time to time.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of the following members.

- Mr. Gaurav Gupta - Director
- Mr. Sagar Adani - Director
- Mr. AP Saxena - Independent Director

ADANI HOUSING FINANCE PVT. LTD.

Terms of reference of the Nomination and Remuneration Committee: -

(a) Formulate criteria for determining qualifications, positive attributes and independence of an Individual who may be appointed as a Director or Key Managerial Personnel or in senior management level of the Company.
(b) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
(c) Specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Committee or by an independent external agency and review its implementation and compliance.
(d) Recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The policy shall be referred as Nomination and Remuneration policy.
(e) To ensure 'fit and proper' status of proposed/ existing Directors.
(f) To formulate, implement and administer Employee Stock Option Scheme(s) of the Company and grant stock options to the eligible employees.
(g) Any other function as may be mandated by the Board or stipulated by the Companies Act, 2013, RBI or any other regulatory authorities from time to time.

ANNUAL RETURN

The Annual Return of the Company is available on the website of the Company at https://www.adanihousing.in/Download/.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no frauds as reported by the Statutory Auditors under sub-section 12 of Section 143 of the Companies Act, 2013 along with Rules made there-under other than those which are reportable to the Central Government.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All the related party transactions entered into during the financial year were in the ordinary course of business and on an arm's length pricing basis and none of the transactions with the related parties fall under the scope of Section 188(1) of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC 2 is not applicable. Suitable disclosure as required by the Accounting Standards (AS18) has

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been made in the notes to the Financial Statements. However, Company provided Form AOC 2 and the Policy on related party transaction as Annexure B' are attached to this report

HUMAN RESOURCE DEVELOPMENT

Human Resource Development is considered important for effective implementation of business plans. Constant endeavours are being made to offer professional growth opportunities and recognitions, apart from imparting training to employees. During the reporting year, in-house training programmes were provided to employees, inter alia, in lending Operations, Documentation, KYC & ALM Policy, IT System & Security, and Accounts etc. Adani Housing total headcount stands at 328 employees.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR: NA

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF: NA

To ensure the compliance with all the applicable provisions of Law, your Company has availed the services of the Compliance Module software in the name of "Legatrix Compliance Solution". This is an IT-enabled legal support service relating to legal and regulatory compliances. The Company monitors and ensures the compliance of all the applicable laws, through this Compliance Solution.

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CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since your Company is not a manufacturing Company, the information pertaining to Conservation of Energy and Technology Absorption as stipulated under Section 134(3)(m) of the Companies Act, 2013 read with applicable rules made thereunder is not applicable to the Company.

During the Financial Year 2021-22, Company incurred expenses in foreign exchange. Details of the expenses are disclosed in the Note no. 51.26 of the Financial Statements.

PARTICULARS OF EMPLOYEES:

The Company do not fall within the purview of purview of the provisions of Section 197 of the Companies Act, 2013, read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 . A nil report has been enclosed as Annexure C in this regard.

ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to the Reserve Bank of India, National Housing Bank, the Company's Customers, Bankers, Members, Vendors and others for the continued support and faith reposed in the Company. The Board also places on record its deep appreciation for the dedication and commitment of the employees at all levels. The Directors also would like to thank the Credit Rating Agencies for their co-operation.

For and on behalf of the Board

ADANI HOUSING FINANCE PVT. LTD.

Mr. Gaurav Gupta
Director & Chairman
DIN:01669109

Place: Mumbai
Date: 27th May, 2022

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CHIRAG SHAH & ASSOCIATES
Company Secretaries
1213, Ganesh Glory, Nr. Jagatpur Crossing,
Besides Ganesh Genesis,
Off. S.G. Highway, Ahmedabad - 382 481.
Ph.: 079-40020304, 6358790040/41/42
E-mail : chi118_min@yahoo.com

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2022

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

To,
The Members,
ADANI HOUSING FINANCE PRIVATE LIMITED
801 Shikhar Complex, Srimali Soc.,
Navrangpura, Ahmedabad 380009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI HOUSING FINANCE PRIVATE LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The physical Inspection or Verification of documents and records were taken to the extent possible:

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

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

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

(iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: **Not Applicable to the company during the Audit period**

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015: **Not Applicable to the company during the Audit period**

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**: Not Applicable to the company during the Audit period**

d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**: Not Applicable to the company during the Audit period**

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008**:- Not Applicable to the company during the Audit period**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client:- **Not Applicable to the company during the Audit period**

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:-**Not Applicable to the company during the Audit period;**

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018:-**Not Applicable to the company during the Audit period;** and

i. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:- **Not Applicable to the company during the Audit period.**

(vi). Laws specifically applicable to the industry to which the company belongs, as Identified by the management, that is to say:

1. National Housing Bank Act, 1987;
2. The Housing Finance Companies (NHB) Directions, 2010;
3. Guidelines on Know your Customer and Anti-Money Laundering Measures;
4. Returns to be submitted by Housing Finance Companies;
5. Guidelines for Asset Liability Management System in Housing Finance Companies;
6. Housing Finance Companies Corporate Governance (National Housing Bank) Directions, 2016;

CHIRAG SHAH & ASSOCIATES
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COMPANY SECRETARIES

7. Housing Finance Companies -Auditor's Report (National Housing Bank) Directions, 2016;
8. Guidelines on Fair Practices Cod for Housing Finance Companies;
9. Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

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

a. Secretarial Standards issued by The Institute of Company Secretaries of India;

b. The Listing Agreements entered into by the Company with Stock Exchange(s):-
   During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

CHIRAG SHAH & ASSOCIATES C.P. 21737 COMPANY SECRETARIES

Place: Ahmedabad
Date: 27.05.2022

CS Dhwani Rana
Partner
Chirag Shah and Associates
ACS No. 43629
C P No.: 21737
UDIN : A043629D000404770
Peer Review Cer. No. 704/2020

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members
ADANI HOUSING FINANCE PRIVATE LIMITED
801 Shikhar Complex, Srimali Soc.,
Navrangpura, Ahmedabad 380009

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

CHIRAG SHAH & ASSOCIATES C.P. 21737 COMPANY SECRETARIES

Place: Ahmedabad
Date: 27.05.2022

CS Dhwani Rana
Partner
Chirag Shah and Associates
ACS No. 43629
C P No.: 21737

adani Housing Finance

Annexure B

Form No. AOC - 2

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

For FY 2021-22

1. **Details of contracts or arrangements or transactions not at arm's length basis**

NOT APPLICABLE

2. **Details of material* contracts or arrangement or transactions at arm's length basis**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	NIL	NIL	NIL	NIL	NIL	NIL
2.	NIL	NIL	NIL	NIL	NIL	NIL

For and on behalf of the Board

ADANI HOUSING FINANCE PVT. LTD.

Gaurav Gupta
Director & Chairman of the Board
DIN:01669109

Place: Mumbai
Date: 27th May, 2022

Adani Housing Finance Pvt Limited (AHFPL)

RELATED PARTY TRANSACTIONS POLICY

INTRODUCTION

The Board of Directors **("the Board")** of Adani Housing Finance Pvt. Limited **("the Company" or "AHFPL")**, has adopted the following Related Party Transaction Policy **("Policy")** with regards to any contract or arrangement with a Related Party under the applicable provisions of the Companies Act, 2013 read with rules framed thereunder **(**the **"Act")**.

PURPOSE

This Policy is framed as per the requirement of Section 188 and other applicable provisions of the Act and the rules framed thereunder and "Housing Finance Companies –Corporate Governance (National Housing Bank) Directions, 2016" issued by the National Housing Bank (NHB) vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated 09th February 2017 and intend to ensure the proper approval and reporting of Transactions between the Company and its Related Parties. Such Transactions are appropriate only if they are in the best interest of the Company and its Members.

DEFINITIONS

"Turnover"; as mentioned in the Companies Act, 2013

"Arm's Length Transaction" means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest;

"Associate" means an enterprise in which the Company has a significant influence, but which is not a subsidiary company of the Company having such influence and includes a joint venture company and the term "Associate Company" shall be interpreted accordingly. For the purpose of this definition, "Significant Influence" means control of at least twenty percent of total share capital, or of business decisions under an agreement.

"Audit Committee" or **"Committee"** means Committee of Board of Directors of the Company constituted under provisions of the Companies Act, 2013;

"Board" means Board of Directors of the Company;

"Company Secretary" means a person who is appointed by the Company to perform the functions of the Company Secretary under provisions of the Companies Act, 2013;

"Key Managerial Personnel" means –

(a) the Chief Executive Officer or the Managing Director or the Manager;

(b) the Company Secretary;

(c) the Whole - Time Director(s);

(d) the Chief Financial Officer;

(e) such other officer as may be prescribed under Section 2(51) of the Companies Act, 2013.

"Material Related Party Transaction" means a transaction with a Related Party in relation to –

i. sale, purchase or supply of any goods or materials, directly or through appointment of agent amounting to 10% or more of the Turnover of the Company.
ii. selling or otherwise disposing of, or buying, property of any kind directly or through appointment of agent, amounting to 10% or more of Net Worth of the Company.
iii. leasing of property of any kind amounting to 10% or more of the Turnover of the Company
iv. availing or rendering of any services, directly or through appointment of agent, amounting to 10% or more of the Turnover of the Company.

"Net worth" means net worth of the Company computed in accordance with Section 2(57) of the Companies Act, 2013 based on the Audited Financial Statements of the preceding Financial Year;

"Policy" means Related Party Transaction Policy;

"**Related Party**" means - person prescribed under Section 2(76) of the Companies Act, 2013;

"Specified Related Party Transaction" means transaction with a Related Party if the transaction(s) to be entered into, other than transactions entered into by the Company in its ordinary course of business and the same are on an arm's length basis, is in relation to—

(a) sale, purchase or supply of any goods or materials;

(b) selling or otherwise disposing of, or buying, property of any kind;

(c) leasing of property of any kind;

(d) availing or rendering of any services;

(e) appointment of any agent for purchase or sale of goods, materials, services or property;

(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(g) underwriting the subscription of any securities or derivatives thereof, of the company.

"**Related Party Transaction**" means any transactions directly or indirectly with Related Parties and it also includes Transactions as specified under clause (a) to (g) of sub-section (1) of Section 188 of the Companies Act, 2013;

"Relative" means relative as defined under Section 2(77) of the Companies Act, 2013 and includes anyone who is related to another in any of the following manner –

(a) they are members of a Hindu Undivided Family ;

(b) they are husband and wife ;

(c) father (including step-father)

(d) mother (including step-mother)

(e) son (including step-son)

(f) son's wife

(g) daughter

(h) daughter's husband

(i) brother (including step-brother); or

(j) sister (including step-sister)

"Transaction" with a Related Party shall be construed to include any contract or arrangement or transaction, whether single or as a group of transaction and for the purpose of applying thresholds laid down in this Policy it shall include previous transaction(s) during the financial year with the said Related Party.

APPROVAL OF TRANSACTION

Approval of the Audit Committee

All Related Party Transactions must be reported to the Audit Committee/ Board and referred for prior approval by the Committee. Where any Director is considered interested in any transaction with Related Party, such Director shall not be present at the meeting during discussions and voting on the subject matter of the resolution relating to such transaction.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other relevant matters. In determining whether to approve a Related Party Transaction, the Committee will consider the factors provided in the Companies Act, 2013.

The Audit Committee may make omnibus approval for related party transactions which are repetitive in nature subject to the following conditions:

- The Audit Committee shall satisfy itself on the need for omnibus approval and that such approval is in the interest of the Company;

- The omnibus approval shall contain the name of the related party(ies), nature and duration of the transaction, maximum amount of transaction that can be entered into, the indicative base price or current contracted price and the formula for variation in the price, if any, and such other conditions, as the Audit Committee may deem fit;

  Provided that where the need for related party transaction cannot be foreseen and aforesaid details are not available, Audit Committee may make omnibus approval for such transactions subject to their value not exceeding INR 1 crore per transaction.

- Omnibus approval shall be valid for a period not exceeding 1 (One) Financial Year and shall require fresh approval after the expiry of such Financial Year;

- Omnibus approval shall not be made for transactions in respect of selling or disposing of the undertaking of the Company.

- The Audit Committee shall review the related party transactions entered into by the Company, from time to time, pursuant to each of the omnibus approval;

Approval of the Board of Directors of the Company

In case any related party transactions are referred by the Committee to the Board for its approval due to the transaction being (i) not in the ordinary course of business, or (ii) not at an arm's length price, the Board will consider such factors as, nature of the transaction, material terms, the manner of determining the pricing and the business rationale for entering into such transaction. On such consideration, the Board may approve the transaction or may require such modifications to transaction terms as it deems appropriate under the circumstances. Any member of the Board who has any interest in any related party transaction will rescue himself and abstain from discussion and voting on the approval of the related party transaction

Approval of the Shareholders of the Company

If a related party transaction is (i) a material transaction or (ii) not in the ordinary course of business, or not at arm's length price and exceeds certain thresholds prescribed under the Companies Act, 2013, it shall require shareholders' approval. In such a case, any member of the Company who is a related party, shall not vote on resolution passed for approving such related party transaction.

IDENTIFICATION OF RELATED PARTIES

Every Director and Key Managerial Personnel is responsible to declare any person or entity that would be regarded as Related Party for the Company in accordance with this Policy on account of his/her being Director or Key Managerial Personnel of the Company. Such declaration shall include disclosure of his/her (and his/her relative's) concern or interest in any company or companies or bodies corporate, firms or such other association of individuals which shall include the shareholding, directorship, membership, partnership, etc.

IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

Every officer of the Company entrusted with the authority to enter into any transaction shall be responsible for providing notice to the Board or Audit Committee, through the Company Secretary Department of the Company of any potential Related Party Transaction involving the Company. The Board / Audit Committee, through the Company Secretary Department of the Company, will determine whether the Transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

The Company will try and ensure that notice of any potential Related Party Transaction is given well in advance, so that the Audit Committee / the Board has adequate time to obtain and review information about the proposed Transaction.

RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee / Board. The Committee / Board shall consider all of the relevant facts and circumstances regarding the Related Party Transaction, and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee / Board shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction to the Committee under this Policy, and shall take any such action it deems appropriate.

In any case, where the Committee / Board determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee / Board, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction. In connection with any review of a Related Party Transaction, the Committee / Board has authority to modify or waive any procedural requirements of this Policy.

EXCEPTIONS

Approval of Audit Committee/ Board of Directors/ Members under this Policy shall not be required if the transaction(s) is in the Company's ordinary course of business and the same is on an arm's length basis.

LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Act any other statutory enactments, rules, provisions of such Act or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in Act and/or applicable laws in this regard shall automatically apply to this Policy.

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Annexure –C
ANNEXURE TO THE DIRECTORS' REPORT

Information as per Section 197 of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of Adani Housing Finance Private Limited for Financial Year 2021-22

A. Top Ten Employees of the Company in terms of remuneration drawn: Not Applicable

Name	Age (Years)	Designation	Gross remunerations (in Rs.)	Qualification	Experience (Years)	Date of Joining	Previous employment	Nature of employment, whether contractual or otherwise	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:

B. Personnel who are in receipt of remuneration aggregating not less than Rs. 102 lacs per annum and employed throughout the year: Not Applicable

Name	Age (Years)	Designation	Gross remunerations (in Rs.)	Qualification	Experience (Years)	Date of Joining	Previous employment	Nature of employment, whether contractual or otherwise	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:

ADANI HOUSING FINANCE PVT. LTD.

adani Housing Finance

C. Employed for a part of the financial year and were in receipt of remuneration for any part of the financial year at a rate which in aggregate was not less than Rs. 8.50 lacs per month: Not Applicable

Name	Age (Years)	Designation	Gross remunerations (in Rs.)	Qualification	Experience (Years)	Date of Joining	Previous employment	Nature of employment, whether contractual or otherwise	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:

Notes: (1) Remuneration above includes Salary, Contribution to Provident and other funds and other perquisites.

(2) No individual employee is holding equivalent to or more than 2% of the outstanding shares of the Company as on 31st March, 2022.

For and on behalf of the Board

Adani Housing Finance Pvt. Ltd.

Gaurav Gupta
Director & Chairman of the Board
DIN:01669109

Place: Mumbai
Date: 27th May, 2022

M B D & Co LLP
Chartered Accountants

1007-1012, 10th Floor, Tower A,
Ratnaakar Nine Square,
Opp. Keshavbaug Party Plot,
Vastrapur, Ahmedabad - 380015
E: mail@mbdandco.com
T: +91 79 47010909

INDEPENDENT AUDITORS' REPORT

To the Members of Adani Housing Finance Private Limited

Report on audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Adani Housing Finance Private Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended, and a summary of significant accounting policies and other explanatory information.

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 Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

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

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.

Sr. No	Key Audit Matters	Audit procedures performed
1	**Impairment of Financial Assets (Including Provision for Expected Credit Loss)**	
	Refer to the Significant Accounting Policies in the Financial Statements Note No: 4 (a) Financial Instruments	

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	Ind AS 109 requires the Company to recognize impairment allowance towards its financial assets (designated at amortized cost and fair value through other comprehensive income) using the expected credit loss (ECL) approach. Under this approach, the management has been required to exercise significant judgement while applying principles and other requirements of the standard in addition to the identification and adequacy of these provisions in areas such as: - Staging of loans and estimation of behavioral life. - calculation of Probability of default rates. - calibrating the loss given default where the impairment provision is calculated on a pool level The Company has developed models that derive key assumptions used within the provision calculation such as probability of default (PD) and loss given default (LGD). The output of these models is then applied to the provision calculation with other information including and the exposure at default (EAD). The impact of COVID-19 on the ECL is highly uncertain, however the Company has factored the higher risk in its computation of the ECL provision and has applied management overlays which are approved by the Board of Directors. Considering the significance of such provision to the overall financial statements and the degree of management's judgment, any error or misstatement in such estimate may give rise to a material misstatement of the Ind AS financial statements or omission of any disclosure required by the standards. Therefore, it is considered as a key audit matter.	We have tested the ECL model and computation for it's - Our audit procedures included considering the Company's accounting policies for impairment of financial instruments and assessing compliance with the policies in terms of Ind AS 109. Assessed the assumptions used by the Company for grouping and staging of loan portfolio into various categories and default buckets and their appropriateness for determining the probability-weighted default (PD) and loss-given default (LGD) rates. - Read and assessed the Company's policy with respect to moratorium pursuant to the RBI circular and tested the implementation of such policy on a sample basis. - Evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions. - Assessed the criteria for staging of loans based on their past-due status to check compliance with requirement of Ind AS 109. Tested a sample of performing (stage 1) loans to assess whether any significant increase in credit risk or loss indicators were present requiring them to be classified under stage 2 or 3. - Tested the ECL model, including assumptions and underlying computation. Assessed the floor/minimum rates of provisioning applied by the Company for loan products with inadequate historical defaults. - Assessed disclosures included in the Ind AS financial statements in respect of expected credit losses including the specific disclosures made with regards to the impact of COVID-19 on ECL estimation.

		- Tested the arithmetical accuracy of computation of ECL provision performed by the Company.
2.	**De-recognition of financial assets (as described in note 41 of the financial statements)**	
	During the year, the Company has assigned loans amounting to Rs.297.59 million and recorded a net income of Rs.93.89 million and corresponding excess interest spread receivable of Rs. 93.89 million. As per Ind AS 109, de-recognition of loans transferred by the Company through assignment is based on the 'risk and reward' model and a 'control' model. If de-recognition criteria are met, the financial assets transferred are de-recognized and difference between carrying value and consideration including the present value of interest payments that it would not give up (excess interest spread receivable) is recorded as income in the statement of profit and loss. There are assumptions made with respect to the remaining tenor of the financial assets assigned and other factors which could materially impact the fair valuation as well the excess interest spread. Accordingly, de-recognition of financial assets was considered as a key audit matter.	- Our audit procedures included considering the Company's accounting policies for de-recognition of financial instruments and assessing compliance with the policies in terms of Ind AS 109. - Examined the terms of assignment agreements on a sample basis to evaluate whether the de-recognition criteria have been applied by the Company. - Assessed the significant estimates and judgments, including the discount rate and expected remaining life of the portfolio transferred used by the Company for computation of excess interest spread receivable servicing asset and servicing liability. - Tested the arithmetical accuracy of computation of the excess interest spread receivable. - Assessed the disclosures included in the financial statements with respect to de-recognition in accordance with the requirements of Ind AS 109 and Ind AS 107.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.
Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for 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), cash flows and changes in equity of the Company in accordance with the 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 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 are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility

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 skepticism throughout the audit. We also:

- 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.

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.

- 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.

Report on Other Legal and Regulatory Requirements

1. 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 purpose of our audit;

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

   (c) The Balance Sheet, Statement of Profit and Loss including other comprehensive income, statement of changes in equity, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;

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(d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) According to Information and explanation given to us and on the basis of our examination of the records of the company, managerial remuneration has not been paid/provided. Accordingly, reporting under section 197(16) of the Act is not applicable.

(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, 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 litigation as disclosed in its financial position in its financial statements.

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 during the year ended March 31, 2022.

iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been 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, 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. During the year, Company has not declared any dividend, hence reporting under this clause is not applicable.

2. As required by 'the Companies (Auditor's Report) Order, 2020' ("the order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act 2013, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **M B D & Co LLP**
Firm Registration Number: 135129W/W100152
Chartered Accountants

D. R. Desai

Deval Desai
Partner
Membership Number: 132426
UDIN: 22132426AJWING1740

M B D & CO. LLP * AHMEDABAD FRN: 135129W W100152 CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: May 27, 2022

Annexure A to Auditors' Report

Referred to in paragraph 1(f) under "Report on other legal and regulatory requirements" section of our report of even date to the members of **Adani Housing Finance Private Limited**

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

We have audited the internal financial controls over financial reporting of Adani Housing Finance Private Limited ("the Company") as of March 31, 2022 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Act 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 judgement, including the assessment of the risks of material misstatement of the 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

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FRN: 135129W/
W100152

Annexure A to Auditors' Report

Referred to in paragraph 1(f) under "Report on other legal and regulatory requirements" section of our report of even date to the members of **Adani Housing Finance Private Limited**

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of un authorised 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 future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022 based on the criteria internal financial control over financial reporting 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 ICAI.

For, **M B D & Co LLP**
Firm Registration Number: 135129W/W100152
Chartered Accountants

D. R. Desai

Deval Desai
Partner
Membership Number: 132426
Place: Ahmedabad
Date: May 27, 2022
UDIN: 22132426AJWING1740

Annexure-B to Independent Auditors' Report

Referred to in paragraph 2 under "Report on other legal and regulatory requirements" section of our report of even date to the members of **Adani Housing Finance Private Limited**

i) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(ii) The Company has maintained proper records showing full particulars of Intangible assets.

(b) Company has a physical verification program so as to cover all assets across the span of three years. And as part of that program, Company had carried out the verification in previous year, there have been no material discrepancies observed during such verification.

(c) The company do not have any immovable property, hence reporting under the provisions of clause 3 (i)(c) of the Order are not applicable to the company.

(d) Company has not carried out any revaluation of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii) (a) The Company is a Housing Finance Company ('HFC') and does not have any inventories. Accordingly, the provision of clause 3(ii) of the Order is not applicable to the Company.

(b) As disclosed in note 16(c), the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year based on security of current assets of the Company. The quarterly statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

iii) (a) The Company's principal business is to give loans accordingly, Clause 3(iii)(a) of the Order is not applicable to the Company.

(b) For the year under consideration, the terms and conditions on which grant of all loans and advances to Companies, firms, Limited Liability Partnerships, or any other parties are not prejudicial to the Company's interest.

(c) In respect of loans granted to Companies, firms, Limited Liability Partnerships or any other parties, the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular except in following cases.

No. of cases	Amount (Rs in millions)	Due date	Extent of delay (in days)	Remarks, If any
357	358.34	Various due date	More than a day	-

(d) The following amounts are overdue for more than ninety days from other parties to whom loan has been granted, and reasonable steps have been taken by the Company for recovery of the overdue amount of principal and interest.

No. of cases	Principal overdue (Rs in millions)	Interest overdue (Rs in millions)	Total Overdue (Rs in millions)	Remarks, If any
36	34.16	2.69	36.85	-

(e) The Company's principal business is to give loans. Accordingly, the provision of Clause 3(iii)(e) of the Order is not applicable to the Company.

Annexure-B to Independent Auditors' Report

Referred to in paragraph 2 under "Report on other legal and regulatory requirements" section of our report of even date to the members of **Adani Housing Finance Private Limited**

(f) According to information and explanations given to us, 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 to Promoters, related parties as defined in clause 2(76) of Companies Act, 2013.

iv) The company is registered as a Housing Finance Company to which the provisions of section 185 and 186 of the Act are not applicable to the company. Accordingly, the provisions of clause 3(iv) of the Order is not applicable.

v) The Company has not accepted any deposits within the meaning of section 73 to 76 of the Act and the companies (Acceptance of deposit) Rules,2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order is not applicable.

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

vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees state insurance, income-tax, goods and service tax and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income-tax, goods and service tax, professional tax and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, other than disclosed below.

Branch	Period	Nature	Amount Outstanding
Himmat Nagar	July 2018 to September 2021	Professional Tax	Rs.17,550/-

(c) According to the information and explanations given to us, the Company did not have any dues on account of income tax, and Goods and Services Tax which have not been deposited on account of dispute.

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

ix) (a) According to the information and explanations given to us, the company has not made any default in repayment of loan availed form any lender during the year.

(b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has taken term loan during the year and the same has been applied for the purpose for which the same has been availed.

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

Annexure-B to Independent Auditors' Report

Referred to in paragraph 2 under "Report on other legal and regulatory requirements" section of our report of even date to the members of **Adani Housing Finance Private Limited**

(e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x)(a) According to the information and explanations given to us and based on the overall examination of balance sheet, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence reporting on clause 3(x)(a) of the Order is not applicable.

(b) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting on clause 3(x)(b) of the Order is not applicable.

xi)(a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year nor have we been informed of any such case by the Management.

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

(c) We have taken into consideration the whistle blower policy in place and as represented by management, no complaints are being received by the Company during the year (and up to the date of this report).

xii) The company is not a Nidhi Company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors, or any person connected to him as referred to in section 192 of the companies Act, 2013.

xvi)(a)The Company is a Housing Finance Company and duly registered with National Housing Bank and thus is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The Company has not conducted any Non-Banking Financial without obtaining a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

Annexure-B to Independent Auditors' Report

Referred to in paragraph 2 under "Report on other legal and regulatory requirements" section of our report of even date to the members of **Adani Housing Finance Private Limited**

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xv)(c) of the Order is not applicable to the Company.

(d) According to the Information and explanations given to us, there is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xv)(d) of the Order is not applicable to the Company.

xvii) The company has not incurred any cash losses during the financial year and in immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year.

xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the 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 there's any material uncertainty exists as on the date of the audit report and company would not be able to meet 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 and circumstances up to the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities that are 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 provisions of Section 135 of the Companies Act, 2013 are applicable to the company, but due to negative average profits of last 3 years the Company is not required to spend any amount on Corporate Social Responsibility activities and hence, reporting under Clause 3(xx) (a) and (b) of the Order is not applicable. This matter has been disclosed in note-43 to the financial statement.

xxi) The Company does not prepare consolidated financial statements, hence the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For **M B D & Co LLP**
Firm Registration Number: 135129W/W100152
Chartered Accountants

D. R. Desai

Deval Desai
Partner
Membership Number: 132426
UDIN: 22132426AJWING1740

M B D & CO. LLP
AHMEDABAD
FRN. 135129W/W100152
CHARTERED ACCOUNTANTS

Place: Ahmedabad
Date: May 27, 2022

Adani Housing Finance Private Limited

Balance Sheet as at March 31, 2022

(All Amounts in millions unless Otherwise stated)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
ASSETS			
(1) Financial assets			
(a) Cash and cash equivalents	5	371.52	323.47
(b) Bank balance other than cash and cash equivalents	6	50.00	-
(c) Receivables			
(I) Trade receivables	7	0.45	-
(d) Loans	8	3,335.52	2,187.51
(e) Investments	9	200.13	50.00
(f) Other financial assets	10	154.93	76.56
Total Financial Assets		4,112.55	2,637.54
(2) Non-financial assets			
(a) Current tax assets (Net)	11	-	0.55
(b) Deferred tax assets (Net)	12	1.28	21.71
(c) Property, plant and equipment	13	1.96	1.44
(d) Other non-financial assets	14	14.68	8.28
Total Non-Financial Assets		17.92	31.98
Total assets		4,130.47	2,669.52
LIABILITIES AND EQUITY			
Liabilities			
(1) Financial liabilities			
(a) Payables			
(I)Trade payables	15		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		5.38	3.27
(II) Other payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		65.81	46.15
(b) Borrowings (other than debt securities)	16	2,603.84	1,307.44
(c) Other financial liabilities	17	84.41	8.96
Total Financial liabilities		2,759.44	1,365.82
(2) Non-financial liabilities			
(a) Current tax liabilities (Net)	18	0.63	-
(b) Provisions	19	9.16	6.37
(c) Other non-financial liabilities	20	13.85	11.83
Total Non-Financial liabilities		23.64	18.20
(3) Equity			
(a) Equity share capital	21	750.00	750.00
(b) Other equity	22	597.39	535.50
Total Equity		1,347.39	1,285.50
Total liabilities and equity		4,130.47	2,669.52

Significant accounting policies and key accounting estimates and judgments 4

The accompanying notes form an integral part of the financial statements

As per our report of even date

For M B D & Co LLP
Chartered Accountants
Firm Registration Number : 135129W/W100152

D.R.Desai

Deval Desai
Partner
Membership No. 132426

Place : Ahmedabad
Date : May 27, 2022

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

Sagar Adani
Director
DIN: 07626229

Gaurav Gupta
Director
DIN: 01669109

Rakesh Sharma
CEO

Manish Singh Payal
CS and Compliance Officer
M No: 46424

Place : Ahmedabad
Date : May 27, 2022

HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Statement of Profit and Loss for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

	Particulars	Note No	For the Year ended March 31, 2022	For the Year ended March 31, 2021
1	**Revenue From operations**			
(a)	Interest income	23	355.24	253.99
(b)	Fees and commission income	24	16.49	10.41
(c)	Other income from Loan Related Services	25	17.24	7.46
(d)	Net gain on derecognition of financial instruments under amortised cost category	51.13	93.89	71.88
	Total revenue from operations		**482.86**	**343.74**
2	Other income	26	11.31	4.38
3	**Total income (1 + 2)**		**494.17**	**348.12**
4	**Expenses**			
(a)	Finance costs	27	141.57	85.98
(b)	Impairment on financial instruments	28	5.69	25.69
(c)	Employee benefits expenses	29	163.32	111.70
(d)	Depreciation, amortization and impairment	13	1.17	1.15
(e)	Others expenses	30	102.41	64.19
	Total expenses		**414.16**	**288.71**
5	**Profit before tax (3 - 4)**		**80.01**	**59.41**
6	**Tax Expense:**			
	(a) Current Tax		1.55	-
	(b) Tax Adjustments of Earlier year		0.44	-
	(c) Deferred Tax charge/(credit)	12	20.43	(10.14)
	Total Tax expenses		**22.42**	**(10.14)**
7	**Profit After Tax (5-6)**		**57.59**	**69.55**
8	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss			
	Remeasurement gains/(losses) on defined benefit plans		0.05	(0.17)
	Tax Impact on above		(0.01)	0.05
	Other comprehensive income / (loss) for the year		**0.04**	**(0.12)**
9	**Total comprehensive income for the period (7 - 8)**		**57.63**	**69.43**
10	**Earnings per equity share**	31		
	(Nominal value per share Rs. 10)			
	Basic EPS (Rs.)		0.768	1.044
	Diluted EPS (Rs.)		0.764	1.040

Significant accounting policies and key accounting estimates and The accompanying notes form an integral part of the financial statements — 4

As per our report of even date

For M B D & Co LLP
Chartered Accountants
Firm Registration Number : 135129W/W100152

Deval Desai
Partner
Membership No. 132426

Place : Ahmedabad
Date : May 27, 2022

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

Sagar Adani
Director
DIN: 07626229

Gaurav Gupta
Director
DIN: 01669109

Rakesh Sharma
CEO

Manish Singh Payal
CS and Compliance Officer
M No: 46424

Place : Ahmedabad
Date : May 27, 2022

Adani Housing Finance Private Limited

Statement of Changes in Equity for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

A. Equity share capital

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year	750.00	750.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting year	**750.00**	**750.00**
Issue of shares during the year	-	-
Balance as at the end of the year	**750.00**	**750.00**

B. Other equity

Particulars	Reserves and Surplus				Total
	Special Reserve	Securities premium	Retained earnings	Share Based Payment reserve	
Balance at March 31, 2020	-	439.87	(110.55)	-	329.32
Profit for the year	-	-	69.55	-	69.55
Remeasurement benefit of defined benefit plans (net of Tax)	-	-	(0.12)	-	(0.12)
Transfer / utilisations					
Additions during the period	13.91	135.00	-	-	148.91
Utilized during the year	-	(0.27)	-	-	(0.27)
Equity settled share based payment	-	-	-	2.03	2.03
Transferred to special reserve from retained earnings	-	-	(13.91)	-	(13.91)
Balance at March 31, 2021	**13.91**	**574.60**	**(55.04)**	**2.03**	**535.50**
Profit for the year	-	-	57.59	-	57.59
Remeasurement benefit of defined benefit plans (net of Tax)	-	-	0.04	-	0.04
Transfer / utilisations					
Additions during the year	11.52	-	-	4.26	15.77
Utilized during the year	-	-	-	-	-
Equity settled share based payment	-	-	-	-	-
Transferred to special reserve from retained earnings	-	-	(11.52)	-	(11.52)
Balance at March 31, 2022	**25.43**	**574.60**	**(8.93)**	**6.29**	**597.39**

The accompanying notes form an integral part of the financial statements

As per our report of even date
For M B D & Co LLP
Chartered Accountants
Firm Registration Number : 135129W/W100152

D.R.Desai

Deval Desai
Partner
Membership No. 132426

Place : Ahmedabad
Date : May 27, 2022

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

Sagar Adani
Director
DIN: 07626229

Gaurav Gupta
Director
DIN: 01669109

Rakesh Sharma
CEO

Manish Singh Payal
CS and Compliance Officer
M No: 46424

ADANI HOUSING FINANCE PVT. LTD.

Place : Ahmedabad
Date : May 27, 2022

Adani Housing Finance Private Limited

Cash Flow Statement For The Year Ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Cash flows from operating activities		
Net Profit / (Loss) before tax	80.01	59.41
Adjustments for:		
Depreciation and amortization	1.17	1.15
ECL Provision for Standard Assets and NPA	5.69	25.69
Mark to market Profit on Mutual Fund	(0.11)	0.07
Profit on Redemption of Mutual Fund	(6.07)	(2.74)
Interest Expenses	140.92	85.75
Interest Income	(350.77)	(255.56)
Gain on sale of Fixed Assets	-	(0.01)
Share Based Payment	4.26	2.03
Net gain on derecognition of financial instruments under amortised cost category	(93.89)	(71.88)
	(218.79)	(156.09)
Cash flow from Interest Received	376.19	253.99
Cash outflow towards finance cost	(132.13)	(112.60)
Cash generated from/(used in) operations before working capital changes	25.26	(14.71)
Adjustments for changes in Working Capital:		
Decrease / (Increase) in Loans	(1,153.69)	(543.08)
Decrease / (Increase) in Trade Receivables	(0.45)	-
Decrease / (Increase) in Other non-financial assets	(6.40)	(2.97)
Decrease / (Increase) in Bank balance other than cash and cash equivalents	(50.00)	-
Decrease / (Increase) in Other financial assets	3.04	(3.04)
(Decrease) / Increase in Trade Payables	2.11	1.56
(Decrease) / Increase in Provisions	2.79	2.51
(Decrease) / Increase in Other Payables	19.66	4.62
(Decrease) / Increase in Other financial liabilities	75.44	8.53
(Decrease) / Increase in Other non-financial liabilities	2.02	5.88
Net Cash generated / (used) in Operating Activities before Tax	(1,080.22)	(540.69)
Direct taxes (paid) [Net of refunds]	(1.36)	(0.05)
Net cash flow from operating activities (A)	(1,081.58)	(540.75)
Cash flow from investing activities		
Investment in Mutual Fund	(2,650.34)	(698.36)
Proceeds From Redemption of Mutual Fund	2,500.30	816.12
Bank/ Margin money deposit placed	-	(50.00)
Purchase of Fixed Assets	(1.69)	-
Receipt on loss of Fixed Assets	-	0.04
Net cash flow from investing activities (B)	(151.73)	67.80
Cash flow from financing activities		
Proceeds From Issue Of Equity Shares	-	270.00
Share Issue Expenses	-	(0.27)
Proceeds From Long term borrowings	1,950.00	825.00
Proceeds From Short term borrowings	57.50	517.50
Repayment of Short term borrowings	(57.50)	(593.00)
Repayment of Long term borrowings	(668.64)	(259.30)
Net cash flow from financing activities (C)	1,281.36	759.93
Net increase/(decrease) in cash and cash equivalents (A)+(B)+(C)	48.05	286.99
Cash and cash equivalents at the beginning of the year	323.47	36.48
Cash and cash equivalents at the end of the year	371.52	323.47
	371.52	323.47
Notes: (Refer Note No 5)		
Cash on Hand	0.13	-
Balances with banks:		
- In current account	371.39	323.47
- In deposit account		-
	371.52	323.47

HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited
Cash Flow Statement For The Year Ended March 31, 2022

Notes to Cash Flow Statement:

1. Disclosure as per Ind AS 7 Statement of Cash Flows:
The Ind AS 7 require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). Refer note no 38 for the detailed disclosure.

2. The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"

3. Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

The accompanying notes are an integral part of this Financial Statements.

As per our report of even date
For M B D & Co LLP
Chartered Accountants
Firm Registration Number : 135129W/W100152

D.R.Desai

Deval Desai
Partner
Membership No. 132426

Place : Ahmedabad
Date : May 27, 2022

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

Sagar Adani
Director
DIN: 07626229

Gaurav Gupta
Director
DIN: 01669109

Rakesh Sharma
CEO

Manish Singh Payal
CS and Compliance Officer

M No: 46424

Place : Ahmedabad
Date : May 27, 2022

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

1 Corporate Information:

Adani Housing Finance Private Limited (the 'Company') is domiciled and incorporated in India on September 05, 2017 under the provisions of the Companies Act, 2013 having its registered office at 801, Shikhar Complex, Shrimali Society, Near Mithakhali Circle, Navrangpura, Ahmedabad, Gujarat - 380009

The Company has a diversified lending model and focuses on Mainly two categories viz: (i) home loans and (ii) loan against property.

The Company holds a Certificate of Registration (CoR) issued by the National Housing Bank, without accepting public deposits, issued under section 29A of The National Housing Bank Act, 1987. The Company received its certificate of registration as a housing finance company June 4, 2018

The Company is a wholly owned subsidiary of Adani Finserve Private Limited.

The Financial Statements for the year ended 31st March, 2022 have been approved by the Board of Directors at their meetings held on May 27th, 2022.

2 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, RBI/2020-21/73 DOR.FIN. HFC.CC.No.120/03.10.136/2020-21, 17 February, 2021 ('the RBI Master Directions') and notification for implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for implementation of Ind AS') issued by RBI.

The financial statements are prepared and presented on going concern basis and the relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI) and National Housing Bank ("NHB") to the extent applicable.

3 Presentation of financial statements

The Company presents its Balance Sheet in order of liquidity.

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") . The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements. Amounts in the financial statements are presented Indian Rupees and are in millions unless otherwise stated and all values are rounded to the nearest two decimals. Transactions below Rupees. 5,000 denoted as Rupees 0.00 millions.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only when Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis when permitted by Ind AS specifically unless they are material in nature.

4 Summary of significant accounting policies

a Financial Instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet on trade date when the Company becomes a party to the contractual provisions of the instrument. Loan is recorded upon remittance of the funds.

Recognised financial assets and financial liabilities are initially measured at cost. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on Balance Sheet date. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the Statement of Profit and Loss.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

a) Financial assets

Classification

On initial recognition, depending on the Company's business model for managing the financial assets and its contractual cash flow characteristics, a financial asset is classified as measured at;

1) amortised cost;
2) fair value through other comprehensive income (FVTOCI); or
3) fair value through profit and loss (FVTPL).

Assessment of Business model

An assessment of the applicable business model for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed together to achieve a particular business objective. The Company's business model does not depend on management's intentions for an individual instrument, therefore the business model assessment is performed at a higher level of aggregation rather than on an instrument-by-instrument basis.

The Company could have more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

Based on the assessment of the business models, the Company has identified the three following choices of classification of financial assets:

a) Financial assets that are held within a business model whose objective is to collect the contractual cash flows ("Asset held to collect contractual cash-flows"), and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are measured at amortised cost;

b) Financial assets that are held within a business model whose objective is both to collect the contractual cash flows and to sell the assets, ("Contractual cash flows of Asset collected through hold and sell model") and that have contractual cash flows that are SPPI, are measured at FVTOCI.

c) All other financial assets (e.g. managed on a fair value basis or held for sale) and equity investments are measured at FVTPL.

Financial asset at amortised cost

Amortised cost of financial asset is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Contractual cash flows that do not introduce exposure to risks or volatility in the contractual cash flows on account of changes such as equity prices or commodity prices and are related to a basic lending arrangement, do give rise to SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

Financial asset at fair value through Other Comprehensive Income (FVTOCI)

After initial measurement, basis assessment of the business model as "Contractual cash flows of Asset collected through hold and sell model and SPPI", such financial assets are classified to be measured at FVTOCI. Contractual cash flows that do introduce exposure to risks or volatility in the contractual cash flows due to changes such as equity prices or commodity prices and are unrelated to a basic lending arrangement, do not give rise to SPPI.

The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. The carrying value of the financial asset is fair valued by discounting the contractual cash flows over contractual tenure basis the internal rate of return of a new similar asset originated in the month of reporting and such unrealised gain/loss is recorded in other comprehensive income (OCI). Where such a similar product is not originated in the month of reporting, the closest product origination is used as a proxy. Upon sale of the financial asset, actual gain/loss realised is recorded in the Statement of Profit and Loss and the unrealised gain/losses is recorded in OCI are recycled to the Statement of Profit and Loss.

Financial asset at fair value through profit and loss (FVTPL)

Financial asset, which does not meet the criteria for categorization at amortized cost or FVTOCI, is classified as at FVTPL. In addition, the Company may elect to classify a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Investments in equity and mutual fund

Investment in mutual fund are classified as FVTPL and measured at fair value with all changes recognised in the Statement of Profit and Loss.

HOUSING FINANCE PVT. LTD

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

Impairment of Financial Asset

Impairment approach

The Company is required to recognise expected credit losses (ECLs) based on forward-looking information for all financial assets at amortised cost, loan commitments and financial guarantee contracts.

At the reporting date, an allowance (or provision for loan commitments and financial guarantees) is required for the 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

The measurement of ECL is calculated using three main components: (i) probability of default (PD) (ii) loss given default (LGD) and (iii) the exposure at default (EAD). The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD. The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively. The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities. The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

The Company applies a three-stage approach to measure ECL on financial assets accounted for at amortised cost . Assets migrate through the following three stages based on the change in credit quality since initial recognition.

1.Stage 1: 12-months ECL

ECL For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised. Exposures with days past due (DPD) less than or equal to 30 days are classified as stage 1.

2. Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised. Exposures with DPD more than 30 days but less than or equal to 90 days are classified as stage 2. At each reporting date, the Company assesses whether there has been a significant increase in credit risk for financial asset since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition.

3. Stage 3: Lifetime ECL – credit impaired

Financial asset is assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial asset that have become credit impaired, a lifetime ECL is recognised on principal outstanding as at period end. Exposures with DPD more than 90 days are classified as stage 3.

A loan that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment. ECL is recognised on EAD as at period end. If the terms of a financial asset are renegotiated or modified due to financial difficulties of the borrower, then such asset is moved to stage 3, lifetime ECL under stage 3 on the outstanding amount is applied.

The Company assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

1. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are more than 90 calendar days past due move to Stage 3 automatically.

2. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

The definition of default for the purpose of determining ECLs has been aligned to the National Housing Bank definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due. The Company continues to incrementally provide for the asset post initial recognition in Stage 3, based on its estimate of the recovery.

The measurement of all expected credit losses for financial assets held at the reporting date are based on historical experience, current conditions and reasonable and supportable forecasts. The measurement of ECL involves increased complexity and judgement, including estimation of PDs, LGD, a range of unbiased future economic scenarios, estimation of expected lives and estimation of EAD and assessing significant increases in credit risk.

PD : The Probability of Default (PD) is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

LGD: The Loss Given Default (LGD) is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

EAD: The Exposure at Default (EAD) is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.

HOUSING FINANCE PVT. LTD.

Modification and De-recognition of financial assets

a. Modification of financial assets

Modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness). Such accounts are classified as stage 3 immediately upon such modification in the terms of the contract.

Not all changes in terms of loans are considered as renegotiation and changes in terms of a class of obligors that are not overdue is not considered as renegotiation and is not subjected to deterioration in staging.

b. De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

1) the rights to receive cash flows from the asset have expired, or

2) the Company has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

c. Write-off

Impaired loans and receivables are written off, against the related allowance for loan impairment on completion of the Company's internal processes and when the Company concludes that there is no longer any realistic prospect of recovery of part or all of the loan. For loans that are individually assessed for impairment, the timing of write off is determined on a case by case basis. A write-off constitutes a de-recognition event. The Company has a right to apply enforcement activities to recover such written off financial assets. Subsequent recoveries of amounts previously written off are credited to the income statement.

Presentation of ECL allowance for financial asset:

Loss allowances for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets.

b) Financial liability and Equity

Financial liabilities and equity

Debt and equity instruments that are issued are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Financial liabilities

Financial liabilities, which are designated for measurement at FVTPL are subsequently measured at fair value. All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

b 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. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- By considering all the contractual terms of the financial instrument in estimating the cash flows
- Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest income on credit impaired assets is recognised by applying the effective interest rate to the net amortised cost (net of provision) of the financial asset.

HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

Fees and commission income and Income from Fees and Other Loan related charges

Processing fees and other loan related charges are recognised when it is reasonable to expect ultimate collection which is generally at the time of Login/ disbursement of the loan. penal interest and other charges on delayed EMI/PEMI are recognised only when the right to receive the income is established as per the terms of the contract. Processing Fees are amortised over a period of loan term as estimated by management considering pre-payments.

Profit/Loss on sale of Current investments are recognised on the contract date.

c Property, Plant and Equipment

Tangible Property, Plant and Equipment (PPE) are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if any. Capitalization criteria are met and directly attributable cost for bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving the purchase price. PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

Subsequent expenditures related to an item of Property, plant and Equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Items of Property, plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realizable value and are shown separately in the financial statements. Any expected loss is recognized immediately in the statement of Profit and Loss.

Depreciation and amortisation

The Company is following Straight Line method of depreciation and depreciation on Property, plant and Equipment is provided based on useful life of assets prescribed under Schedule II of the Act which is also the useful life of asset.

For Computer and Printer company has consider useful life of 3 year for depreciation.

For Intangible Assets company follows Straight Line method of Amortization based on the useful life of 5 years.

Impairment of Property, plant and equipment (PPE)

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any)

d Investments

Investments which are readily realizable and intended to be held not more than one year from the date of which such investments are made, are classified as current investments. The Company subsequently measures all equity investments at FVTPL, unless the Company's management has elected to classify irrevocably some of its strategic equity investments to be measured at FVOCI.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged to the statement of profit and loss.

e Cash, Cash equivalents and bank balances

Cash, Cash equivalents and bank balances include fixed deposits, margin money deposits, and earmarked balances with banks are carried at amortised cost. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

f Cash Flow Statement

Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

g Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

h Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share based payments transactions are set out in Note 42.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting year, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting year, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

i Provision, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that 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 recognised 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 recognised as a finance cost. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable

Contingent liabilities are disclosed in the case of :

(i) a present obligation arising from past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(ii) a present obligation arising from past events, when no reliable estimate can be made.

(iii) a possible obligation arising from past events, unless the probability of outflow of resources is remote.

(iv) Commitments includes the amount of purchase order (net of advances) issued to parties for completion of assets.

(v) Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

j Current and Deferred tax

Current Tax:

Current tax represents the amount of Income tax Payable in respect of the taxable income for the reporting period as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Net outstanding balance in Deferred Tax account is recognized as deferred tax liability/asset. The deferred tax account is used solely for reversing timing difference as and when crystallized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted at porting date.

k Retirement and other employee benefits

The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of:

-The date of The plan amendment or curtailment, and

-The date that the Company recognises related restructuring costs

-Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss

-Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and

-Net interest expense or income

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs

HOUSING FINANCE PVT LTD

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

Defined contribution plan:

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue.

Compensated Absences:

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of current employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

l Borrowing Cost

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

m Statutory Reserve

The Company creates Statutory Reserve every year out of its profits in terms of Sec 36(1) (viii) of the Income Tax Act, 1961 read with Section 29C of the National Housing Bank Act, 1987.

n Recent Pronouncements for Indian Accounting Standards (Ind AS)

Standards issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 16 – Property, Plant and Equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and expect the amendment to have no impact in its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any impact in its financial statements.

o Significant accounting judgements, estimates and assumptions

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

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances. It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

5 Cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on Hand	0.13	-
Balances with banks		
- In Current Account	371.39	323.47
Total	371.52	323.47

6 Bank balance other than cash and cash equivalents

Particulars	As at March 31, 2022	As at March 31, 2021
Deposit with original maturity of more than 3 months less than 12 months	50.00	-
Total	50.00	-

7 Receivables

a. Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Considered Good - Unsecured		
Fees, commission and others	0.45	-
Total	0.45	-

Notes:

1. Impairment allowance recognised on trade and other receivables is Rs. Nil
2. No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person.
3. No trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Note:1 Trade Receivable ageing As on March 31, 2022

Particulars	Outstanding for following periods from the due date of Payment					
	Less than 6 Months	6 Months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	0.23	0.22	-	-	-	0.45
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	0.23	0.22	-	-	-	0.45

Trade Receivable ageing As on March 31, 2021

Particulars	Outstanding for following periods from the due date of Payment					
	Less than 6 Months	6 Months- 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	-	-	-	-	-	-

Adani Housing Finance Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

8 Loans

Particulars	As at March 31, 2022	As at March 31, 2021
Term Loans (At Amortised Cost)		
A. Secured		
Against equitable mortgage of immovable property under finance agreements	3,383.29	2,229.60
Less: Impairment loss allowances	(47.77)	(42.09)
Total (A)	3,335.52	2,187.51
B. Unsecured		
Unsecured loans at agreement values less instalments received	-	-
Less: Impairment loss allowances	-	-
Total (B)	-	-
Total (A+B)	3,335.52	2,187.51
Out of Above		
A. Loans in India		
Public sector	-	-
Less: Impairment loss allowances	-	-
Sub-total	-	-
Others	3,383.29	2,229.60
Less: Impairment loss allowances	(47.77)	(42.09)
Sub-total	3,335.52	2,187.51
B. Loans Outside India	-	-
Total (A+B)	3,335.52	2,187.51

ADANI HOUSING FINANCE PVT. LTD.

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

Summary of loans by stage distribution

Particulars	31-03-2022				31-03-2021			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount	3,193.36	153.08	36.85	3,383.29	2,066.72	141.88	21.00	2,229.60
Less: Impairment loss allowances	(18.90)	(12.21)	(16.66)	(47.77)	(14.14)	(14.70)	(13.25)	(42.09)
Total	**3,174.46**	**140.87**	**20.19**	**3,335.52**	**2,052.58**	**127.18**	**7.75**	**2,187.51**

Analysis of changes in the gross carrying amount by stages in relation to loans and its corresponding impairment loss allowances (ECL) is as follows:

Particulars	31-03-2022					31-03-2021				
	Stage 1	Stage 2	Stage 3	POCI	Total	Stage 1	Stage 2	Stage 3	POCI	Total
Gross carrying amount opening balance	2,066.72	141.88	21.00	-	2,229.60	1,671.80	7.43	7.29	-	1,686.52
New assets originated or purchased	1,666.21	5.09	1.41	-	1,672.71	1,027.63	4.41	0.22	-	1,032.26
Assets derecognised or repaid	(508.80)	(5.87)	(4.35)	-	(519.02)	(489.18)	-	-	-	(489.18)
Transfer Stage 1 to Stage 2	(101.75)	101.75	-	-	-	(131.63)	131.63	-	-	-
Transfer Stage 3 to Stage 2	-	1.52	(1.52)	-	-	-	1.91	(1.91)	-	-
Transfer Stage 2 to Stage 3	-	(7.62)	7.62	-	-	-	(3.50)	3.50	-	-
Transfer Stage 2 to Stage 1	83.66	(83.66)	-	-	-					
Transfer Stage 1 to Stage 3	(13.70)	-	13.70	-	-	(13.50)	-	13.50	-	-
Transfer Stage 3 to Stage 1	1.02	(0.01)	(1.01)	-	-	1.60	-	(1.60)	-	-
Gross carrying amount closing balance	**3,193.36**	**153.08**	**36.85**	-	**3,383.29**	**2,066.72**	**141.88**	**21.00**	-	**2,229.60**
ECL allowance - opening balance	(14.14)	(14.70)	(13.25)	-	(42.09)	(12.53)	(0.89)	(2.97)	-	(16.39)
New assets originated or purchased	(5.69)	-	-	-	(5.69)	(25.69)	-	-	-	(25.69)
Transfer From Stage 1	(0.16)	4.69	(4.53)	-	0.00	24.11	(15.73)	(8.38)	-	0.00
Transfer From Stage 2	0.46	(2.37)	1.90	-	-	-	2.15	(2.15)	-	-
Transfer From Stage 3	0.62	0.17	(0.78)	-	-	(0.03)	(0.22)	0.24	-	(0.01)
ECL allowance - closing balance	**(18.90)**	**(12.21)**	**(16.66)**	-	**(47.77)**	**(14.14)**	**(14.70)**	**(13.25)**	-	**(42.09)**

Note: Total Expected Credit loss Allowance includes management overlay of Rs. 7.95 Million (P.Y. Rs. 7.00 Million) on Loans and Advances.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

9 Investments

Particulars	As at March 31, 2022	As at March 31, 2021
At fair value through profit or loss		
Mutual funds	150.02	-
Add : Fair value gain/(losses)	0.11	-
Total (i)	**150.13**	**-**
At Amortised cost		
Fixed Deposit with Bank (Refer Note below)	50.00	50.00
Total (ii)	**50.00**	**50.00**
Total	**200.13**	**50.00**
Out of Above		
In India	200.13	50.00
Outside India	-	-
Total	**200.13**	**50.00**

Note: Fixed Deposit with Bank represents upfront bank Guarantee to the extent of 20% of the sanctioned facility given for full tenure of borrowing from the NHB.

Scrip-wise details of Investments:

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in Others Unquoted :		
Investment in Mutual Fund		
13,19,849.049 units (Nil units for March 31,2021) of Nippon India Mutual Fund Liquid Growth Plan (Face value Rs. 100 each)	150.02	-
Total	**150.02**	**-**

10 Other financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Excess Interest Spread (EIS) Receivable (Refer Note below)	149.30	71.88
Exgratia Receivable	-	3.04
Security Deposits	0.12	0.12
Interest accrued on fixed deposit	5.51	1.52
Total	**154.93**	**76.56**

Note: Under Ind AS, with respect to Assignment deals, Company has created an Excess Interest Spread (EIS) receivable, with corresponding credit to Statement of Profit and loss for the year, which has been computed by discounting EIS to present value.

11 Current Tax Asset

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income Tax (Net of Provision of Tax Nil (P.Y.-Rs.0.60 million))	-	0.55
Total	**-**	**0.55**

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

12 Deferred tax Asset/ (Liability)

The major components of Deferred tax (Asset) arising on account of timing differences are as follows:

Particulars	Net balance April 01, 2020	Recognised through profit or loss	Recognised through OCI	Net balance as at March 31, 2021
Deferred tax assets				
Impairment allowance For Financial Asset	3.64	8.61	-	12.25
Provision for Employee benefits	0.55	1.25	0.05	1.85
Deferred Income	7.46	7.01	-	14.47
Brought forward losses and Unabsorbed depreciation and amortisation	-	14.09	-	14.09
(A)	**11.65**	**30.96**	**0.05**	**42.66**
Deferred tax liabilities				
Depreciation on property, plant & equipment*	0.10	(0.10)	-	0.00
Share Issue Expense	0.02	(0.01)	-	0.02
gain on derecognition of financial instruments	-	20.93	-	20.93
(B)	**0.12**	**20.83**	**-**	**20.95**
Net Deferred tax assets (A-B)	**11.53**	**10.14**	**0.05**	**21.71**

*Amount below Rs. 5,000 denoted as Rupees 0.00 millions

Particulars	Net balance April 01, 2021	Recognised through profit or loss	Recognised through OCI	Net balance as at March 31, 2022
Deferred tax assets				
Impairment allowance For Financial Asset	12.25	(0.24)	-	12.01
Provision for Employee benefits	1.85	0.47	(0.01)	2.31
Deferred Income	14.47	3.41	-	17.88
Brought forward losses and Unabsorbed depreciation and amortisation	14.09	(7.36)	-	6.73
(A)	**42.66**	**(3.72)**	**(0.01)**	**38.93**
Deferred tax liabilities				
Depreciation on property, plant & equipment*	0.00	0.06		0.06
Share Issue Expense	0.02	(0.02)	-	0.00
Gain on derecognition of financial instruments	20.93	16.66	-	37.59
(B)	**20.95**	**16.71**	**-**	**37.65**
Net Deferred tax assets (A-B)	**21.71**	**(20.43)**	**(0.01)**	**1.28**

*Amount below Rs. 5,000 denoted as Rupees 0.00 millions

Reconciliation of tax expenses and profit before tax multiplied by corporate tax rate

Particulars	For the Year ended March 31, 2022	March 31, 2021
Profit before tax	80.01	59.41
At corporate tax rate	25.17%	29.12%
Tax on Accounting profit	18.61	17.30
Tax on non deductible Expenditure	-	0.42
Tax on Income taxable at special Rate	1.53	-
Tax Effect of earlier years	0.44	-
Impact of Non taxable income	(23.63)	(20.93)
Deferred Tax (Assets)/ Liability	20.43	(10.14)
Others	5.05	3.22
Tax expense	**22.42**	**(10.14)**
Effective tax rate	**28.02%**	**(17.07%)**

Note: On 20 September, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 01 April, 2019 subject to certain conditions. The Company has decided to avail the benefit provided under the above Ordinance and has opted for taxation under Section 115BAA.

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

13 Property, plant and equipment

Particulars	Computer & Printer	Website	Total
I) Cost of Asset			
Balance As At April 1, 2020	3.22	0.74	3.95
Additions during the year	-	-	-
Disposals during the year	0.06	-	0.06
Gross carrying value as March 31, 2021	**3.15**	**0.74**	**3.89**
II) Depreciation or Impairment			
Balance As At April 1, 2020	1.11	0.22	1.32
Depreciation for the year	1.01	0.15	1.15
Disposals during the year	0.03	-	0.03
Accumulated depreciation as at March 31, 2021	**2.08**	**0.37**	**2.44**
Net carrying value as at March 31, 2021	**1.07**	**0.37**	**1.44**
I) Cost of Asset			
Balance As At April 1, 2021	3.15	0.74	3.89
Additions during the year	-	1.69	1.69
Disposals during the year	-	-	-
Gross carrying value as March 31, 2022	**3.15**	**2.43**	**5.58**
II) Depreciation or Impairment			
Balance As At April 1, 2021	2.08	0.37	2.44
Depreciation for the year	0.86	0.31	1.17
Disposals during the year	-	-	-
Accumulated depreciation as at March 31, 2022	**2.94**	**0.67**	**3.61**
Net carrying value as at March 31, 2022	**0.21**	**1.75**	**1.96**

Carrying value			
As at March 31, 2021	**1.07**	**0.37**	**1.44**
As at March 31, 2022	**0.21**	**1.75**	**1.96**

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

14 Other non-financial assets

Particulars	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	4.69	1.35
Other Advances	0.53	1.65
Receivable from Customer	0.02	-
Loan to staff	0.38	0.11
Advance to vendors*	-	0.02
Insurance Receivable On Behalf Of Customers (Net)	1.82	-
Balance With Government Authorities (GST)	7.24	5.15
Total	**14.68**	**8.28**

*Amount below Rs. 5,000 denoted as Rupees 0.00 millions

15 Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Trade Payables		
- Total outstanding dues of creditor micro enterprise and small enterprise	-	-
- Total outstanding dues of creditor other than micro enterprise and small enterprise	5.38	3.27
Total	**5.38**	**3.27**
Other Payables		
- Total outstanding dues of creditor micro enterprise and small enterprise	-	-
- Total outstanding dues of creditor other than micro enterprise and small enterprise	65.81	46.15
Total	**65.81**	**46.15**

Note i : Trade Payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					
	Not Due	<1 year	1-2 years	2-3 years	>3 years	Total
As at March 31, 2022						
(a) MSME	-	-	-	-	-	-
(b) Others	4.60	0.78	-	-	-	5.38
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**4.60**	**0.78**	**-**	**-**	**-**	**5.38**
As at March 31, 2021						
(a) MSME	-	-	-	-	-	-
(b) Others	1.91	1.36	-	-	-	3.27
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**1.91**	**1.36**	**-**	**-**	**-**	**3.27**

Note ii: Disclosure as per MSME Act, 2006

Particulars	As at March 31, 2022	As at March 31, 2021
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year	-	-
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	-	-
(c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Note: The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the standalone Financial Statements based on the information received and available with the company. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts has been relied upon by the auditors.

16 Borrowings (other than debt securities)

Particulars	As at March 31, 2022	As at March 31, 2021
A. At Amortised Cost		
i. Secured		
Term loans From Banks	1,677.55	1,018.29
Term loans From Financial Institution	249.56	-
Term loan From NHB	676.73	239.50
Loan Repayable on Demand		
Working Capital loans From Bank	-	49.65
Total	**2,603.84**	**1,307.44**

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

B. Out of Above		
In India	2,603.84	1,307.44
Outside India		
Total	2,603.84	1,307.44

Notes:

A. Terms and conditions

Term Loan from Bank and Financial Institution:

a. Term Loan from Banks and Financial Institution are secured by way of first pari pasu charge on Standard receivables (Loan receivables & Investment receivables) both present and future receivables of the company.

b. Term loans from Banks and Financial Institution are Repayable within 36 to 84 months in equated quarterly instalments with moratorium as per respective sanctions from the date of loan taken. Rate of Interest payable on term loan varies between 8.00% p.a. to 8.75% p.a. subject to annual reset. (As at March 31, 2021 8.68% to 8.95%)

c. Rate of Interest payable on Cash Credit / Over Draft & Working Capital Demand Loan varies between 8.10% p.a. to 9.75% p.a. (As at March 31, 2021 Nil)

d. Term Loan from NHB is carrying interest rate of 6.45% and is repayable within 84 months in quarterly equated instalments as per the sanction terms from the date of loan taken. The loan is secured by way of exclusive charge on identified standard loan receivables. As per the sanctioned terms, the Company has also provided Bank Guarantee to the extent of 20% and 10% (for second refinance term loan) of the sanctioned amount of loan. (As at March 31, 2021 5.65%)

B. Terms of repayment of Borrowings (other than debt securities) as on March 31, 2022

Particulars	Term loans From bank and Financial Institution		Loan From Related Party	
	No of Instalment	Amount	No of Instalment	Amount
Due within 1 year	47	739.70	-	-
Due 2 to 3 years	74	993.99	-	-
More than 3 years	81	887.36	-	-
Interest accrued and impact of EIR	-	17.21	-	-
Total	202	2,603.84	-	-

Terms of repayment of Borrowings (other than debt securities) as on March 31, 2021

Particulars	Term loans From bank		Loan From Related Party	
	No of Instalment	Amount	No of Instalment	Amount
Due within 1 year	29	536.23	-	-
Due 2 to 3 years	41	641.07	-	-
More than 3 years	15	138.40	-	-
Interest accrued and Impact of EIR	-	8.26	-	-
Total	85	1,307.44	-	-

C. Security of current assets against borrowings from bank and Financial Institution

The Company has been sanctioned term loans and working capital loans from banks and financial institution during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institution are in agreement with the books of accounts of the Company.

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

17 Other financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on borrowings	0.03	0.05
Employee Benefits Payable	1.14	3.97
Disbursement Pending liability	78.38	-
Due to assignees towards collections in derecognised assets	4.86	4.94
Total	**84.41**	**8.96**

18 Current tax liabilities (Net)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision For Taxation (Net of Advance Tax of Rs 0.92 millions (P.Y. 0.18 millions)	0.63	-
Total	**0.63**	**-**

19 Provisions

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for gratuity	2.47	1.49
Provision for leave encashment	6.69	4.88
Total	**9.16**	**6.37**

20 Other non-financial liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues payable	4.16	3.08
Insurance Payable On Behalf Of Customers (Net)	-	3.03
Instalment Received In Advance	-	0.54
Other payables	9.69	5.18
Total	**13.85**	**11.83**

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

21 **Equity share capital**

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorised Capital				
Equity Shares of Rs. 10/- each fully paid up	7,50,00,000	750.00	7,50,00,000	750.00
Issued, subscribed and fully paid up				
Equity Shares of Rs. 10/- each fully paid up	7,50,00,000	750.00	7,50,00,000	750.00
Total	7,50,00,000	750.00	7,50,00,000	750.00

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Particulars	No of shares	Amount
Equity Shares, Face Value Rs. 10 fully paid up		
Closing Balance As on March 31, 2020	6,15,00,000	615.00
Add : Shares Issued During the year	1,35,00,000	135.00
Closing Balance As on March 31, 2021	7,50,00,000	750.00
Add : Shares Issued During the year		
Closing Balance As on March 31, 2022	7,50,00,000	750.00

b. Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend if and when proposed by the Board of Directors will be subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the company, the holders of the 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.

c. Details of shareholder(s) holding more than 5% of equity shares in the company :

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	% Holding	No. of shares held	% Holding
Equity shares of Rs.10 each fully paid up				
Adani Finserve Private Limited	7,50,00,000	100.00%	7,50,00,000	100.00%

d. Investment by Holding Company and its Nominees.

Name of company	Particulars	No of Shares	Amount
Adani Finserve Private Limited (Holding Company)	Closing As on March , 31 2020	6,15,00,000	615.00
	Additions during the year	1,35,00,000	135.00
	Closing As on March , 31 2021	7,50,00,000	750.00
	Additions during the year	-	-
	Closing As on March , 31 2022	7,50,00,000	750.00

e. As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

f. Equity shares reserved for issue under stock options:

During the year 2020-21, the Company had introduced ESOP Plan under Adani Employee Stock Option Plan 2020. The objectives of the ESOP 2020 are to reward the Employees for their association with the Company, their performance as well as to attract, retain and reward Employees to contribute to the growth and profitability of the Company. The Company intends to use ESOP 2020 to attract, retain and reward key talent in the organization. The Company views Employee Stock Option as an instrument that would enable the Employees to get a Share in the value, they create for the Company in the years to come.

The stock option granted to eligible employees operate under the employee stock option plan. (Refer Note 42)

G. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year
As at March 31, 2021			
Adani Finserve Private Limited	7,50,00,000	100%	18%
	7,50,00,000	100%	18%
As at March 31, 2022			
Adani Finserve Private Limited	7,50,00,000	100%	-
	7,50,00,000	100%	-

ADANI HOUSING FINANCE PVT. LTD.

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22 Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory reserve in terms of Section 29C of the NHB Act, 1987		
Opening Balance	13.91	-
Add : Transferred during the year	11.52	13.91
Less: Withdrawn during the year	-	-
Closing Balance (A)	25.43	13.91
Securities Premium		
Opening Balance	574.60	439.87
Add : Received on issue of Shares	-	135.00
Less: Share Issue Expense	-	(0.27)
Closing Balance (B)	574.60	574.60
Retained Earnings		
Opening Balance	(55.04)	(110.55)
Add/Less : Profit/(Loss) for the year after tax	57.59	69.55
Less : Other Comprehensive Income arising from remeasurement of Defined Benefit Plans	0.04	(0.12)
Less: Transferred to Special Reserve	(11.52)	(13.91)
Closing Balance (C)	(8.93)	(55.04)
Share Based Payments Reserve		
Opening Balance	2.03	-
Add: Share based payments	4.26	2.03
Less: Share options exercised during the year	-	-
Closing Balance (D)	6.29	2.03
Total (A)+(B)+(C)+(D)	597.39	535.50

Note:

Securities premium reserve:

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

Statutory reserve in terms of Section 29C of the NHB Act, 1987:

Statutory reserve represents the Reserve Fund created under section 29C of the NHB Act, 1987. Under section 29C, the Company is required to transfer a sum not less than twenty percent of its net profit for the financial year to the statutory reserve. The statutory reserve can be utilized for the purposes as may be specified by the NHB from time to time.

Share Based Payments Reserve:

The Company instituted the Adani Employee Stock Option Plan, 2020 in current year which were approved by the Board of Directors and the shareholders of the Company. The share option outstanding reserve is used to recognise the grant date fair value of option issued under aforesaid plans.

Refer Note 42 for further details on employee stock options.

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

23 Interest Income

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Measured at Amortised cost		
Interest on loans	355.24	253.99
Total	**355.24**	**253.99**

24 Fees and Commission Income

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Processing Fees	16.49	10.41
Total	**16.49**	**10.41**

25 Other Income from Loan Related Services

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Revenue from Loan Related Services		
Legal & Technical Fees	5.54	2.91
Service and administration charges	6.47	3.28
Service income from Assignment of Loan Portfolio	0.38	-
Foreclosure income	1.61	0.45
Other Miscellaneous Income	3.24	0.82
Total	**17.24**	**7.46**

26 Other income

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Profit on redemption of Mutual Fund	6.07	2.65
Interest income on fixed deposits	4.47	1.57
Mark to market Profit on Mutual Fund	0.11	-
Gain on sale of Property, Plant and Equipment	-	0.01
Miscellaneous Income	0.16	0.09
Excess Provision Written Back	0.50	0.06
Total	**11.31**	**4.38**

Adani Housing Finance Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

27 Finance costs

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
On financial liabilities measured at Amortised cost		
Interest on borrowings	134.29	82.44
Expense on Assignment of Loan Portfolio	0.65	-
Loan processing fees	6.63	3.54
Total	**141.57**	**85.98**

28 Impairment on financial instruments

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
On Loans measured At Amortised cost		
Impairment allowance - stage I & II	2.28	15.41
Impairment allowance - stage III	3.41	10.28
Total	**5.69**	**25.69**

29 Employee benefits expenses

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Salaries, wages and bonus	143.33	99.72
Contribution to provident and other fund	11.15	6.78
Share based payments to employees	4.26	2.03
Staff welfare expenses	0.26	0.02
Gratuity	1.04	0.65
Leave encashment	3.28	2.50
Total	**163.32**	**111.70**

30 Other expenses

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Travelling & conveyance	7.91	3.49
Credit rating expenses	0.61	0.74
Printing & stationery	0.68	0.28
Membership fees	0.06	0.02
Brokerage & commission	1.28	0.21
Office expenses	0.25	0.09
Bank charges	0.15	0.15
Insurance	5.26	2.80
Rent	0.29	0.27
Branch allocated expenses	35.09	16.83
Marketing and development expenses	0.60	0.06
Other Non operating allocated expenses	26.70	26.35
Director Sitting Fees	1.31	-
Legal and professional fees	17.96	10.32
Payment to auditors (Refer Note Below)	0.93	0.80
Rates and taxes	0.23	0.12
Interest on Delayed Payment of Taxes*	0.00	0.04
Loss of Principal	2.07	-
Prior Period Expenses	0.56	1.43
Information technology expenses	0.29	0.09
Postage expenses	0.06	0.01
Penalty Expense*	0.00	0.00
Miscellaneous expenses	0.12	0.09
Total	**102.41**	**64.19**

*Amount below Rs. 5,000 denoted as Rupees 0.00 millions

Payment to the auditors:

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Auditor's remuneration		
- Audit fees	0.43	0.27
In other capacity		
- Other services	0.42	0.45
- Taxation	0.08	0.08
Total	**0.93**	**0.80**

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

31 Earnings per Share

Particulars	For the Year ended March 31, 2022	For the Year ended March 31, 2021
Basic EPS		
Profit/ (Loss) attributable to Equity Shareholders	57.59	69.55
No of Equity Shares Outstanding	7,50,00,000	7,50,00,000
Weighted Average Number of Equity Shares Outstanding during the year	7,50,00,000	6,65,91,781
Nominal Value of Equity Share	10	10
Basic EPS	0.768	1.044
Diluted EPS *		
Profit/ (Loss) attributable to Equity Shareholders	57.59	69.55
No of Equity Shares Outstanding	7,50,00,000	7,50,00,000
Weighted Average Number of Equity Shares for computation of Diluted EPS	7,53,31,960	6,68,44,728
Nominal Value of Equity Share	10	10
Diluted EPS	0.764	1.040

* Note: There are employee share options outstanding that could potentially dilute basic earnings per share and the effect of the same has been included in the calculation of diluted earnings per share.

32 Contingent Liabilities and Capital Commitments

Particulars	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities	0.17	0.17
Capital commitments (For Lending)	171.08	83.32
Capital commitments (Others)	-	1.55
Total Commitments	**171.08**	**84.87**

H'ble Supreme Court has recently delivered its ruling on the composition of basic wages for the purposes of deduction and contribution to the Employees Provident and Pension funds. The Company, in the interest of its employees, awaits clarity on the complexities revolving around the application of the said order, the ambiguity reflected by the divergent views of legal counsel and the response/direction from the authorities, including on representations made by an industry association in this regard.

33 Retirement Benefit

As per Indian Accounting standard IND AS 19 "Employee Benefits", the disclosure as defined in the accounting standard are given below.

I. Contribution to defined contribution plan

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Employer's Contribution to PF	8.21	5.46
Employer's Contribution to ESIC	1.00	0.57
	9.21	6.03

II. Defined Benefit Plan

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Gratuity

A. Change in Present Value of Obligation

Particulars	Gratuity (Unfunded)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of the Obligation as at the beginning of the year	1.49	0.67
Interest Cost	0.11	0.04
Current Service Cost	0.93	0.61
Benefit Paid		-
Actuarial (gain)/ loss on obligations arising from:		
- Change in demographic assumptions	(0.60)	-
- Change in financial assumptions	0.17	-
- experience variance	0.39	0.17
Liability Transfer (out)	-	(0.00)
Present Value of the Obligation as at the end of the year	**2.49**	**1.49**

ADANI HOUSING FINANCE PVT. LTD.

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

B. Amount recognised in the Statement of Profit and Loss

Particulars	Gratuity (Unfunded) For the year ended March 31, 2022	For the year ended March 31, 2021
Interest Cost	0.11	0.04
Current Service Cost	0.93	0.61
Actuarial (gain)/ loss on obligations	-	-
Other comprehensive Income		
Remeasurement loss (gain)/loss	0.05	0.17
Actuarial loss (gain)/loss	-	-
Total expense/ (Income) recognised in the Statement of Profit and Loss	1.09	0.82

C. Reconciliation of Balance Sheet

Particulars	Gratuity (Unfunded) For the year ended March 31, 2022	For the year ended March 31, 2021
Present Value of the Obligation as at the beginning of the year	1.49	0.67
Liability Transfer (out)	-	(0.00)
Total expense recognised in the Statement of Profit and Loss Benefits paid	0.98	0.82
Present Value of the Obligation as at the end of the year	2.47	1.49

The principal assumptions used in determining obligations for the Company's plans are shown below:

Assumptions	Gratuity (Unfunded) For the year ended March 31, 2022	For the year ended March 31, 2021
1. Discount rate (p.a.)	5.25%	6.70%
2. Salary Escalation Rate (p.a.)	8.00%	8.00%
3. Normal Retimental age	58 years	58 years
4. Mortality rate	Indian Assured Lives (2012 - 14)	Indian Assured Lives (2012 - 14)
5. Attrition / Withdrawal rate (per annum)	46.20%	35.00%

Experience Table

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Defined Benefit Obligation	2.47	1.49
Plan Assets	NA	NA
Surplus / (Deficit)	(2.47)	(1.49)
Experience Adjustment on Plan Liabilities	-	-
Experience Adjustment on Plan Assets	NA	NA

Since the scheme is managed on unfunded basis, next year contribution is Rs. Nil.

Sensitivity analysis:

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Decrease	Increase	Decrease	Increase
Salary Growth Rate (+/- 1%)	2.55	2.40	1.42	1.55
(% change compared to base due to sensitivity)	3.10%	(3.00%)	(4.40%)	4.60%
Discount Rate (+/- 1%)	2.40	2.55	1.56	1.42
(% change compared to base due to sensitivity)	(2.90%)	3.00%	4.70%	(4.40%)
Attrition Rate (+/- 50% of attrition rates)	3.92	1.55	2.48	0.82
(% change compared to base due to sensitivity)	58.60%	(37.50%)	67.10%	(45.10%)
Mortality Rate (-/+ 10% of mortality rates)	2.47	2.47	1.49	1.49
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Maturity profile of Definded Benefit Obligation

Expected cash flows over the next (valued on undiscounted basis):	For the year ended March 31, 2022	For the year ended March 31, 2021
1 years	0.34	0.01
2 to 5 years	2.20	1.33
6 to 10 years	0.36	0.61
More than 10 Years	0.02	0.12

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

35 As per Ind AS- 108 ," Operating Segment" ,The Company operates under the principal business segment viz. "Providing loans for construction or purchase of residential property and loans against property". Further, the Company is operating in a single geographical segment.

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

36 Related Party Disclosures

Names of Related Parties and Nature of relationship:

Name	Relationship
Adani Properties Private Limited	Ultimate Holding Company
Adani Finserve Private Limited	Holding Company
Adani Capital Private Limited	Fellow Subsidiary Company
Adani Special Situations Private Limited	Fellow Subsidiary Company
Adani Digital Services Private Limited	Fellow Subsidiary Company

Key Managerial Personnel (KMP):

Name	Designation / Status
Mr. Sagar R. Adani	Director
Mr. Gaurav Gupta	Director
Mr. Mayank Jain (till July 12,2021)	Company Secretary
Mr Manish Singh Payal (w.e.f. October 28,2021)	Company Secretary
Mr. Rakesh Sharma (w.e.f. June 18,2021)	CEO

Terms and conditions of transactions with related parties

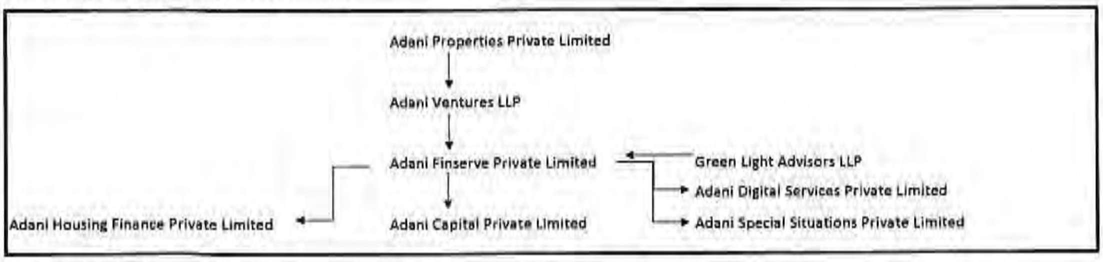
Outstanding balances of related parties at the year-end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

The following Transactions were carried out with the Related Parties and KMPs

		With entities in which Key Managerial Personnel has significant influence		With Key Managerial Personnel		
Particulars	**As At**	**Adani Capital Private Limited**	**Adani Finserve Private Limited**	**Mr. Rakesh Sharma**	**Mr Mayank Jain**	**Mr Manish Singh Payal**
Application money received on issue of Equity Shares	March 31,2022	-	-	-	-	-
	March 31,2021	-	270.00	-	-	-
Inter corporate deposit Accepted	March 31,2022	-	57.50	-	-	-
	March 31,2021	-	517.50	-	-	-
Inter corporate deposit Repaid	March 31,2022	-	57.50	-	-	-
	March 31,2021	-	593.00	-	-	-
Interest on Inter corporate Deposit	March 31,2022	-	0.03	-	-	-
	March 31,2021	-	9.52	-	-	-
Remuneration Expense	March 31,2022	-	-	7.59	0.53	0.99
	March 31,2021	-	-	-	1.58	-
Reimbursement of expenses	March 31,2022	61.78	-	-	-	-
	March 31,2021	46.15	-	-	-	-
Other Payables	March 31,2022	0.06	-	-	-	-
	March 31,2021	-	-	-	-	-
Balance Payable as on March 31, 2022						
- Reimbursement of expenses	March 31,2022	65.81	-	-	-	-
	March 31,2021	46.15	-	-	-	-

Note: Key Managerial personnel (KMP) of the company are also on board and acting as KMP of holding company. Remuneration to KMP is being paid by Fellow Subsidiary Company , the same is not reflecting in related party transaction with KMP above.

Diagrammatic representation of group structure



37 Social Security Code

The Code on Social Security, 2020 ('Code) amended and consolidated the laws relating to social security with the goal to extend social security to all employees and workers either in the organised or unorganised or any other sectors.

In light of the amended code, employers are required to assess the impact of change in definition of wages on their organizations. A change in the definition of wage might have a large impact due to enhanced provision for gratuity/leave, net pay of employees, possible enhanced provision for Provident Fund and other employee benefits dependent on the wages.

The government decided to defer the decision to notify the date of implementation of the code, so the companies are advised to include a disclosure about the impact on transition to the new code in their financial statements. However, once the code becomes effective the entities will be required to evaluate if the changes are a plan amendment or change in actuarial assumption.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

38 Disclosure as per Ind AS 7 Statement of Cash Flows:

The Ind AS 7 require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). In this regards the Company has provided the following information.

Changes in liabilities arising from financing activities

Particulars	1st April, 2021	Cash Flows	Foreign Exchange	Others	31st March, 2022
Proceeds From Long term borrowings	2,247.13	1,950.00	-	-	4,197.13
Proceeds From Short term borrowings	962.50	57.50	-	-	1,020.00
Repayment of Short term borrowings	(1,038.00)	(57.50)	-	-	(1,095.50)
Repayment of Long term borrowings	(861.80)	(668.64)	-	-	(1,530.44)
Total	1,309.83	1,281.36	-	-	2,591.19

Changes in liabilities arising from financing activities

Particulars	1st April, 2020	Cash Flows	Foreign Exchange	Others	31st March, 2021
Proceeds From Long term borrowings	1,422.13	825.00	-	-	2,247.13
Proceeds From Short term borrowings	445.00	517.50	-	-	962.50
Repayment of Short term borrowings	(445.00)	(593.00)	-	-	(1,038.00)
Repayment of Long term borrowings	(602.50)	(259.30)	-	-	(861.80)
Total	467.37	490.20	-	-	2,649.43

39 Previous year figures have been regrouped/ reclassified to make them comparable with Ind AS presentation.

40 The Indian economy is impacted and would continue to be impacted by the pandemic and the resultant lockdown/restrictions, due to the contraction in industrial and services output across small and large businesses. The impact of the resurrgence of COVID -19 pandemic on Company's results, including credit quality and provisions, gain/loss on fair value changes, investment, remains uncertain and dependent on the current and further spread of COVID -19, steps taken by the government, RBI and other regulators to mitigate the economic impact and also the time it takes for economic activities to resume and reach the normal levels.

The Company has maintained sufficient capital and liquidity position and it will continue the same going forward.

In assessing the recoverability of loans, receivables, the Company has considered internal and external sources of information, including credit reports, economic forecasts and industry reports up to the date of approval of these financial results. Given the dynamic and evolving nature of the pandemic, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results.

41 Transfer of Financial assets

Transfers of financial assets that are not derecognised in their entirety

Assignment Deal:

During the year ended March 31, 2022, the Company has sold loans and advances measured at amortised cost as per assignment deal. As per the terms of these deals, since substantial risk and rewards related to these assets were transferred to the buyer, the assets have been derecognised from the Company's balance sheet, to the extent of share of Assignee.

The management has evaluated the impact of assignment transactions done during the year for its business model. Based on the future business plan , the company business model remains to hold the assets for collecting contractual cash flows.

The table below summarises the carrying amount of the derecognised financial assets measured at amortised cost and the gain on derecognition, per type of asset.

Loans and advances measured at amortised cost	For the year ended March 31, 2022	For the year ended March 31, 2021
Carrying amount of derecognised financial assets	297.59	255.89
Gain from derecognition	93.89	71.88

42 Employee Stock Option Plan

The Board of Directors took the decision to introduce Adani Employee Stock Option Plan, 2020 (hereinafter called "ESOP 2020") at the meeting held on July 28, 2020. The shareholders approved it at the Annual General Meeting held on September 28, 2020. The plan provides for the issuance of stock options to senior employees. Under the plan, the Company has issued two series of options with different vesting period. Under both the series, the options vest not earlier than 1 year and not later than 4 years from the date of the Grant .

The details of the ESOP 2020 as on 31st March 2022 and 31st March 2021 are :

	As at March 31, 2022			As at March 31, 2021	
Particulars	Series I	Series II	Series III	Series I	Series II
Options approved to be issued as ESOPs	34,50,000			34,50,000	
Date of Grant	October 3, 2020		January 01 ,2022	October 3, 2020	
Options granted	3,71,475	2,34,696	2,89,568	3,71,475	2,34,696
Method of Settlement	Equity			Equity	

ADANI HOUSING FINANCE PVT. LTD.

(All Amounts in millions unless Otherwise stated)

a. Reconciliation of Options

I. Series I

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares arising from Options	Wt. avg. exercise price	Shares arising from Options	Wt. avg. exercise price
Options Outstanding at the beginning of the year	3,71,475	16	-	-
Options Granted			3,71,475	16
Options Exercised	-	-	-	-
Options Reinstated	-	-	-	-
Options Lapsed	-	-	-	-
Options Forfeited	-	-	-	-
Options Outstanding at the end of the year	3,71,475	16	3,71,475	16

II. Series II

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares arising from Options	Wt. avg. exercise price	Shares arising from Options	Wt. avg. exercise price
Options Outstanding at the beginning of the year	2,34,696	16	-	-
Options Granted	-	-	2,34,696	16
Options Exercised	-	-	-	-
Options Reinstated	-	-	-	-
Options Lapsed	-	-	-	-
Options Forfeited	-	-	-	-
Options Outstanding at the end of the year	2,34,696	16	2,34,696	16

III. Series III

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares arising from Options	Wt. avg. exercise price	Shares arising from Options	Wt. avg. exercise price
Options Outstanding at the beginning of the year	-	-	-	-
Options Granted	2,89,568	19	-	-
Options Exercised	-	-	-	-
Options Reinstated	-	-	-	-
Options Lapsed	-	-	-	-
Options Forfeited	-	-	-	-
Options Outstanding at the end of the year	2,89,568	19	-	-

b. Balance outstanding at the end of the year are as follows

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	Exercise Price	Nos.	Exercise Price
Vested Options				
Series I	2,78,606	16	-	16
Series II	77,450	16	-	16
Series III	-	-	-	-
Unvested Options				
Series I	92,869	16	3,71,475	16
Series II	1,57,246	16	2,34,696	16
Series III	2,89,568	19	-	-

c. Weighted average remaining life of the ESOP outstanding

Particulars	As at March 31, 2022	As at March 31, 2021
Series I	0.50	0.75
Series II	1.01	1.51
Series III	1.76	-

d. Following amount has been recognized as an expense and included in 'Note 28 - Employee benefit expenses' and total carrying amount at the end of the year.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Expense arising from equity settled share based payment transaction	4.26	2.03
Carrying amount at the end of the year	6.29	2.03

ADANI HOUSING FINANCE PVT. LTD.

(All Amounts in millions unless Otherwise stated)

e. Fair value of the options granted

Particulars	As at March 31, 2022			As at March 31, 2021	
	Series I	Series II	Series III	Series I	Series II
Share Price on the date of Grant (INR)	20.77	20.77	19.5	20.77	20.77
Exercise Price (INR)	16	16	19	16	16
Expected Volatility (%)	64.07%	62.21%	48.05%	64.07%	62.21%
Life of options granted (years)	3.125	3.505	3.005	3.13	3.51
Risk free interest rate (%)	4.91%	5.06%	5.11%	4.91%	5.06%
Expected dividend rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%
Fair value of options as per black scholes (INR)	11.35	11.63	7.13	11.35	11.63

43 Corporate Social Responsibility (CSR)

During the Previous year, The Corporate Social Responsibility is not applicable to the company as company was not falling in the criteria of the CSR as mentioned in Section 135 read with respective rules of the Companies Act, 2013.

However, as on 31st March, 2022, the Company meets the criteria of the CSR as mentioned in Section 135 read with respective rules of the Companies Act, 2013. However, the Company is not required to spend any amount on Corporate Social Responsibility activities as it has negative average profits of last 3 years.

Details of expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII

Sr No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a)	Gross amount required to be spent by the Group during the year	-	N.A.
b)	Amount Spent:		
	In Cash	-	N.A.
	Yet to be paid in cash	-	N.A.
	Total	-	N.A.

ADANI HOUSING FINANCE PVT. LTD

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(All Amounts in millions unless Otherwise stated)

44 Fair value hierarchy

The Company determines fair values of financial instruments according to the following hierarchy:

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.

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2022

Particulars	Date of Valuation	Fair value measurement using		
		Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments held for trading under FVTPL	March 31, 2022	-	150.13	-
Total		-	150.13	-

Quantitative disclosures of fair value measurement hierarchy for assets as at 31 March 2021

Particulars	Date of Valuation	Fair value measurement using		
		Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments held for trading under FVTPL	March 31, 2021	-	-	-
Total		-	-	-

Fair value of financial instruments not measured at fair value as at 31 March 2022

Particular	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Assets				
Cash and cash equivalents	371.52	-	-	371.52
Bank balance other than cash and cash equivalents	50.00			50.00
Investments	50.00	-	-	50.00
Trade Receivables	-	-	0.45	0.45
Loans at amortised cost	-	-	3,335.52	3,335.52
Other financial assets	-	-	154.93	154.93
Total Financial Assets	**471.52**	**-**	**3,490.90**	**3,962.42**
Financial Liabilities				
Trade Payables	-	-	5.38	5.38
Other Payables	-	-	65.81	65.81
Borrowings	-	-	2,603.84	2,603.84
Other Financial Liabilities	-	-	84.41	84.41
Total Financial liabilities	**-**	**-**	**2,759.44**	**2,759.44**

Fair value of financial instruments not measured at fair value as at 31 March 2021

Particular	Quoted prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Financial Assets				
Cash and cash equivalents	323.47	-	-	323.47
Investments	50.00	-	-	50.00
Loans at amortised cost	-	-	2,187.51	2,187.51
Other financial assets	-	-	76.56	76.56
Total Financial Assets	**373.47**	**-**	**2,264.07**	**2,637.54**
Financial Liabilities				
Trade Payables	-	-	3.27	3.27
Other Payables	-	-	46.15	46.15
Borrowings	-	-	1,307.44	1,307.44
Other Financial Liabilities	-	-	8.96	8.96
Total Financial liabilities	**-**	**-**	**1,365.82**	**1,365.82**

HOUSING FINANCE PVT. LTD.

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

45 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. No changes were made in the objectives, policies or processes for managing capital during the years ended as at 31st March, 2022 and as at 31st March, 2021.

The Company also manages its leverage position on periodic basis by monitoring debt equity ratio to allying itself with market.

Particulars	Refer Note	31st March, 2022	31st March, 2021
Total Borrowings (A)	16	2,603.84	1,307.44
Total Equity (B)	21 and 22	1,347.39	1,285.50
Gearing Ratio (A / B) (Times)		1.93	1.02

Tier I and II capital

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Funds		
Net owned funds (Tier I capital)	1,184.08	1,191.53
Tier II capital	18.90	14.27
Total capital funds	**1,202.98**	**1,205.80**
Total risk weighted assets/ exposures	**2,130.72**	**1,141.56**
% of capital funds to risk weighted assets exposures:		
Tier I capital	55.57%	104.38%
Tier II capital	0.89%	1.25%
Total capital Funds	**56.46%**	**105.63%**

The Company has complied with the minimum stipulated capital requirements for Tier I and Tier II.

HOUSING FINANCE PVT. LTD.

(All Amounts in millions unless Otherwise stated)

46 Risk Management

Introduction and risk profile

Risk is an inherent part of Company's business activities. When the Company extends a home loan or loan against property, make investment in mutual funds or offers other products or services, the Company takes on some degree of risk. The Company's overall objective is to manage its businesses, and the associated risks, in a manner that balances serving the interests of its customers and investors and protects the safety and soundness of the Company.

The Company's principal financial liabilities comprise borrowings , trade and other payables. The main purpose of these financial liabilities is to finance and support the company's operations. The Company's principal financial assets include loans, Trade Receivables, investments and cash and cash equivalents that are derived directly from its operations. As a financial lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective in Company 's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks.

In the ordinary course of business, the Company is mainly exposed to risks resulting from interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk and Liquidity Risk. The Company's management oversees the management of these risks.

The Company believes that effective risk management requires:

1) Acceptance of responsibility, including identification and escalation of risk issues, by all individuals within the Company ;

2) Ownership of risk identification, assessment, data and management within each of the lines of business ; and

The Company strives for continual improvement through efforts to enhance controls, ongoing employee training and development and other measures.

Risk Management Structure

The Company has a well-defined risk management policy framework for risk identification, assessment and control to effectively manage risks associated with the various business activities.

Our risk management policy ensures that the margin requirements are conservative to be able to withstand market volatility and scenarios of sharply declining prices. As a result, we follow conservative lending norms.

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee holds regular meetings and report to board on its activities.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Risk mitigation and risk culture

The Company's business processes ensure complete independence of functions and segregation of responsibilities. Credit appraisal & credit control processes, centralized operations unit, unit for checking compliance with the prescribed policies and approving loans at transaction level as well as our risk management processes and policies allow layers of multiple checks and verifications. Our key business processes are regularly monitored by the head of our business or operations. Our loan approval and administration procedures, collection and enforcement procedures are designed to minimise delinquencies and maximise recoveries.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organizational risk culture. Employees are expected to take ownership and be accountable for the risks the Company is exposed to. The Company's continuous training and development emphasises that employees are made aware of the Company's risk appetite and they are supported in their roles and responsibilities to monitor and keep their exposure to risk within the Company's risk appetite limits.

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(All Amounts in millions unless Otherwise stated)

47.1 Risk Management

Credit Risk

Credit risk is the risk of suffering financial loss, should any of the Company's customers or counterparties fail to fulfil their contractual obligations to the Company.

Credit-worthiness is checked and documented prior to signing any contracts, based on market information. Management endeavours to improve its underwriting standards to reduce the credit risk the Company is exposed to from time to time.

Credit risk is the single largest risk for the Company's business. Management therefore carefully manages its exposure to credit risk. Credit risk is monitored by the credit risk department of the Company. It is their responsibility to review and manage credit risk, including environmental and social risk for all types of counterparties. Credit risk consists of line credit risk managers who are responsible for their business lines and manage specific portfolios and experts who support both the line credit risk manager, as well as the business with tools like credit risk systems, policies, models and reporting.

The Company has established a credit quality review process to provide early identification of possible changes in the credit worthiness of counterparties, including regular collateral revisions.

The Company's internal credit rating graded on days past due (DPD) basis.:-

Internal Rating Grade	Internal Rating Description
Performing	
High grade	0 dpd
Standard grade	1 to 30 dpd
Sub-Standard grade	31 to 60 dpd
Past due but not impaired	61 to 90 dpd
Non- performing	90+ dpd

Inputs, and assumptions used for estimating Expected Credit Loss (ECL)

A. Inputs

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience, expert credit assessment and including forward looking information.

The objective of the ECL assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing the remaining lifetime probability of default (PD) as at the reporting date; with the remaining lifetime PD for this point in time that was estimated at the time of initial recognition of the exposure and adjusted for changes on account of prepayments.

In assessing the impairment of loan assets under Expected Credit Loss (ECL) Model, the loans have been segmented into three stages based on the risk profiles. The three stages reflect the general pattern of credit deterioration of a financial instrument.

B. Assumptions

The Company has applied following assumptions for determination of ECL.

1. Exposure at default (EAD) represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company including loan commitments.
2. Probability of default (PD) is defined as the probability of whether the borrowers will default on their obligations in the future. For assets which are in Stage 1, a 12-month PD is required. For Stage 2 assets a lifetime PD is required while Stage 3 assets are considered to have a 100% PD.
3. Loss given default (LGD) is an estimate of loss from a transaction given that a default occurs.
4. Default A default on a financial asset is when the counterparty fails to make the contractual payments up to 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been more than 90 days past due. Further if the customer has requested forbearance in repayment terms, such restructured, rescheduled or renegotiated accounts are also classified as Stage 3. Non-payment on another obligation of the same customer is also considered as a stage 3.

Analysis of maximum exposure to credit risk and collateral and other credit enhancements

The following table shows the maximum exposure to credit risk, the total fair value of collateral and the net exposure to credit risk. collateral value as at the time of on-boarding of the customer has been considered for below disclosure

Particulars	As at March 31, 2022		As at March 31, 2021	
	Credit Impaired	Security Held	Credit Impaired	Security Held
Home loans	32.35	44.27	21.00	27.76
Other than Home loans	4.50	6.64	-	-
Total	36.85	50.91	21.00	27.76

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty .The main type of collateral obtained is mortgages over residential/ commercial properties.

For Disclosure of Summary of loans by stage distribution and changes in gross value of loan and ECL along with stage wise break up refer Note no.8.

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47.2 Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

Company manages its liquidity requirement by analyzing the maturity pattern of Company's cash flows of financial assets and financial liabilities.

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the company uses the same basis of expected repayment behavior as used for estimating the EIR.

Particulars	As at March 31, 2022			As at March 31, 2021		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial assets						
Cash and cash equivalents	371.52	-	371.52	323.47	-	323.47
Bank Balance other than cash and cash equivalents	50.00	-	50.00	-	-	-
Receivables						
(I) Trade receivables	0.45	-	0.45			-
Loans	357.02	2,978.50	3,335.52	145.07	2,042.44	2,187.51
Investments	150.13	50.00	200.13	-	50.00	50.00
Other Financial assets	-	154.93	154.93	3.04	73.52	76.56
Sub total	929.12	3,183.43	4,112.55	471.58	2,165.96	2,637.54
Non-financial assets						
Current Tax assets (Net)	-	-	-	-	0.55	0.55
Deferred Tax assets (Net)	-	1.28	1.28	-	21.71	21.71
Property, plant and equipment	-	1.96	1.96	-	1.44	1.44
Other non-financial assets	14.68	-	14.68	8.28	-	8.28
Sub total	14.68	3.24	17.92	8.28	23.71	31.98
Total assets	943.80	3,186.67	4,130.47	479.86	2,189.67	2,669.52
LIABILITIES AND EQUITY						
LIABILITIES						
Financial liabilities						
Payables						
(I) Trade payables						
(i) total outstanding dues of creditors of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5.38	-	5.38	3.27	-	3.27
(II) Other payables						
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	65.81	-	65.81	46.15	-	46.15
Borrowings (Other than Debt Securities)	733.70	1,870.14	2,603.84	531.26	776.18	1,307.44
Other Financial liabilities	84.41	-	84.41	8.96	-	8.96
Sub total	889.30	1,870.14	2,759.44	589.64	776.18	1,365.82
Non-Financial liabilities						
Current tax liabilities (Net)	-	0.63	0.63	-	-	-
Provisions	4.99	4.17	9.16	4.04	2.33	6.37
Other non-financial liabilities	13.85	-	13.85	11.83	-	11.83
Sub total	18.84	4.80	23.64	15.87	2.33	18.20
Total liabilities	908.14	1,874.94	2,783.08	605.51	778.51	1,384.02
Net	35.66	1,311.73	1,347.39	(125.65)	1,411.15	1,285.50

47.3 Disclosure as per RBI circular DOR.FIN.HFC.CC.No.120/03.10.136/2020-21 dated February 17, 2021 (amended)

RBI has issued guidelines on Liquidity Risk Management Framework for Housing Finance Companies on February 17, 2021 . As per the Master Directions – Non Banking Finance Company – Housing Finance Company , the disclosure on liquidity risk as at March 31, 2022 and March 31, 2021 is as under:

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Notes forming part of the Financial Statements for the year ended March 31, 2022

i) Funding Concentration based on significant counterparty

Number of Significant Counterparties		Amount (Rs. In Millions)*		% of Total Deposits	% of Total Liabilities	
As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021		As at March 31, 2022	As at March 31, 2021
10	5	2,603.84	1,307.44	NA	93.56%	94.47%

Note:

*Included Principal amount less IndAS adjustment for processing fees on borrowings.

"Significant Counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the HFC's total liabilities and 10% for other non-deposit taking HFC's.

Total Liabilities has been computed as Total Assets less Equity share capital less Reserves and Surplus.

ii) Top 20 large deposits (amount in Rs. Crore and % of total deposits).

Nil. The Company is registered with NHB as Non Deposit accepting HFC.

iii) Top 10 borrowings (amount in Rs Crores & % of total borrowings*)

As at March 31, 2022		As at March 31, 2021	
Amount (Rs millions)	% of Total Borrowings	Amount (Rs millions)	% of Total Borrowings
2,603.84	100%	1,307.44	100%

Note: Included only Principal amount less IndAS adjustment for processing fees on borrowings.

iv) Funding Concentration based on significant instrument / product:

As at March 31, 2022

Sr No	Name of the instrument/product	Number of Counterparties	Amount (Rs in millions)	% of Total Liabilities
1	Long Term Bank Loans	10	2,603.84	93.56%
2	Short Term Loans	-	-	-
3	Long Term NCD	-	-	-
4	Short Term NCD	-	-	-
5	Commercial Paper	-	-	-
	Total	10	2,603.84	93.56%

As at March 31, 2021

Sr No	Name of the instrument/product	Number of Counterparties	Amount (Rs in millions)	% of Total Liabilities
1	Long Term Bank Loans	5	125.78	90.89%
2	Short Term Loans	1	4.96	3.58%
3	Long Term NCD	-	-	-
4	Short Term NCD	-	-	-
5	Commercial Paper	-	-	-
	Total	6	130.74	94.47%

* Total Liabilities has been computed as Total Assets less Equity share capital less Reserve & Surplus
* # One bank has sanctioned both long term & short-term loans

v) Stock ratios:

Particulars	As at March 31, 2022	As at March 31, 2021
Commercial papers as a % of total liabilities	N.A.	N.A.
Commercial papers as a % of total assets	N.A.	N.A.
Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	N.A.	N.A.
Non-convertible debentures (original maturity of less than one year) as a % of total Assets	N.A.	N.A.
Other short-term liabilities as a % of total liabilities	32.63%	43.75%
Other short-term liabilities as a % of total assets	21.99%	22.68%
Liquidity Coverage Ratio#	N.A.	N.A.

* As on 31st March 2022, Outstanding Commercial Paper & Non-Convertible Debenture is Nil (P.Y.- Nil)

#- Not Applicable as per RBI Guidelines

vi) Institutional set up for liquidity risk management:

The company has following Board approved policies for Liquidity Risk Management

- Asset Liability Management Policy
- Interest Rate Policy
- Liquidity Management Framework
- Risk Management Policy

Asset and Liability Management Committee (ALCO) provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds.

The Asset Liability Management Committee, inter alia, reviews the asset liability profile, risk monitoring system, liquidity risk management, funding and capital planning, and contingency planning.

Borrowing program has now expanded to Rs. 3775 millions (P.Y. 1830 millions) with limits from 10 (P.Y.-6) lenders; 5 (P.Y.-2) PSBs, 3 (P.Y.-3) private sector banks, 1(P.Y.-Nil) financials institution and 1(P.Y.-1) refinance from NHB. Further, liquidity buffer of Rs. 971.65 million (P.Y.-570 millions) ; un-utilized bank lines – Rs. 350 million (P.Y.250 millions) and un-encumbered cash & bank balance and Investments – Rs. 622 Million (P.Y.-320 millions);

Funding Review meeting with – Director, Treasury team , Accounts team on monthly basis providing overview of liquidity, new funding discussions etc.

Liquidity Overview Report – is circulated to Management every month.

47.4 Market Risk

From time to time, depending on market, the Company also invests in liquid schemes of Mutual Funds which ensures availability of funds to meet its immediate liabilities. On Liabilities front, the Company borrows through Term Loans (From Banks - at rates linked to their MCLR). Majority of the Loans given by Company are floating rate loans and hence any change in interest rate can be passed on to the customers, thereby minimizing the risks.

47.5 Interest Rate Risk

The company uses a mix of cash and borrowings to manage the liquidity & fund requirements of its day-to-day operations. Further, certain interest bearing liabilities carry variable interest rates.

For floating rate liabilities, analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year.

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

Interest rate sensitivity

As at 31 March 2022

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Loans	3,335.52	3,335.52	-	-
Borrowings (other than debt securities)	2,603.84	2,603.84	(17.68)	17.68
Total	5,939.36	5,939.36	(17.68)	17.68

As at 31 March 2021

Particulars	Carrying value	Fair value	Sensitivity to fair value	
			1% increase	1% decrease
Loans	2,187.51	2,187.51	-	-
Borrowings (other than debt securities)	1,307.44	1,307.44	(9.04)	9.04
Total	3,494.95	3,494.95	(9.04)	9.04

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(All Amounts in millions unless Otherwise stated)

48 Asset Classification as per RBI Norms

For the year ended 31st March 2022

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	Provision required as per RBI norms	Difference between Ind AS 109 provisions and RBI norms
Performing Assets						
Standard	Stage 1	3,193.36	18.90	3,174.46	18.90	0.00
	Stage 2	153.08	12.21	140.87	2.95	9.26
Subtotal		**3,346.44**	**31.11**	**3,315.33**	**21.85**	**9.26**
Non-Performing Assets (NPA)						
Substandard	Stage 3	20.95	9.70	11.25	3.04	6.66
Doubtful - up to 1 year	Stage 3	11.91	5.28	6.63	2.76	2.52
1 to 3 years	Stage 3	3.99	1.68	2.31	1.41	0.27
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**36.85**	**16.66**	**20.19**	**7.21**	**9.45**
Loss	Stage 3			-		
Subtotal for Loss		-	-	-	-	-
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	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal						
Total	**Stage 1**	**3,193.36**	**18.90**	**3,174.46**	**18.90**	**0.00**
	Stage 2	**153.08**	**12.21**	**140.87**	**2.95**	**9.26**
	Stage 3	**36.85**	**16.66**	**20.19**	**7.21**	**9.45**

For the year ended 31st March 2021

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	Provision required as per RBI norms	Difference between Ind AS 109 provisions and RBI norms
Performing Assets						
Standard	Stage 1	2,066.72	14.14	2,052.58	8.27	5.87
	Stage 2	141.88	14.70	127.18	0.57	14.13
Subtotal		**2,208.60**	**28.84**	**2,179.76**	**8.84**	**20.00**
Non-Performing Assets (NPA)						
Substandard	Stage 3	17.21	10.91	6.30	2.58	8.33
Doubtful - up to 1 year	Stage 3	3.79	2.34	1.45	0.95	1.39
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		**21.00**	**13.25**	**7.75**	**3.53**	**9.72**
Loss	Stage 3	-	-	-	-	-
Subtotal for Loss		-	-	-	-	-
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**	**2,066.72**	**14.14**	**2,052.58**	**8.27**	**5.87**
	Stage 2	**141.88**	**14.70**	**127.18**	**0.57**	**14.13**
	Stage 3	**21.00**	**13.25**	**7.75**	**3.53**	**9.72**

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49 Disclosure pursuant to Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI.

The Company received its certificate of registration as a housing finance company on June 4, 2018 and hence disclosures for current year and previous year are as follows:

I. Capital to Risk Asset Ratio (CRAR)

Particulars	As at March 31, 2022	As at March 31, 2021
CRAR (%)	56.46%	105.63%
CRAR - Tier I Capital (%)	55.57%	104.38%
CRAR - Tier II Capital (%)	0.89%	1.25%
Amount of subordinated debt raised as Tier - II Capital	-	-
Amount raised by issue of perpetual debt Instruments	-	-

II. Exposure to Real estate sector

Particulars	As at 31 March 2022	As at 31 March 2021
Category		
a) Direct exposure		
(i) Residential mortgage:		
Lending fully secured by mortgage on residential property that is or will be occupied by the borrower or that is rented;		
Housing Loan up to Rs 15 Lacs	2,073.23	1,509.84
Housing Loan more than Rs 15 Lacs	682.25	432.79
(ii) Commercial real estate:		
Lending secured by mortgages on commercial real estates (office building, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or ware house space, hotels, land acquisitions, development and construction, etc.) Exposure would also include non-fund based (NFB) limits;	627.81	286.97
(iii) Investment in mortgage backed securities (MBS) and other securitised exposures:		
(a) Residential	-	-
(b) Commercial real estate	-	-
b) Indirect exposure		
Fund based and non fund based exposures on National Housing bank (NHB) and Housing Finance Companies (HFCs)	-	-

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Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

III. Asset liability management

Maturity pattern of certain items of asset and liabilities - As at March 31, 2022

Pattern	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	-	-	-	44.07	122.28	214.76	352.59	585.09	736.01	549.04	2,603.84
Market Borrowings (ICD)	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	45.96	-	-	254.81	5.66	17.35	38.35	176.13	225.32	2,619.71	3,383.29
Investments	-	-	150.13	-	-	-	-	-	-	50.00	200.13
Foreign Currency Asset	-	-	-	-	-	-	-	-	-	-	-

Maturity pattern of certain items of asset and liabilities - As at March 31, 2021

Pattern	1 day to 7 days	8 to 14 days	15 days to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from banks	-	-	-	14.11	80.25	173.66	263.24	638.15	74.10	63.93	1,307.44
Market Borrowings (ICD)	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	40.74	-	-	3.22	3.27	11.28	89.35	144.11	130.91	1,806.72	2,229.60
Investments	-	-	-	-	-	-	-	-	-	50.00	50.00
Foreign Currency Asset	-	-	-	-	-	-	-	-	-	-	-

IV. Details on Principal Business Criteria

The Company is "Housing Finance Company" under the meaning of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI on 17th Feb 2021, as both the below conditions are satisfied:

i) It is an HFC whose financial assets, in the business of providing finance for housing, constitute at least 60% of its total assets (netted off by intangible assets). Housing finance for this purpose shall mean providing finance as stated at clauses (a) to (k) of Paragraph 4.1.16 of the above mentioned Direction.

ii) Out of the total assets (netted off by intangible assets), 69.35% (P.Y. 75.46%) is by way of housing finance for individuals as stated at clauses (a) to (e) of Paragraph 4.1.16 of the above mentioned Direction.

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V. Disclosure as per circular DOR.No.BP.BC/3/21.04.048/2020-21 issued by RBI dated August 6, 2020 for Resolution Framework for COVID-19-related Stress for the half year ended March 31, 2022

Type of Borrower	A	B	C	D	E
	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A)	Of (A), aggregate debt that slipped into NPA during the half-year	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half-year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year
Personal Loans	-	-	-	-	-
Corporate Loans	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	122.75	-	-	2.22	123.43
Total	122.75	-	-	2.22	123.43

VI. Disclosure on Resolution Framework 2.0 as per circular RBI/2021-22/31 DOR. STR. REC. 11/21.04.048/2021-22 issued by RBI dated May 5, 2021 For the year ended March 31, 2022.

Sr No	Description	Individual Borrowers		Small Businesses
		Personal Loans	Business Loans	
A	Number of request received for invoking resolution process under part A	98	-	-
B	Number of accounts where resolution plan has been implemented under this window	98	-	-
C	Exposure to accounts mentioned at (B) before implementation of the plan	122.75	-	-
D	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
E	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
F	Increase in provisions on account of the implementation of the resolution plan	1.69	-	-

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Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

50 Reserve Fund under Section 29C of the NHB Act, 1987

Statutory Reserve

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year		
a) Statutory reserve as per Section 29C of The National Housing Bank Act, 1987	13.91	-
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	-	-
Addition / appropriation / withdrawals during the year		
Add:		
a) Amount transferred as per Section 29C of The National Housing Bank Act, 1987	11.52	13.91
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987	-	-
Less:		
a) Amount appropriate as per Section 29C of The National Housing Bank Act, 1987	-	-
b) Amount of withdrawn from special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	-	-
Balance at the end of the year		
a) Statutory reserve as per Section 29C of The National Housing Bank Act, 1987	25.43	13.91
b) Amount of special reserve u/s 36(1) (viii) of Income Tax Act, 1961 taken in to account for the purpose of statutory reserve under Section 29C of the NHB Act, 1987.	-	-
Total	**25.43**	**13.91**

50.1 Draw Down from Reserves

There has been no draw down from reserves during the year under consideration. (P.Y. Rs. Nil)

50.2 The Company is not require to prepare consolidated financial statement for the year under consideration, as the ultimate holding Company prepares the consolidated financial statement in accordance with Applicable Ind AS.

50.3 Remuneration to non-executive Directors

Particulars	As at March 31, 2022	As at March 31, 2021
Mr. Amlendra Prasad Saxena (Independent Director)	1.20	-

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

51 Other Disclosures:

51.1 Penalty

Particulars	As at March 31, 2022	As at March 31, 2021
Penalty if any levied by National Housing Bank*	-	0.00
Total	-	**0.00**

*Amount below Rs. 5,000 denoted as Rupees 0.00 Millions

Note: In F.Y. 2020-21 , NHB has directed Company, vide its letter dated 23rd February, 2021, to pay penalty of Rs. 2000/- (plus GST of Rs. 360/-) for non-compliance with the provision of paragraph 3.I(i) of the Master Circular- Housing Finance Companies – Corporate Governance (NHB) Directions, 2016, which has been paid by the Company.

51.2 Adverse remarks

Particulars	As at March 31, 2022	As at March 31, 2021
Adverse remarks if any given by National Housing Bank	-	-

51.3 % of outstanding loans granted against collateral gold jewellery to their outstanding total assets.

Particulars	As at March 31, 2022	As at March 31, 2021
Percentage of outstanding loans granted against the collateral gold jewellery to their outstanding total assets	-	-

51.4 Investments

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Value of Investments		
(I) Gross value of investments		
(a) In India	200.13	50.00
(a) Outside India	-	-
(II) Provisions for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
(III) Net value of investments		
(a) In India	200.13	50.00
(a) Outside India	-	-
(b) Movements of provisions held towards depreciation in investments		
(I) Opening balance	-	-
(II) Add : Provisions made during the year	-	-
(III) Less : Write-off/ Written- back of excess provisions during the year	-	-
(IV) Closing balance	-	-

51.5 Single Borrower Limit / Group Borrower Limit

Particulars	As at March 31, 2022	As at March 31, 2021
Amount outstanding for Single borrower limit	-	-
Amount outstanding for Group borrower limit	-	-

51.6 Provisions and Contingencies

Particulars	As at March 31, 2022	As at March 31, 2021
1. Provisions for depreciation on investment	-	-
2. Provisions made towards income tax	-	-
3. Provisions towards NPAs	16.66	13.25
4. Provisions for standard assets	31.11	28.84
5. Other provision and contingencies		
Gratuity	2.47	1.49
Compensated absence	6.69	4.88
Provision for expenses	1.68	0.37

51.7 Concentration of NPAs

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to top ten NPA accounts	16.41	15.16

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

51.8 Sector Wise NPAs

Particulars	Percentage of NPAs to Total Advances in that sector	
	As at March 31, 2022	As at March 31, 2021
A. Housing Loans: (in %) (out of total advances in that sector)		
(I) Individuals	1.17%	1.08%
(II) Builders / Project Loans	0.00%	0.00%
(III) Corporates	0.00%	0.00%
(IV) Others	0.00%	0.00%
B. Non - Housing Loans: (in %) (out of total advances in that sector)		
(I) Individuals	0.72%	0.00%
(II) Builders / Project Loans	0.00%	0.00%
(III) Corporates	0.00%	0.00%
(IV) Others	0.00%	0.00%

51.9 Movement of NPAs

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Net NPAs to Net Advances (%)	0.60%	0.35%
(II) Movement of Gross NPAs		
(a) Opening Balance	21.00	7.29
(b) Additions during the year	15.85	13.71
(c) Closing balance	36.85	21.00
(III) Movement of Net NPAs		
(a) Opening Balance	7.75	4.33
(b) Additions during the year	12.44	3.42
(c) Closing balance	20.19	7.75
(III) Movement of provisions for NPAs		
(a) Opening Balance	13.25	2.97
(b) Additions during the year	3.41	10.28
(c) Closing balance	16.66	13.25

51.10 Overseas Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Overseas assets	-	-

51.11 Customer Complaints

Particulars	As at March 31, 2022	As at March 31, 2021
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	32	65
(c) No. of complaints redressed during the year	32	65
(d) No. of complaints pending at the end of the year	-	-

HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

51.12 Exposure to Capital Market

Particulars	As at March 31, 2022	As at March 31, 2021
(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 resources	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	-	-

51.13 Details of Assignment Transactions undertaken by HFCs

Particulars	As at March 31, 2022	As at March 31, 2021
No. of accounts	344	307
Aggregate value (net of provision) of accounts assigned	297.59	255.89
Aggregate consideration	297.59	255.89
Additional consideration realized in respect of accounts transferred in earlier years	-	-
Aggregate gain/loss over net book value	-	-

Note: During the year, the Company has entered into assignment transaction amounting to Rs. 297.59 million (PY – Rs. 255.89 millions). On the assignment transaction, the Company has recognised upfront gain on derecognition of financial instruments amounting to Rs. 93.89 millions (PY – Rs. 71.88 millions) as day 1 gain. The unwinding on account of the actual excess interest spread realised and reversal of excess interest spread on foreclosed loans during the year is adjusted in interest income aggregating to Rs 16.48 millions (PY – Rs. Nil) and day 1 profit is not netted off for the same.

51.14 Securitisation

Particulars	As at March 31, 2022	As at March 31, 2021
(I) No of SPVs sponsored by the HFC for securitisation transactions	-	-
(II) Total amount if securitised assets as per books of the SPVs sponsored	-	-
(III) Total amount of exposure retained by the HFC towards the MRR as on date of balance sheet		
(a) Off-balance sheet exposure towards credit enhancements	-	-
(b) On balance sheet exposures towards credit enhancements	-	-
(IV) Amount of exposures to securitisation transactions other than MRR		
(a) Off-balance sheet exposure towards credit enhancements		
(i) Exposure to own securitisations	-	-
(ii) Exposure to third party securitisations	-	-
(b) On balance sheet exposures towards credit enhancements		
(i) Exposure to own securitisations	-	-
(ii) Exposure to third party securitisations	-	-

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Adani Housing Finance Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

51.15 Details of financial assets sold to securitisation / reconstruction company for asset reconstruction.

Particulars	As at March 31, 2022	As at March 31, 2021
(I) No. of accounts	-	-
(II) Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(III) Aggregate consideration	-	-
(IV) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(V) Aggregate gain/loss over net book value	-	-

51.16 Details of non-performing financial assets purchased / sold

(i) Details of non-performing financial assets purchased:

Particulars	As at March 31, 2022	As at March 31, 2021
(I) No. of accounts purchased during the year	-	-
(II) Aggregate outstanding	-	-
(III) Of these, number of accounts restructured during the year	-	-
(IV) Aggregate outstanding	-	-

(ii) Details of non-performing financial assets sold:

Particulars	As at March 31, 2022	As at March 31, 2021
(I) No. of accounts sold	-	-
(II) Aggregate outstanding	-	-
(III) Aggregate consideration received	-	-

51.17 Registration from Other Financial Sector Regulators

Particulars	As at March 31, 2022	As at March 31, 2021
Registration from other financial regulator if any	-	-

51.18 Unsecured Advances

Particulars	As at March 31, 2022	As at March 31, 2021
Amount of unsecured advances given against rights, licenses, authorizations etc.	-	-

51.19 Financing of Parent Company Product

Particulars	As at March 31, 2022	As at March 31, 2021
Details of financing of parent company products if any	-	-

51.20 Concentration of Public Deposits (for Public Deposit taking / holding HFCs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Deposits of twenty largest depositors	-	-
Percentage of Deposits of twenty largest depositors to total deposits of the HFC	-	-

51.21 Concentration of Loans & Advances

Particulars	As at March 31, 2022	As at March 31, 2021
Total Loans & Advances to twenty largest borrowers*	60.10	57.39
Percentage of Loans & Advances to twenty largest borrowers to total advances of the HFC	1.78%	2.57%

* Note: Includes Loans & Advances and interest accrued thereon.

HOUSING FINANCE PVT. LTD.

(All Amounts in millions unless Otherwise stated)

51.22 Concentration of All Exposure (including off - balance sheet exposures)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Exposure to twenty largest borrowers / customers*	60.90	57.54
Percentage of exposure to twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers.	1.71%	2.49%

* Note: Includes Loans & Advances and interest accrued and undrawn exposure thereon.

51.23 Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)

Particulars	As at March 31, 2022	As at March 31, 2021
(I) The notional principal of swap agreements	-	-
(II) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(III) Collateral required by the HFC upon entering into swaps	-	-
(IV) Concentration of credit risk arising from the swaps.	-	-
(V) The fair value of the swap book	-	-

51.24 Exchange Traded Interest Rate (IR) Derivative

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument wise)	-	-
(II) Notional principal amount of exchange traded IR derivatives outstanding (Instrument-wise)	-	-
(III) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (Instrument-wise)	-	-
(IV) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (Instrument-wise)	-	-

51.25 Disclosures on Risk exposure in derivative.

i Qualitative Disclosures — Not Applicable

ii Quantitative Disclosures

Particulars	As at March 31, 2022	As at March 31, 2021
(I) Derivatives (Notional Principal Amount)	-	-
(II) Marked to Market Positions (1)		
(a) Assets	-	-
(b) Liability	-	-
(III) Credit exposure	-	-
(IV) Unhedged exposure	-	-

51.26 Expenditure in foreign currency

Particulars	As at March 31, 2022	As at March 31, 2021
Traning & Devlopment Expense Paid	0.22	-
Receivable and Payable outstanding in foreign currency	-	-

51.27 Credit Rating

Particulars	March 31, 2022	March 31, 2021
Nature of borrowing	Rating / Outlook CRISIL	Rating / Outlook CRISIL
Short Term Bank Loans	CRISIL A1+	CRISIL A1+
Long Term Bank Loans	CRISIL AA-/Stable	CRISIL AA-/Stable
Non Convertible Debentures	CRISIL AA-/Stable	CRISIL AA-/Stable
Migration of rating during the year	N.A.	N.A.

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

51.28 Breakup of loans and Advances and provisions thereon

Particulars	Housing Loans	Non-Housing Loans
Current Year (March 31, 2022)		
Standard Asset		
Total outstanding	2723.13	623.32
Provisions	23.09	8.02
Sub-standard assets		
Total outstanding	17.33	3.61
Provisions	8.06	1.64
Doubtful Assets – Category I		
Total outstanding	11.03	0.88
Provisions	4.89	0.39
Doubtful Assets – Category II		
Total outstanding	3.99	-
Provisions	1.68	-
Doubtful Assets – Category III		
Total outstanding	-	-
Provisions	-	-
Loss assets		
Total outstanding	-	-
Provisions	-	-
Total		
Total outstanding	**2,755.48**	**627.81**
Provisions	**37.72**	**10.05**

Particulars	Housing Loans	Non-Housing Loans
Previous Year (March 31, 2021)		
Standard Asset		
Total outstanding	1,921.63	286.97
Provisions	22.71	6.13
Sub-standard assets		
Total outstanding	17.21	-
Provisions	10.91	-
Doubtful Assets – Category I		
Total outstanding	3.79	-
Provisions	2.34	-
Doubtful Assets – Category II		
Total outstanding	-	-
Provisions	-	-
Doubtful Assets – Category III		
Total outstanding	-	-
Provisions	-	-
Loss assets		
Total outstanding	-	-
Provisions	-	-
Total		
Total outstanding	**1,942.63**	**286.97**
Provisions	**35.96**	**6.13**

Note :

A. For above disclosure interest accrued but not due is considered.

B. The category of Doubtful Assets is as under:

Period for which the assets has been considered Doubtful	Category
Upto one year	Category-I
One to three years	Category-II
More than three years	Category-III

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Notes forming part of the Financial Statements for the year ended March 31, 2022

(All Amounts in millions unless Otherwise stated)

51.29 Off Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Particulars	As at March 31, 2022	As at March 31, 2021
Domestic	-	-
Overseas	-	-

51.30

Particulars	Details
Area and Country of Operations	India
Joint venture partners with regard to joint ventures and overseas subsidiaries	Nil

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

There are no material prior period items other than those disclosed in Financial Statements.

There has been no change in accounting policies followed other than those disclosed in the Financial Statements.

51.32 Exposure to group companies engaged in real estate business

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

The accompanying notes form an integral part of the standalone financial statements

As per our report of even date

For M B D & Co LLP
Chartered Accountants
Firm Registration Number : 135129W/W100152

Deval Desai
Partner
Membership No. 132426

Place: Ahmedabad
Date : May 27, 2022

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

Sagar Adani
Director
DIN: 07626229

Mr Gaurav Gupta
Director
DIN: 01669109

Rakesh Sharma
CEO

Manish Singh Payal
CS and Compliance Officer
M No: 46424

Place: Ahmedabad
Date : May 27, 2022

Adani Housing Finance Private Limited

Schedules to the balance sheet of a non deposit taking housing finance company as at March 31, 2022

(All Amounts in millions unless Otherwise stated)

Annexure I

(As required in terms of Paragraph 16 of Master Directions – Non Banking Finance Company – Housing Finance Company (Reserve Bank) Directions, 2021)

Particulars	Amount Outstanding	Amount Overdue
Liabilities side		
(1) Loans and advances availed by the Housing Finance company inclusive of interest accrued thereon but not paid:		
(a) Debentures : Secured	-	-
Unsecured	-	-
(other than falling within the meaning of public deposits)		
(b) Deferred Credits	-	-
(c) Term Loans	2,603.87	-
(d) Inter-corporate loans and borrowings	-	-
(e) Commercial Paper	-	-
(f) Working Capital Demand Loan	-	-
* Please see Note 1 below		
Assets side		
(2) Break-up of Loans and Advances including bills receivables [other than those included in (3) below] :		
(a) Secured	3,383.29	189.93
(b) Unsecured	-	-
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	-	
(b) Operating lease	-	
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	
(b) Repossessed Assets	-	
(iii) other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	
(b) Loans other than (a) above	-	
(4) Break-up of Investments :		
Current Investments		
1. Quoted :		
(i) Shares : (a) Equity	-	
(b) Preference	-	
(ii) Debentures and Bonds	-	
(iii) Units of mutual funds	-	
(iv) Government Securities	-	
(v) Others (please specify)	-	
2. Unquoted :		
(i) Shares : (a) Equity	-	
(b) Preference	-	
(ii) Debentures and Bonds		
(iii) Units of mutual funds	150.13	
(iv) Government Securities	-	
(v) Others	-	
Long Term investments :		
1. Quoted :		
(i) Shares : (a) Equity	-	
(b) Preference	-	
(ii) Debentures and Bonds	-	
(iii) Units of mutual funds	-	
(iv) Government Securities	-	
(v) Others (please specify)	-	

ADANI HOUSING FINANCE PVT. LTD.

Adani Housing Finance Private Limited

Schedules to the balance sheet of a non deposit taking housing finance company as at March 31, 2022

(All Amounts in millions unless Otherwise stated)

Annexure I

(As required in terms of Paragraph 16 of Master Directions – Non Banking Finance Company – Housing Finance Company (Reserve Bank) Directions, 2021)

2. Unquoted :	
(i) Shares : (a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
(iii) Units of mutual funds	-
(iv) Government Securities	-
(v) Others - Pass through certificates	-
(v) Fixed Deposit with Bank	50.00

(5) Borrower group-wise classification of assets financed as in (2) and (3) above
Please see Note 2 below:

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties**			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	3,335.52	-	3,335.52
Total	**3,335.52**	**-**	**3,335.52**

(6) Investor group-wise classification of all investments
(current and long term) in shares and securities
(both quoted and unquoted):
Please see note 3 below:

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties**		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	200.13	200.13
Total	200.13	200.13

** As per Accounting Standard of the Institute of Chartered Accountants of India (Please see Note 3)

(7) Other information	Amount
Particulars	
(i) Gross Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	36.85
(ii) Net Non-Performing Assets	
(a) Related parties	-
(b) Other than related parties	20.19
(iii) Assets acquired in satisfaction of debt	-

Notes:

1 As defined in point (xix) of paragraph 3 of chapter-2 of these Directions.

2 Provisioning norms shall be applicable as prescribed in these Directions.

3 All Accounting Standards represents to Companies Act,2013 and Companies Rules and Guidance Notes issued by the Institute of Chartered Accountants of India 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 and break up/fair value/Net Asset Value in respect of unquoted investments have been disclosed irrespective of whether they are classified as long term or current in (5) above.

ADANI HOUSING FINANCE PVT. LTD.