

OUR BUSINESS

The financial and other operational data in this section is taken from our Restated Consolidated Financial Information, accounting records and MIS, except as otherwise specified. Our Restated Consolidated Financial Information have been prepared and presented in accordance with Ind AS, as applicable to the Company, restated in accordance with the SEBI requirements. References herein to “we”, “our” and “us” are to Aadhar Housing.

The discussion below may contain forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as those set forth under “Risk Factors” on page 24 of this Red Herring Prospectus, “Management’s Discussion and Analysis of Financial Results” on page 335 of this Red Herring Prospectus, and those set forth elsewhere in this Red Herring Prospectus.

Unless otherwise indicated, industry and market data used in this section has been derived from the report on ‘Industry report on housing finance focused on low income housing segment’, April 2024, prepared and issued by CRISIL Market Intelligence & Analytics (“**CRISIL MI&A**”), a division of CRISIL Limited (together with CRISIL MI&A, “**CRISIL**”) (“**CRISIL Report**”) (available at <https://aadharhousing.com/investor-relations/offer-documents>) exclusively commissioned and paid for by us in connection with the Offer for an agreed fee pursuant to an engagement letter dated November 20, 2023, entered into with CRISIL Limited. Unless otherwise indicated, all financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year.

The term “Aadhar” used in the name of the issuer, “Aadhar Housing Finance Limited” has no relation or connection with the Government of India or Unique Identification Authority of India’s “Aadhaar” and should not be confused with the same.

Overview

According to CRISIL, we are a HFC focused on the low income housing segment (ticket size less than ₹1.5 million) in India and we had the highest AUM and net worth among our analyzed peers in FY2021, FY2022, FY2023 and nine months ended December 31, 2022 and December 31, 2023. In addition, according to the peer set analyzed by CRISIL, we had the highest number of live accounts in FY2023 (Source: CRISIL Report). In addition, we have a presence in 20 states and union territories, which is the highest among the peers analyzed by CRISIL as of March 31, 2023 (Source: CRISIL Report).

We are a retail-focused HFC focused on the low income housing segment, serving economically weaker and low-to-middle income customers, who require small ticket mortgage loans. The average ticket size of our loans was ₹0.9 million and ₹1.0 million with an average loan-to-value of 57.7% and 58.3%, as of December 31, 2022 and December 31, 2023, respectively. The following table sets forth the breakdown of our Gross AUM by occupation as of the periods indicated:

(₹ in million, except percentages)

Occupation	As of									
	March 31, 2021		March 31, 2022		March 31, 2023		December 31, 2022		December 31, 2023	
	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share	Amount	% Share
Salaried	85,093.3	63.8%	90,891.1	61.5%	100,933.2	58.6%	98,490.7	59.5%	113,686.1	57.2%
Self Employed	48,177.7	36.2%	56,886.8	38.5%	71,295.1	41.4%	67,173.9	40.5%	84,965.5	42.8%
Total	133,271.0	100.0%	147,777.9	100.0%	172,228.3	100.0%	165,664.6	100.0%	198,651.6	100.0%

We offer a range of mortgage-related loan products, including loans for residential property purchase and construction; home improvement and extension loans; and loans for commercial property construction and acquisition. Our financial performance has remained consistent and resilient through various external events in the Indian economy. The following table sets forth our Gross AUM for the periods indicated:

(₹ in million)

	For the				
	FY 2021	FY 2022	FY 2023	Nine months ended December 31, 2022	Nine months ended December 31, 2023
Gross AUM	133,271.0	147,777.9	172,228.3	165,664.6	198,651.6

We have made social objectives one of the core objectives of our business model. We operate a financially inclusive, customer centric lending business and believe that our business model contributes significantly to the economic uplift of our target customers by contributing to an improvement in their standard of living. In addition to our customer-facing social objectives, we have also implemented social objectives in aspects of our business. Our presence in urban and semi-urban locations across India provides a source of employment in these locations. See “- Competitive Strengths - Social objectives are one of the core components of our business model” on page 159.