

## **India Home Loan Limited**

**Reg. Off.: 504, Nirmal Ecstasy, 5<sup>th</sup> Floor, Jatashankar Dossa Road, Mulund (W), Mumbai-400080**

**Tel.: 022-25683353/54/55; Email: [ihll@ymail.com](mailto:ihll@ymail.com) ; Website: [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in)**

September 6, 2021

To,  
The Secretary,  
**The Bombay Stock Exchange,**  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001  
**Scrip Code: 530979 & 959722**

Dear Sir/Madam,

**Sub: Notice and Annual Report of Thirty-First (31<sup>st</sup>) Annual General Meeting of India Home Loan Limited (the Company)**

**Ref: Regulation 30 and 34 of SEBI Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 read with its Amendments**

With reference to captioned subject, we wish to inform that the 31<sup>st</sup> Annual General Meeting ("AGM") of India Home Loan Limited ("the Company") is scheduled to be held on Wednesday, September 29, 2021 at 2:00 PM IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in compliance with the General Circular dated April 8, 2020, April 13, 2020, May 5, 2020, June 15, 2020 and January 13, 2021 issued by the Ministry of Corporate Affairs ('MCA circulars'), and other applicable provisions of the Companies Act, 2013 and SEBI Circular dated May 12, 2020 and January 15, 2021, to transact the businesses as set forth in the Notice of AGM.

Pursuant to the provisions of Regulation 30 and 34 of the SEBI LODR Regulations, 2015 please find enclosed the Notice of the 31<sup>st</sup> AGM along with the Annual Report of the Company for the FY 2020-21.

In compliance with the aforesaid MCA Circulars and SEBI Circulars, the Notice of the 31<sup>st</sup> AGM along with the Annual Report for the FY 2020-21 have been sent only through electronic mode to those members whose email IDs are registered with the Company/ Depositories.

Further, the Notice of 31<sup>st</sup> AGM and the Annual Report for the FY 2020-21 are also made available on the website of the Company at [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in)

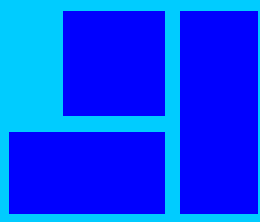
Request you to kindly take the above intimation on record.

Thanking You!

**For India Home Loan Limited**

**Ayushi Thakuriya**  
**Company Secretary & Compliance Officer**  
**A48816**

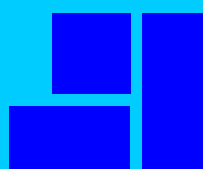
Enclosed: Notice of AGM and Annual Report FY 2020-21



**INDIA HOME  
LOAN LTD.**



**31ST ANNUAL REPORT  
2020-2021**



# INDIA HOME LOAN LTD.

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**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Mr. Mahesh N. Pujara  
Managing Director

Mr. Mitesh M. Pujara  
Whole-Time Director

**BRANCH OFFICES**

Mr. Govinder Singh  
Independent Director

Mrs. Shakuntala B. Merchant  
Independent Director

Mr. Ramesh M. Bhujang  
Independent Director  
(up to April 9, 2021)

Mr. Siddharth P. Kothari  
Nominee Director  
(up to June 30, 2021)

Mr. Vinit J. Rai  
Nominee Director  
(up to June 30, 2021)

Mr. Mahesh Fogla  
Independent Director  
(w.e.f. June 15, 2021)

Mr. Mahesh Manharlal Shah  
Independent Director  
(w.e.f. August 13, 2021)

**CHIEF FINANCIAL OFFICER**

Mr. Abhishek Agrawal  
(up to July 1, 2021)

**COMPANY SECRETARY**

Ms. Ayushi Thakuriya

**REGISTERED & CORPORATE OFFICE**

504/504A, 5th Floor,  
Nirmal Ecstasy, JatashankarDosa Road,  
Mulund (W), Mumbai-400080  
Office No. 022-25683353/54/55

A/202, Ganesh Plaza, Near Bus Stand  
Navrangpura, Ahmedabad-380009,  
Ph. 079-26449917/18

Plot No. 5, Housing Society, Above Natural Ice-cream  
Near Session Court, Jalgaon-425001  
Mob. 8484842526

Amar Deep Complex, 2nd Floor,  
Office No. 20, Marudhar Jewellers,  
Sardarpura Road, Jodhpur-342001, Mob. 9860977044

Plot No. 124, Sector 1/A, Near Killol Hospital,  
Gandhidham, Kutch-370201  
Mob. 9974578777

B-56, Okhla Industrial Estate  
Industrial Area Phase-I, New-Delhi-110020

17, Shree Dev Complex, Opp. Khadiya Mill  
Station Road, Patan-384265, Mob. 9725225249

17, 3rd Floor, SmridhhiBhavan  
Opp. Bombay Petrol Pump, Gondal Road, Rajkot-360002,  
Mob. 9925108674

401, 6th Floor, New Opera House, Near Desai CNG  
Station, Bamroli Road, Khatodra, Surat-395001,  
Mob. 8905336030

122, 1st Floor, Siddharth Complex, Alkapuri, Vadodara-390007,  
Mob. 9974360088

22, 1st Floor, Vinayak Plaza, Opp. Nagar Palika,  
Rajendra Bhavan Road, Veraval-362265, Mob.7567575790

**Board Committees, Bankers and Auditors****Audit Committee**

Mr. Govinder Singh, Chairperson  
Mrs. Shakuntala B. Merchant, Member  
Mr. Sidhharth P. Kothari, Member@  
Mr. Ramesh M. Bhujang, Member@  
Mr. Mahesh Fogla, Member#  
Mr. Mahesh Manharlal Shah, Member#

**Statutory Auditors**

M/s. Joshi & Shah  
257, Gurunanak Motor Market  
V P Road, Prathana Samaj  
Mumbai-400004

@resigned w.e.f. June 30, 2021 and April 9, 2021 respectively

#appointed w.e.f. June 15, 2021 and August 13, 2021 respectively

**Nomination and Remuneration Committee**

Mrs. Shakuntala B. Merchant, Chairperson  
Mr. Govinder Singh, Member  
Mr. Siddharth P. Kothari, Member@  
Mr. Vinit J. Rai, Member@  
Mr. Mahesh Fogla, Member#  
Mr. Mahesh Manharlal Shah, Member#

**Secretarial Auditor**

M/s. D.A. Kamat & Co.  
A-308, Royal Sands, Shastri Nagar  
Behind Infinity Mall,  
New Link Road, Andheri (W),  
Mumbai-400053

@resigned w.e.f. June 30, 2021

#appointed w.e.f. August 13, 2021

**Stakeholders Relationship Committee**

Mr. Govinder Singh, Chairperson  
Mr. Mahesh N. Pujara, Member  
Mr. Mitesh M. Pujara, Member  
Mr. Ramesh M. Bhujang, Member@  
Mr. Mahesh Manharlal Shah, Member#

**Bankers**

Kotak Mahindra Bank  
IDBI Bank Limited  
State Bank of India  
AU Small Finance Bank  
HDFC Bank Ltd  
Bandhan Bank

@resigned w.e.f. April 9, 2021

#appointed we.f. August 13, 2021

**Registrar & Transfer Agent**

Purva Sharegistry (India) Private Limited  
Unit No. 9, Shiv Shakti Industrial Estate  
J.R. Boricha Marg, Lower Parel (E),  
Mumbai 400 011  
Email: support@purvashare.com

**Shares and NCDs are listed with**

BSE Limited

## NOTICE OF THE 31ST ANNUAL GENERAL MEETING

NOTICE is hereby given that the Thirty First Annual General Meeting (AGM) of the members of India Home Loan Limited (CIN: L65910MH1990PLC059499) will be held on Wednesday, September 29, 2021 at 2:00 p.m. through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended March 31, 2021.
3. To appoint a Director in place of Mr. Mitesh M. Pujara (DIN: 02143047), the Executive Director, who though not liable to retire by rotation is retiring by rotation to enable compliance by the Company with the provisions of Section 152 of the Companies Act, 2013 (hereinafter called "the Act") and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 ("the Rules"), including any statutory modification(s) thereof for the time being in force and pursuant to recommendation made by the Board of Directors at its meeting held on September 3, 2021, M/s. H. K. Shah & Co., Chartered Accountants, (Firm Registration No.(FRN)109583W), be and is hereby appointed as statutory auditor of the Company for the financial year 2021-22, to fill casual vacancy caused by resignation of M/s. Joshi and Shah, Chartered Accountants (FRN 144627W) until the Annual General Meeting of the company to be held for financial year 2021-22 on such remuneration as may be fixed by the Board of Directors in consultation with them."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder, read with Schedule IV of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force, Mr. Mahesh Fogla (DIN: 05157688), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from June 15, 2021 pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three consecutive years commencing with effect from June 15, 2021."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") and the Rules made thereunder, read with Schedule IV of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force, Mr. Mahesh Manharlal Shah (DIN: 07014807), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors with effect from August 13, 2021 pursuant to the provisions of Section 161 of the Act and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of three consecutive years commencing with effect from August 13, 2021."

**By Order of the Board**

**Ayushi Thakuriya  
Company Secretary**

**Date: September 3, 2021**

**Registered Office:**

**504/504A, 5th Floor, Nirmal Ecstasy,  
Jatashankar Dosa Road,  
Mulund (w) Mumbai 400080  
[customercare@indiahomeloan.co.in](mailto:customercare@indiahomeloan.co.in)  
[www.indiahomeloan.co.in](http://www.indiahomeloan.co.in)  
**CIN: L65910MH1990PLC059499****

**Notes:**

1. In view of the continuing Covid-19 pandemic and social distancing norm, the Ministry of Corporate Affairs ("MCA") has vide it's circular dated 8th April 2020 and 13th April 2020, 5th May 2020 and 13th January 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12th May 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11, dated 15th January 2021 (referred to as "SEBI Circular") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio-Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue for the AGM shall be the Registered Office of the Company.
2. A statement pursuant to Section 102(1) of the Act, relating to the Special Businesses under Item No. 4, 5 and 6 mentioned above is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM is annexed hereto.



3. PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC / OAVM, PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED TO THIS NOTICE.
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting or voting at the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [cdsakaria.cs@gmail.com](mailto:cdsakaria.cs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
7. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants. Members may note that the Notice and the Annual Report 2021-22 will also be available on the Company's website at [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in), on the website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of National Securities Depository Limited viz., [www.nsdl.co.in](http://www.nsdl.co.in).
8. To support the "Green Initiative", Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
9. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their Depository Participant in case the shares are held in electronic form and to our RTA M/s. Purva Shareregistry (India) Private Limited in case the shares are held in physical form.
10. The Share Transfer Books and Register of Members of the Company will remain closed from September 23, 2021 to September 29, 2021 (both days inclusive) for the purpose of determining the members who shall be entitled to dividend, if any declared at the AGM.
11. The dividend, as recommended by the Board, if declared and approved at the Annual General Meeting will be paid to those members whose names appear in the Register of Members at the end of business hours on September 22, 2021. In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership, as per the details to be furnished for the purpose by National



Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the end of business hours on September 22, 2021.

**12. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):**

Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

It is in the Members' interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Members' account on time. Members who have not yet encashed the dividend warrants are requested to forward their claims to the Company's Registrar and Share Transfer Agents. Members are requested to contact the Company's Registrar and Share Transfer Agent to claim the unclaimed/ unpaid dividends at the following address:

**Purva Sharegistry (India) Private Limited**

Unit No. 9, Shiv Shakti Industrial Estate  
J.R. Boricha Marg, Lower Parel (E),  
Mumbai-400 011

**Email:** [support@purvashare.com](mailto:support@purvashare.com)

13. Members are requested to update their bank mandate/ NECS / Direct credit details / name / address / power of attorney and their Core Banking Solutions enabled account number:

- a. For shares held in physical form: with the Registrar and Share Transfer Agent of the Company.
- b. For shares held in dematerialized form with the depository participant with whom they maintain their demat account.

Kindly note that as per Regulation 12 read with Schedule I of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for distribution of dividends or other cash benefits to the investors, electronic mode of payments like National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT) shall be used. In cases where the details like MICR no., IFSC no. etc. required for effecting electronic payments are not available, physical payment instrument like dividend warrants, will be used. Accordingly, we recommend you to avail the facility of direct electronic credit of your dividend and other cash benefits through electronic mode and in all cases keep your bank account details updated in your demat account / physical folio.

14. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company / Registrar and Transfer Agent (in case of shares held in physical mode) and with

the Depository Participants (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax, can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to latest by 11:59 p.m. (IST) on (September 23, 2021).

Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to [cs@indiahomeloan.co.in](mailto:cs@indiahomeloan.co.in).

The aforesaid declarations and documents need to be submitted by the shareholders latest by September 22, 2021.

15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
16. Pursuant to Section 72 of the Companies Act, 2013 members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's Registrars & Share Transfer Agents. In respect of shares held in electronic / demat form, the members may please contact their respective depository participant.
17. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
18. For receiving all communication (including Annual Report) from the Company electronically:
  - a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [support@purvashare.com](mailto:support@purvashare.com).
  - b) Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participant.
19. The Company has engaged the services of National Securities Depository Limited (NSDL) as the authorized agency for conducting of the e-AGM and providing e-voting facility in accordance with circulars issued by MCA and SEBI.
20. Members will be allowed to attend the AGM through VC / OAVM on first come, first served basis. Facility to join the meeting shall be opened thirty minutes before the scheduled time of the AGM and shall be kept open throughout the proceedings of the AGM.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM / AGM THROUGH****(I) VC/OAVM ARE AS UNDER:**

- (ii) Any person, who acquires shares of the Company and become Member of the Company after the dispatch of notice and holding shares as of the cut-off date i.e. September 22, 2021 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer / R & T Agents. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at 022-24994553.
- (iii) Members are encouraged to join the Meeting through Laptops for better experience.
- (iv) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (v) Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com> by using their remote e-voting log in credentials and selecting the EVEN for Company's AGM.
- (vi) Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
- (vii) Members who need assistance before or during the AGM, can contact NSDL on [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)/ 1800-222-990 or contact Mr. Amit Vishal, Senior Manager - NSDL at [amitv@nsdl.co.in](mailto:amitv@nsdl.co.in)/ 022- 24994360/ +91 9920264780 or Mr. Sagar Ghosalkar, Assistant Manager- NSDL at [sagar.ghosalkar@nsdl.co.in](mailto:sagar.ghosalkar@nsdl.co.in)/ 022-24994553/ +91 9326781467.
- (viii) Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN and mobile number at [cs@indiahomeloan.co.in](mailto:cs@indiahomeloan.co.in) from September 22, 2021 to September 24, 2021. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM / AGM ARE AS UNDER:**

1. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, and Regulation 44 of the SEBI (LODR) Regulations, the Company is pleased to provide to its members the facility to exercise their right to vote on resolutions proposed to be passed at the ensuing AGM by electronic means ("e-voting") holding equity shares as on September 22, 2021, being the Cut-off Date (Record date for the purpose of rule 20(3)(vii) of the said Rules), fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through e-voting platform provided by NSDL. The Company has engaged the services of the NSDL to provide the e-voting facility.

2. The remote e-voting period commences on Sunday, September 26, 2021 (9:00 AM) and ends on Tuesday, September 28, 2021 (5:00 PM). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Thursday, September 22, 2021, may cast their vote through remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
3. The procedure for e-Voting on the day of the EGM /AGM is same as the instructions mentioned below for remote e-voting.
4. Only those Members/ shareholders, who will be present in the EGM /AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM / AGM.
5. Members who have voted through Remote e-Voting will be eligible to attend the EGM / AGM. However, they will not be eligible to vote at the EGM /AGM.
6. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM / AGM shall be the same person mentioned for Remote e-voting.
7. Mr. Chintal D Sakaria (Membership No. F-9477/Certificate of Practice No. 20063), Proprietor of M/s. C D Sakaria & Associates, Practising Company Secretaries has been appointed as the Scrutiniser to scrutinise the remote e-voting process and voting conducted through Polling Paper at the AGM in a fair and transparent manner.
8. The voting rights of Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. September 22, 2021.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING AREAS UNDER:-**

The remote e-voting period begins on Sunday, September 26, 2021 at 9:00 AM and ends on Tuesday, September 28, 2021 5:00 PM. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 22, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 22, 2021.

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





**Step 1: Access to NSDL e-Voting system**

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li data-bbox="619 831 1422 1290">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDLand you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="619 1323 1422 1462">2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.js">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.js</a></li> <li data-bbox="619 1496 1422 1984">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDLand you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

	<p>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <div data-bbox="724 1686 1230 1977" style="border: 1px solid black; padding: 5px; text-align: center;"> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>     <b>Google Play</b></p> <div style="display: flex; justify-content: space-around;">   </div> </div>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*



**4. Your User ID details are given below :**

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

**5. Password details for shareholders other than Individual shareholders are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) **How to retrieve your 'initial password'?**
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

**6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:**

- a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
  8. Now, you will have to click on "Login" button.
  9. After you click on the "Login" button, Home page of e-Voting will open.

#### **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

##### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

##### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cdsakaria.cs@gmail.com](mailto:cdsakaria.cs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful

attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Mr. Sagar S Gughate or Ms. Sarita Mote) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL-IDS ARE NOT REGISTERED WITH THE DEPOSITORIES FOR PROCURING USER ID AND PASSWORD AND REGISTRATION OF EMAIL-IDS FOR E-VOTING FOR THE RESOLUTIONS SET OUT IN THIS NOTICE:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@indiahomeloan.co.in](mailto:cs@indiahomeloan.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@indiahomeloan.co.in](mailto:cs@indiahomeloan.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

9. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
10. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
11. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
12. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**OTHER INSTRUCTIONS**

- (i) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- (ii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in) and on the website of NSDL <https://www.evoting.nsdl.com> immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

**By Order of the Board**

**Ayushi Thakuriya  
Company Secretary**

**Date: September 3, 2021**

**Registered Office:  
504/504A, 5th Floor, Nirmal Ecstasy,  
Jatashankar Dosa Road,  
Mulund (w) Mumbai 400080  
[customercare@indiahomeloan.co.in](mailto:customercare@indiahomeloan.co.in)  
[www.indiahomeloan.co.in](http://www.indiahomeloan.co.in)  
CIN: L65910MH1990PLC059499**

**STATEMENT TO BE ANNEXED TO NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THEACT")****ITEM NO. 4**

M/s. Joshi and Shah, Chartered Accountants (Firm Registration No. 144627W), have tendered their resignation as the Statutory Auditors due to concerns over fee levels for conducting audit, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013 ("Act"). Casual vacancy caused by the resignation of auditors can only be filled up by the Company in general meeting. The Board of Directors at its meeting held on September 3, 2021 had approved the appointment of M/s. H. K. Shah & Co., Chartered Accountants (Firm Registration No. ), as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Joshi and Shah, Chartered Accountants.

M/s. H. K. Shah & Co., Chartered Accountants (Firm Registration No. 109583W), have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. They also hold a valid peer review certificate issued by The Institute of Chartered Accountants of India.

The resolution as set out in item No. 4 of this Notice is accordingly commended for your approval by the Board. This Explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors, Key Managerial Persons or their relatives, in any way, concerned or interested in the said resolution.

**ITEM NO. 5**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on June 15, 2021, appointed Mr. Mahesh Fogla (DIN: 05157688) as an Additional Director (Independent) of the Company subject to approval of the Members of the Company at the ensuing Annual General Meeting ("AGM"). Pursuant to the provisions of Section 161 of the Companies Act 2013 ("Act"), he holds office as Director up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Act, a notice has been received from a member signifying its intention to propose the appointment of Mr. Mahesh Fogla as a Director.

The Company has received a declaration from Mr. Fogla confirming that he meets the criteria of independence as prescribed under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Fogla has also confirmed that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. In the opinion of the Board, Mr. Fogla fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for the appointment of Independent Directors is available for inspection by the Members at the registered office of the Company during business hours on any working day up to the date of this Annual General Meeting and is also available on the website of the Company [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in).

Mr. Mahesh Fogla is a qualified Chartered Accountant and Cost Accountant with rich experience in Finance & Accounts, Legal & Taxation and Strategic Financial Planning. He has more than 30 years of experience in conceptualizing & implementing MIS, maintaining & finalization of accounts, Structuring Commercial Transactions to minimize impact of Taxes & Cost. He is an effective leader with analytical, team building & relationship management skills & abilities. A brief profile of Mr. Fogla is attached separately.

A brief profile in relation to the experience, functional expertise, memberships on other Companies' Boards and Committees in respect of the appointment of Mr. Fogla as the Independent Director, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out in this Notice.

Mr. Fogla is not related to any other Director and Key Managerial Personnel of the Company. The Board is of the opinion that it will be beneficial to the Company to avail of his services as an Independent Director of the Company and recommends the Ordinary resolution as set out in Item No. 5 of the Notice for approval of the shareholders.

None of the Directors, Key Managerial Personnel, and their relatives, are in any way, concerned or interested, in the said resolution.

The resolution as set out in item No. 5 of this Notice is accordingly commended for your approval by the Board. This Explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **ITEM NO. 6**

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on August 13, 2021, appointed Mr. Mahesh Manharlal Shah (DIN: 07014807) as an Additional Director (Independent) of the Company subject to approval of the Members of the Company at the ensuing Annual General Meeting ("AGM"). Pursuant to the provisions of Section 161 of the Companies Act 2013 ("Act"), he holds office as Director up to the date of the ensuing Annual General Meeting. As required under Section 160 of the Act, a notice has been received from a member signifying its intention to propose the appointment of Mr. Mahesh Manharlal Shah as a Director.

The Company has received a declaration from Mr. Shah confirming that he meets the criteria of independence as prescribed under the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Shah has also confirmed that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. In the opinion of the Board, Mr. Shah fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the management.

A copy of the draft letter of appointment for Independent Directors, setting out the terms and conditions for the appointment of Independent Directors is available for inspection by the Members at the registered office of the Company during business hours on any working day up to the date of this Annual General Meeting and is also available on the website of the Company [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in).

Mr. Mahesh Shah is a qualified Chartered Accountant offering expertise in management, auditing, strategic planning, mergers and acquisitions with 2 years of ERP coordination experience. He has more than 30 years

of experience in Portfolio Management, Budget Management, and preparation of Cash Flow Management, P&L and Balance Sheets.

A brief profile in relation to the experience, functional expertise, memberships on other Companies' Boards and Committees in respect of the appointment of Mr. Shah as the Independent Director, as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out in this Notice.

Mr. Shah is not related to any other Director and Key Managerial Personnel of the Company. The Board is of the opinion that it will be beneficial to the Company to avail of his services as an Independent Director of the Company and recommends the Ordinary resolution as set out in Item No. 6 of the Notice for approval of the shareholders.

None of the Directors, Key Managerial Personnel, and their relatives, are in any way, concerned or interested, in the said resolution.

The resolution as set out in item No. 6 of this Notice is accordingly commended for your approval by the Board. This Explanatory Statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



**ADDITIONAL INFORMATION OF DIRECTORS SEEKING RE-APPOINTMENT(S) AT THE THIRTIETH ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS ON GENERAL MEETINGS**

Name of the Director	Mr. Mitesh M. Pujara	Mr. Mahesh Fogla	Mr. Mahesh Manharlal Shah
Date of Birth	03.07.1976	21.08.1971	16.02.1965
Date of First Appointment (appointment as an additional director on the Board)	21.08.2008	15.06.2021	13.08.2021
Date of Last Re-appointment	31.08.2018	-	-
Qualification(s)	B.Com	Qualified Chartered Accountant and Cost Accountant	Qualified Chartered Accountant
Brief Profile	Mr. Pujara has been working in the financial sector and capital market for the last 15 years. As the Whole-time Director of India Home Loan Limited, he provides the strategic leadership and focus to the business.	Mr. Fogla has more than 30 years of rich experience in Finance & Accounts, Auditing & Taxation & Strategic Financial Planning & Merger & Acquisitions. He is proficient in conceptualizing & implementing MIS, maintaining & finalization of accounts, Structuring Commercial Transactions to minimize impact of Taxes & Cost. He is an effective leader with analytical, team building & relationship management skills & abilities.	Mr. Mahesh Shah is a qualified Chartered Accountant offering expertise in management, auditing, strategic planning, mergers and acquisitions with 2 years of ERP coordination experience. He has more than 30 years of experience in Portfolio Management, Budget Management, and preparation of Cash Flow Management, P&L and Balance Sheets.
Relationship with other Directors, Manager and Key Managerial Personnel (KMP)	Son of Mr. Mahesh N. Pujara, Managing Director of the Company	None	None
Expertise in specific functional Areas	Finance Sector	Finance Sector	Finance Sector
Shares held in the	745290	-	-

Shares held in the Company	745290	-	-
Directorships held in other listed companies* excluding foreign companies	Nil	Nil	Nil
Memberships of Committees in other listed companies**	Nil	Nil	-
Details of remuneration paid during the financial year (FY) 2020-21	Rs. 47,05,410	-	-
Remuneration sought to be paid	-	Sitting Fees	Sitting Fees
Terms and conditions of appointment	As Decided by Nomination and Remuneration Committee	As Decided by Nomination and Remuneration Committee	As Decided by Nomination and Remuneration Committee
No. of Board Meetings attended during the financial year 2020-21	6	-	-

\*Only equity listed entities are considered.

\*\*Only Audit Committee and Stakeholders' Relationship Committee memberships in equity listed entities have been considered.

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty First Annual Report on the performance of the Company together with the audited financial statements for the year ended March 31, 2021.

The financial performance of your Company for the year ended March 31, 2021 is summarized below:

Particulars	2020-21	2019-20
Revenue from operations	3112.50	3234.27
Other income	0.031	59.67
Total revenue	3112.53	3293.94
Profit before depreciation and finance costs	2196.61	2564.36
Depreciation and amortisation expense	23.38	32.52
Finance Cost	2024.79	2156.95
Profit after depreciation, finance costs and exceptional items and before tax	148.44	374.89
Tax expense	36.23	94.39
Profit for the year	112.20	280.50
Other comprehensive income	1.57	1.80
<b>Total comprehensive income for the Year</b>	<b>113.78</b>	<b>282.29</b>

### NATURE OF BUSINESS AND FINANCIAL PERFORMANCE

The Company is a housing finance company registered with National Housing Bank of India which has now merged with Reserve Bank of India. It primarily offers retail home loan products in the affordable housing segment. Loans are offered to customers for purchase, construction as well as extension of houses. During the year under review, the Company has achieved total revenue of Rs. 3112.53 Lakhs with a Profit after Tax of Rs. 112.20 Lakhs as against the total revenue of Rs. 3293.94 Lakhs and profit after tax of Rs. 280.50 lakhs earned in previous year.

### REVIEW OF OPERATIONS

The Net NPA of the company as on 31st March, 2021 is 2.31 %. The company has disbursed 169 loan proposals during this year amounting to Rs. 2,343 Lakh. The total loan portfolio as on 31st March, 2021 stands at Rs. 20,951.37 Lakh.

### IMPACT OF COVID -19

Post outbreak of COVID-19, virus continues to spread across the country, resulting in significant volatility in financial markets and a significant decrease in economic activities. On March 11, 2020, this outbreak was declared a global pandemic by the World Health Organisation and consequent lockdowns were imposed across. The situation was improving up to Jan - Feb 2021 but due to the onset of the 'second wave', things have deteriorated since March 2021. Increase in COVID 19 cases necessitated imposition of restrictions which may once again impact economic activity and markets. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including,

among other things, any new information concerning the severity of the COVID19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company.

**A. Estimation of uncertainties relating to the global health pandemic from COVID-19:**

In preparing the accompanying financial statements, the Company's management has assessed the impact of the pandemic on its operations and its assets as at March 31, 2021. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material.

**B. Impact of Covid-19 on loan receivables and Revenue from Operations:**

The Company has considered its past collection trend during the spread of Pandemic and further evaluated the impact of COVID - 19. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods. In accordance with the Reserve Bank of India ('RBI') guidelines relating to 'COVID-19 Regulatory Package' dated 27 March 2020 and subsequent guidelines on EMI moratorium dated 17 April 2020 and 23 May 2020, the Company has offered to its customers a moratorium of six months on the payment of all instalments and / or interest, as applicable, due between March 1, 2020 and August 31, 2020 to all eligible borrowers, classified as standard, even if overdue, as on February 29, 2020. For all such accounts where the moratorium was granted, the asset classification shall remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning norms). The Company holds provisions as at March 31, 2021 against the potential impact of COVID-19 based on the information available at this point in time.

**C. Impact of Covid-19 on Loss allowance for loan receivables and other receivables:**

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions. The extent to which COVID - 19 pandemic will impact the company's provision on financial assets will depend on future developments, which are highly uncertain. The impact of COVID - 19 pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

**D. Impairment assessment of Property plant and equipment, Intangible assets:**

The Company is engaged primarily in providing affordable housing finance services. Considering the nature of business, the Company does not have major PP&E assets. As of March 31, 2021, the estimated recoverable amount of the CGU exceeded its carrying amount. Reasonable sensitivities in key assumptions consequent to the change in estimated future economic conditions on account of possible effects relating to Covid-19 are unlikely to cause the carrying amount to exceed the recoverable amount of the cash generating unit.

**E. Credit risk on cash and cash equivalents:**

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks. The Company also invests in short liquid mutual funds and reviews the portfolio on a regular basis. Mutual Funds with high quality portfolios are preferred.

**TRANSFER TO RESERVES**

The Company has transferred Rs. 92.82 Lakh to Special Reserves under Sec 36(1)(viii) of Income Tax Act, 1961 for the financial year 31st March, 2021 as per audited financial statements.

**SHARE CAPITAL**

As on 31st March 2021, the Paid up share capital of the Company is Rs. 14,28,17,550 (Rupees Fourteen crores twenty-eight lakhs seventeen thousand five hundred and fifty only) divided into 1,42,81,755 equity shares of face value of Rs. 10/-.

Your Company had also issued (on a preferential basis) and allotted an aggregate Sixteen Lakh Convertible Warrants on March 30, 2019 to the following persons:

Sr. No.	Name of Warrant holder	No. of Warrant held
1.	Mr. Neel Subhash Patel	3,00,000
2.	Mrs. Sonal Mayur Shah	2,00,000
3.	Mrs. Shailaja Chetan Shah	2,00,000
4.	Mr. Mahesh Narshibhai Pujara	5,00,000
5.	JM Financial India Trust II - JM Financial India Fund II	4,00,000

The conversion option could only be exercised by Warrant holder(s) at any time during the period of 18 (Eighteen) months from the date of allotment of equity warrants, in one or more tranches, as the case may be and on such other terms and conditions as applicable.

However, on request of all warrant holders, the Company had filed an application for extension of due date of warrants with SEBI on September 4, 2020 and based on our application, SEBI had given 45 days of extension but consequent upon the expiry of the extension period given and term for conversion of the warrants into equity shares in November 2020, the warrants held by all the warrant holders including the promoters were forfeited by the Company on November 13, 2020.

**DIVIDEND**

The Directors are pleased to recommend a dividend of Re 0.10 per equity share of the face value of Rs. 10/- each for the year ended March 31, 2021 (previous year: Re. 0.15 per Equity Share). The total outgo on account of dividend will be Rs. 21,42,263/- (Rupees Twenty-One Lakh Forty Two Thousand and Two Hundred and Sixty Three only). The dividend, as recommended by the Board, is declared and approved at the ensuing Annual General Meeting will be paid to those members whose names appear in the Register of Members at the end of business hours on Wednesday, September 22, 2021. In respect of shares held in dematerialised form, the dividend will be paid on the basis of beneficial

ownership, as per the details to be furnished for the purpose by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as at the closing hours of Wednesday, September 22, 2021.

#### **DEPOSITS**

During the year under review, the Company has neither invited nor accepted any deposits from the public within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

#### **EMPLOYEE STOCK OPTIONS SCHEME**

During the year under the review the Company has not issued any Shares pursuant to the Employee Stock Options Scheme.

#### **SUBSIDIARY/JOINT VENTURES/ ASSOCIATES COMPANIES**

The Company does not have any subsidiary/ joint venture or associate Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

**Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:**

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b) they have 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 at the end of the financial year and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As on the date of this report, Mr. Mahesh Fogla and Mr. Mahesh Manharlal Shah were appointed as Additional Independent Directors of the Company with effect from June 15, 2021 and August 13, 2021 respectively. The resolutions seeking shareholders' approval for their appointment forms a part of the Notice.

The brief details of Mr. Mahesh Fogla and Mr. Mahesh Manharlal Shah who are proposed to be appointed/re-appointed as required under Secretarial Standard 2 ("SS-2") and Regulation 36 of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "Listing Regulations") are being provided in the Notice convening the Annual General Meeting of the Company.

Mr. Abhishek Agarwal was appointed as Chief Financial Officer of the Company with effect from April 23, 2020.

Mr. Ramesh Madhavrao Bhujang ceased to be the Director of the Company with effect from April 9, 2021 and Mr. Abhishek Agarwal ceased to be the Chief Financial Officer of the Company with effect from July 1, 2021.

Further, Mr. Vinit Janardan Rai and Mr. Siddharth Pradip Kothari ceased to be the Nominee Directors of the Company with effect from June 30, 2021 and June 30, 2021 respectively.

Mr. Mitesh M. Pujara, though re-appointed as the Whole-time Director for a fixed term of 5 years with effect from August 21, 2018 will retire by rotation as a Director, to enable compliance by the Company with the provisions of Section 152 of the Act, and being eligible, has offered himself for re-appointment at the 31st Annual General Meeting. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, all the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149 (6) of the Act along with Rules framed thereunder and Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). There has been no change in the circumstances affecting their status as independent directors of the Company.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2021 are: Mr. Mahesh N. Pujara (Managing Director), Mr. Mitesh M. Pujara (Whole-time Director), Mr. Abhishek Agarwal (Chief Financial Officer) and Ms. Ayushi Thakuriya (Company Secretary and Compliance Officer).

## **BOARD MEETINGS**

During the year, 2020-21, 9 (Nine) meetings of the Board of Directors were held. Details about the Board meetings are given in report on Corporate Governance which forms part of this Report.

The maximum interval between any two meetings did not exceed 120 days.

## **BOARD COMMITTEES**

The Board currently has 6 (Six) committees, namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, IT Strategy Committee, Risk Management Committee and Asset and Liability Committee.

Details of the Committees including the charter, composition and meetings held during the year, are provided in the Corporate Governance Report which forms part of this Annual Report.

## **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.



The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company were evaluated, taking into account the views of executive directors and non-executive directors.

The Board reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

#### **POLICIES ON APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION**

Pursuant to sub-section (3) of Section 178 of the Act and Regulation 19(4) of the Listing Regulations, the Board has formulated Policies on Directors' appointment and remuneration. This Policy includes criteria for selection of Directors, determining their qualifications, positive attributes, remuneration and independence of Directors, evaluation process for performance of Directors, key evaluation criteria and other matters.

In accordance with the applicable provisions of the Act and the Listing Regulations, these Policies are uploaded on the website of the Company, viz., [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in).

#### **CORPORATE SOCIAL RESPONSIBILITY**

During the year under review, the provisions of Section 135 read with Schedule VII of the Companies Act, 2013, the CSR provisions were not applicable to the Company.

#### **CORPORATE GOVERNANCE**

The Company's Corporate Governance Report for the year under review, forms part of this Annual Report. A certificate from M/s. D. A. Kamat & Co., Practicing Company Secretaries regarding the compliance with the conditions of the Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations"), is annexed to Corporate Governance Report and forms a part of this Report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis as required under Regulation 34 read with Schedule V of SEBI Listing Regulations forms part of this Annual Report.

**RECEIPT OF ANY COMMISSION BY MD / WTD FROM COMPANY OR FOR RECEIPT OF COMMISSION/REMUNERATION FROM ITS HOLDING OR SUBSIDIARY COMPANY**

During the year under review, the Company has not paid any commission to any of its directors. The Company does not have any subsidiary / holding Company, therefore, the question of receipt of any amount does not arise.

**STATUTORY AUDITORS**

M/s. Joshi & Shah, Chartered Accountants (Firm Registration No. 0144627W), who were appointed as the statutory auditors of the Company to hold office for a term of 5 years from the conclusion of the Twenty Ninth Annual General Meeting held on September 13, 2019 until the conclusion of the Thirty Fourth Annual General Meeting of the Company have tendered their resignation vide their letter dated August 13, 2021 informing their inability to continue as the Statutory Auditors of the Company.

The auditors have completed the statutory audit in respect of the financial statements for the year ended March 31, 2021 and limited review of the financial results for the quarter ended June 30, 2021 as per the requirement of Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 and SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

M/s. H. K. Shah & Co., Chartered Accountants (Firm Registration No. 109583W), have been appointed as the Statutory Auditors of the Company for the financial year 2021-22 subject to the approval of the members at ensuing AGM to fill the casual vacancy caused by the resignation of M/s. Joshi and Shah, Chartered Accountants. They shall hold the office of the statutory auditors until the conclusion of the Annual General Meeting of the Company to be held for financial year 2021-22.

**STATUTORY AUDITORS' REPORT**

The Auditors' Report on the financial statements for the financial year ended March 31, 2021 as received from M/s. Joshi & Shah, the outgoing Statutory Auditors is issued with unmodified opinion and does not contain any qualifications, reservations or adverse remarks.

**FRAUD REPORTING**

During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company.

**SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. D. A. Kamat & Co., Practicing Company Secretaries, to conduct Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR-3 for the financial year ended March 31, 2021 is enclosed as Annexure I to this report. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in the report.

## **SECRETARIAL STANDARDS**

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## **INSPECTION BY NATIONAL HOUSING BANK (NHB)**

NHB, under section 34 of the NHB Act, 1987, carries out inspection of HFCs. NHB conducted comprehensive inspection of select few branches of IHLL and also inspects IHLL's lending, resource raising and accounting activities apart from the compliances with the Prudential Guidelines issue by NHB.

## **PARTICULARS OF EMPLOYEES AND RELATED INFORMATION**

In accordance with the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules, are appended to this Report as Annexure II.

During the year under review, none of the employees were in receipt of remuneration of ₹102 lakhs or more per annum or ₹ 8.50 lakhs or more per month. Accordingly, the information regarding employee remuneration as required pursuant to Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

## **RISK MANAGEMENT**

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified are systematically addressed through mitigating actions on a continuing basis.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established a vigil mechanism to provide a framework to promote responsible and secure whistle blowing and to provide a channel to the employee(s) and Directors to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted/framed from time to time. The mechanism provides for adequate safeguards against victimisation of employee(s) and Directors to avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases.

## **INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to Board.

#### **CREDIT RATINGS**

As on the date of this report, the Company had received a letter on July 15, 2021 from Infomeric Rating ("Credit Rating Agency"), in relation to the revision in the Credit Rating assigned to the Long term fund based bank facility - term loan from IVR BBB- to IVR D and for Non-Convertible Debentures from IVR BBB- to IVR C.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the year under review, the transactions entered into by the Company with related parties as defined under the Act and SEBI Listing Regulations, were in the ordinary course of business and on an arm's length basis.

Pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, there are no related party transactions that are required to be reported under Section 188(1) of the Act, as prescribed in Form AOC-2.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Since the Company is registered with National Housing Bank as a Housing Finance Company, the disclosures regarding particulars of the loans given, guarantees given and securities provided is exempt under the provisions of Section 186 (11) of the Companies Act, 2013.

As regards investment made by the Company, the details of the same are provided under Note no. 4 & 5 forming part of Financial Statements of the Company for the year ended March 31, 2021.

#### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the year.

#### **MATERIAL EVENTS AFTER THE DATE OF THE FINANCIAL STATEMENTS**

I The Company has defaulted in payment of interest/repayment of principal amount of Rs. 2.87 crore on loans from Banks/financial institution beyond 30 days. Pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated 21st November, 2019, the details of the default as on 30th June, 2021 was intimated to the Stock Exchange on 31st July, 2021.

- I The Company has defaulted in payment of interest/repayment of principal amount of Rs. 1.06 crore on loans from Banks/financial institution beyond 30 days. Pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated 21st November, 2019, the details of the default as on 31st July, 2021 was intimated to the Stock Exchange on 31st August, 2021.

**MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

During the year under review, there were no material changes and commitments affecting the financial position of the Company.

**KEY INITIATIVES/DEVELOPMENTS**

Issuance of Non-Convertible Debentures on Private Placement basis

During the year under review, On June 30, 2020, the Company has allotted 200 11% Secured, Rated, Redeemable Non-convertible Debentures (NCDs) amounting to Rs. 20,00,00,000 for a tenor of 36 months and with security cover of 1.05 times of outstanding amount under RBI's TLTRO Scheme. The proceeds of the NCDs are used for the objects that were stated in the offer document(s). These NCDs are listed on BSE Limited.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/REGULATORS:**

There are no orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

**CONSERVATION OF ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

The relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as prescribed under section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, are set out herein below:

**a) Conservation of Energy**

Your Company being a Housing Finance Company, its activities are not energy intensive. However your Company has taken adequate measures for conservation of energy, wherever required.

**b) Technology Absorption**

Your Company being a Housing Finance Company, its activities do not require adoption of any significant technology. However, the Company has implemented various information technology tools to efficiently monitor its operations.

**c) Foreign Exchange**

During the year under review there were no Foreign Exchange Earnings & the Foreign Exchange outgo is NIL.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to the Section 134 (3) (a) of the Companies Act, 2013, the Annual Return shall be available on the website of the company viz. [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in).

## **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a Policy on Prevention against Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company has not received any complaint under this policy during the 2020-21.

## **CAUTIONARY STATEMENT**

Certain statements in the Directors' Report describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied.

## **APPRECIATION AND ACKNOWLEDGEMENT**

The Directors would like to thank all shareholders, the Ministry of Corporate Affairs, the Securities and Exchange Board of India, the Government of India, National Housing Bank and other Regulatory Authorities, the BSE Limited, Bankers, Members, Customers, associates and Employees of the Company for their continued support and trust. Your Directors would like to express deep appreciation for the commitment shown by the employees in supporting the Company in achieving continued robust performance on all fronts.

**On behalf of the Board of Directors**

**Place: Mumbai**  
**Dated: September 3, 2021**

**Govinder Singh**  
**Chairman**

*D. A. KAMAT & CO.*

Practicing Company Secretaries

Address: B/208, Shreedham Classic, Next to St. John's Universal School,

S.V. Road, Goregaon (West), Mumbai 400 104.

Phone no.: 9029661169 | E-Mail: [office@csdakamat.com](mailto:office@csdakamat.com); [csdak@csdakamat.com](mailto:csdak@csdakamat.com)

**ANNEXURE - I**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31 ST MARCH, 2021  
[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,  
India Home Loan Limited  
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the Adherence to good corporate practices by India Home Loan 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 The records maintained by the company and also the information provided by the Company, its officers, Agents and authorized representatives during the conduct of the secretarial audit, the explanations and clarifications given to us and there presentations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has during the audit period covering Financial Year from 1 st April, 2020 to 31 st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the Adherence to good corporate practices by 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.

I. We have examined the books, papers, minute books, forms and returns filed, reports issued by various fellow professionals and other applicable records and registers and maintained by the Company for the Financial Year from 1 st April, 2020 to 31 st March, 2021 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under



2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
3. The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to Extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings
5. 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 (Issue of Capital and Disclosure Requirements) Regulations, 2009
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
  - (c) The Securities and Exchange Board (Listing and Disclosure Requirements) Regulations, 2015.
  - (d) The Securities Contracts (Regulation) Act, 1956 and the rules made there under
  - (e) SEBI (Prohibition of Insider Trading) Regulations, 2015
  - (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 the client
  - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009-Not applicable to the company for the period of review
  - (i) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 - Not Applicable to the company for the period of review
6. Specific Laws as mentioned hereunder:
  - (a) National Housing Bank Act, 1987;
  - (b) Housing Finance Companies (NHB) Directions, 2010;
  - (c) Housing Finance Companies - Corporate Governance (National Housing Bank) Directions, 2016;

- (d) Housing Finance Companies - Auditor's Report (National Housing Bank) Directions, 2016;
- (e) Related Guidelines, Circulars as issued to Housing Finance Companies registered with NHB.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent stated in this Report.

- II. We have examined the applicable provisions of Secretarial Standards I and II as issued by the Institute of Companies Secretaries of India and notified by the Ministry of Corporate Affairs and Applicable with effect from July1, 2015.
- III. We report that during the audit period, the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above, except for following:
  - (a) A show cause notice was issued on the Company for contravention of HFCs Corporate Governance provision of NHB Directions, 2016, wherein the Company filed a reply for the same which was rejected by the National Housing Bank (NHB). Further, the NHB imposed a penalty amounting to Rs. 50,000 + GST at 18%. The Company was also advised to adhere to NHB's Policy Circular No. 93 dated February 15, 2019 regarding disclosure requirements of penalty imposed, reporting to the Board of Directors and sending copy of the minutes. The Company remitted the said amount to NHB on 23 rd September, 2020.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the Year 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 generally 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, if any, 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.

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

- a. The Company has declared Final Dividend of Rs. 0.15/- per equity share in its 30 th Annual General Meeting held on 25 th September, 2020.

- b. The Company has received request letters from Mr. Subhash Patel, Mrs. Parul Patel and Mr. Neel Patel for re classification of shares from "Promoter & Promoter Group Category" to "Public Category" category of the company under Reg 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, the Board of the Company approved the same in its Meeting held on 13 th July, 2020.

Further, the approval of the shareholders by means of a special resolution was also obtained through postal ballot on 2 nd December, 2020.

The Company has intimated the Bombay Stock Exchange Limited for re- classification of shares of Mr. Subhash Ambubhai Patel, Mrs. Parul Patel and Mr. Neel Patel from "Promoter & Promoter Group Category" to "Public Category" in terms of Reg 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- c. The Company has obtained a loan of Rs. 5 Crores from the National Housing Bank granted under special refinance facility assistance; and We further report that, after the closure of the audit period, and till the date of this Report, the Company has:
- a. The Company has received a letter of resignation from Mr. Ramesh Madhavrao Bhujang, Independent Director (DIN: 00194189) dated 9 th April, 2021 to step down from the position of Independent Director of the Company.
  - b. Clarification was sought from the Company by BSE Ltd with reference to significant movement in price, in order to ensure that investors have latest relevant information about the company and to inform the market so that the interest of the investors is safeguarded. The Company has replied to the said clarification requirement on 20 th May, 2021.
  - c. The Board had considered and approved the appointment of Mr. Mahesh Fogla as an Additional Director (Independent) with effect from June 15, 2021.
  - d. Mr. Siddharth Pradip Kothari, (DIN: 02594732) and Mr. Vinit Janardan Rai (DIN: 02638343), Non-Executive Directors and Nominees of JM financial Products Limited have resigned as the Directors of the Company with effect from June 30, 2021 respectively.
  - e. The Company has received resignation letter on 1 st July, 2021 from Mr. Abhishek Agarwal, Chief Financial Officer and key Managerial Personnel (KMP) of the Company. However, he will be continuing his current position till the closure of business hours on September 30, 2021.
  - f. The Company has received a letter from Infomerics Rating ("Credit Rating Agency"), in relation to the revision in the Credit Rating assigned to the Long term fund based bank facility - term loan from IVR BBB- to IVR D and for Non Convertible Debentures from IVR BBB- to IVR C.

- g. The Company has defaulted in payment of interest/repayment of principal amount on loans from Banks/financial institution beyond 30 days. Pursuant to the SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated 21 st November, 2019, the details of the default as on 30 th June, 2021 was intimated to the Stock Exchange on 31 st July, 2021.
- h. The Board of the Company has approved the appointment of Mr. Mahesh Shah as Additional Director (Independent) of the Company with effect from August 13, 2021.
- i. M/s. Joshi and Shah, Chartered Accountants (Firm Registration number: 144627W), Statutory Auditors of the Company have tendered their resignation vide their letter dated August 13, 2021 informing their inability to continue as the Statutory Auditors of the Company.

**For D. A. Kamat & Co.  
Company Secretaries**

**Rachana Shanbhag  
Partner  
FCS 8227  
CP 9297  
UDIN: F008227C000870715**

**Place: Mumbai  
Date: 1 st September, 2021**

## ANNEXURE II - PARTICULARS OF EMPLOYEES

**Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- (i) Ratio of the Remuneration of each Executive Director to the median remuneration of the employees of the Company for the financial year 2020-21:

Name of Director	Designation	Ratio of the remuneration of Directors to the median remuneration of the employees for the year 2020-21
Mr. Mahesh Narshibhai Pujara	Managing Director	26.39
Mr. Mitesh Mahesh Pujara	Whole time Director	23.75

Since Independent Non-Executive Directors received no remuneration, except sitting fees for attending Board / Committee meetings, the required details are not applicable.

- (ii) The % increase in remuneration of each director, Chief financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Name of Director	Designation	Percentage increase in Remuneration
Mr. Mahesh Narshibhai Pujara	Managing Director	Nil
Mr. Mitesh Mahesh Pujara	Whole time Director	Nil
Mr. Abhishek Agarwal@	Chief Financial Officer	Nil
Ms. Ayushi Thakuriya	Company Secretary	Nil

@Mr. Abhishek Agarwal, the Chief Financial Officer was appointed on April 23, 2020 and resigned on July 1, 2021.

- (iii) The % increase in the median remuneration of employees in the financial year: -4.06%
- (iv) The number of permanent employees on the rolls of the Company: 68
- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The percentage increase made in the salaries of employees other than the managerial personnel was Nil, while the increase in the remuneration of managerial personnel was Nil%. These increases are a function of the Company's market competitiveness within its comparator group as ascertained through the detailed salary benchmarking survey the Company undertakes annually. The increase during the year reflates the Company's reward philosophy as well as the results of the benchmarking exercise.
- (vi) It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

**On behalf of the Board of Directors**

**Place: Mumbai**  
**Dated: September 3, 2021**

**Govinder Singh**  
**Chairman**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Global Outlook:

The global economy is projected to grow 6.0 percent in 2021 and 4.9 percent in 2022. Prospects for emerging market and developing economies have been marked down for 2021, especially for Emerging Asia. By contrast, the forecast for advanced economies is revised up. These revisions reflect pandemic developments and changes in policy support. Economic prospects have diverged further across countries since the April 2021 World Economic Outlook (WEO) forecast. Vaccine access has emerged as the principal fault line along which the global recovery splits into two blocs: those that can look forward to further normalization of activity later this year (almost all advanced economies) and those that will still face resurgent infections and rising COVID death tolls. The recovery, however, is not assured even in countries where infections are currently very low so long as the virus circulates elsewhere.

Inflation is expected to return to its pre-pandemic ranges in most countries in 2022 once disturbances like unusual pandemic-related developments and transitory supply-demand mismatches work their way through prices, though uncertainty remains high. Elevated inflation is also expected in some emerging market and developing economies, related in part to high food prices. Slower-than-anticipated vaccine rollout would allow the virus to mutate further. Financial conditions could tighten rapidly, for instance from a reassessment of the monetary policy outlook in advanced economies if inflation expectations increase more rapidly than anticipated. A double hit to emerging market and developing economies from worsening pandemic dynamics and tighter external financial conditions would severely set back their recovery and drag global growth below this outlook's baseline.

Multilateral action has a vital role to play in diminishing divergences and strengthening global prospects. The immediate priority is to deploy vaccines equitably worldwide. A \$50 billion IMF staff proposal, jointly endorsed by the World Health Organization, World Trade Organization, and World Bank, provides clear targets and pragmatic actions at a feasible cost to end the pandemic. Financially constrained economies also need unimpeded access to international liquidity. The proposed \$650 billion General Allocation of Special Drawing Rights at the IMF is set to boost reserve assets of all economies and help ease liquidity constraints. Countries also need to redouble collective efforts to reduce greenhouse gas emissions. These multilateral actions can be reinforced by national-level policies tailored to the stage of the crisis that help catalyze a sustainable, inclusive recovery. Concerted, well-directed policies can make the difference between a future of durable recoveries for all economies or one with widening fault lines-as many struggle with the health crisis while a handful see conditions normalize, albeit with the constant threat of renewed flare-ups.

### Overview of Indian Economy:

The Indian economy was gradually turning towards recovery early this year until the much more severe second COVID-19 wave hit India in April 2021. What emerged as a worrying trend (from the GDP numbers) is that traction in consumption spending seemed restrained, highlighting spending hesitancy due to health and financial anxieties. With more COVID-19 variants emerging across the world and certain mutations suggesting variants of concern, the ebb and flow of the pandemic is likely to continue. This raises several questions like how damaging would the impact of successive waves be on the economy, consumer behaviour on spending with confidence etc. However, Successive waves will likely

have a diminishing economic impact as a larger proportion of the population gets vaccinated. Recovery, however, is likely to be delayed and will flow into the next fiscal year.

High-frequency data suggests that consumers are yet to recover from the emotional and financial scars of the second wave. The weakening labour market, rising inflation, and deteriorating household balance sheets are risks that may test the resilience of a majority of consumers for some time. To bring back consumer confidence, India must vaccinate its population rapidly.

While infection spread affects health and confidence, it is the mobility restrictions that hurt the economy the most because they simultaneously impact both demand and supply. However, data suggests the impact on demand has lingered longer than on supply this year. After the first wave, manufacturing and industrial activity bounced back strongly. But consumer spending (in the GDP component) and the sectors requiring social interaction, such as hospitality and travel, grew modestly, suggesting that pandemic-related uncertainties weighed on consumers' minds. As the infections gradually peaked and came down in June 2021, states opened up slowly and several supply-side challenges started coming down. On the other hand, the impact of the second wave on human health and lives has been far more severe than the first wave.

According to Deloitte's Survey of Consumer Behaviour, consumers' spending intent, which was recovering after the first lockdown, reversed after the second wave. The inclination to spend on essentials such as groceries, household goods, and medicine rose sharply in June 2021 compared to early March 2021. Travel sentiments improved after the first lockdown and peaked in March 2021. A few noticeable changes were observed: The proportion of people wanting to save more has consistently gone up and there is a perceivable shift away from using public transit and ride-hailing services. In short, consumers are anxious and are saving for rainy days.

The World Bank projected India's economy to grow at 8.3 per cent in 2021 and 7.5 per cent in 2022, even as its recovery is being hampered by an unprecedented second wave of the COVID-19. However, IMF sees India's gross domestic product (GDP) growing by 8.5 per cent, 160 basis points higher than its earlier projection, in the next financial year (FY23). Should that happen, India would become the most rapidly expanding large economy in the world with the closest competitor, China, is projected to grow by 5.7 per cent. According to the forecast, in countries with high vaccination coverage, such as the United Kingdom and Canada, the economic impact would be mild, meanwhile countries lagging in vaccination, such as India and Indonesia, would suffer the most among G20 economies.

### **Housing Finance Market:**

The housing loan market in the country witnessed flat growth in quarters ending March 2020, June 2020 and September 2020 due to Covid-19 pandemic, the resulting nationwide lockdown and suspension of most of the business and lending activities in large parts of the country. However, there has been a rebound in housing loan originations in the quarter ending December 2020, leading to 4.52 per cent growth in portfolio outstanding. Affordable housing segment (ticket size up to Rs 35 lakh) constituted 90 per cent of the market by volume and nearly 60 per cent by value as of December 2020. Within the affordable segment, loans under ticket size of Rs 15 lakh comprised 70 per cent by volume and 38 per cent by value.



Public sector banks have retained the largest market share in housing loans by value and volume, with a nearly 45 per cent share over the last three years. As of December 2020, the top five public sector banks constituted nearly 30 per cent of the housing loan industry book by value. Similarly, As of December 2020, top five private banks constituted 15 per cent of the industry book by value, the report said. Housing finance companies (HFCs) command an overall market share of nearly 37 per cent by value. The top five (out of the nearly 140) HFCs (including non-banking financial companies) as of December 2020 constituted 27 per cent of the pan-India housing loan book.

There is a steady increase in housing loan delinquency across borrower age groups. Amount (in value terms) delinquencies by 90+ DPD (days past due) in housing loan book stood at 2.49 per cent having increased across all segments of ticket sizes. Within the affordable segment, less than Rs 10 lakh ticket size loans have the largest amount of delinquency at 4.44 per cent. HFCs, including non-banking financial companies, have the highest delinquencies, largely due to the stress in the less than Rs 15 lakh ticket size book.

India Home Loan Limited (IHLL) provides various housing finance products for Lower Income Group and Middle Income Groups. It is concentrating on affordable housing loan for purchase of ready or under-construction housing units, home renovation/extension, self-construction, purchase of plots and composite loan for purchase of plot and self-construction. Company has entered into various Memorandum of Understanding with various Government Agencies to provide benefit and incentives to its borrowers.

#### **Key regulatory developments:**

A housing finance company ("HFC") is another form of a non-banking financial company ("NBFC") which primarily is engaged in the business of providing finance for housing. With the growth of major HFCs in India providing housing loans to home buyers, the housing finance sector has experienced unprecedented growth in past decade from being a government provided service to private players entering the housing finance market to provide such services.

The provisions for the regulation of HFCs are provided under the National Housing Bank Act, 1987 ("NHB Act") with the National Housing Bank ("NHB") being the regulatory authority for HFCs. In order to avoid dual regulation, certain exemptions were granted to HFCs from the provisions of Chapter IIIB (Provisions relating to Non-Banking Institutions receiving Deposits and Financial Institutions) of the Reserve Bank of India Act, 1934 ("RBI Act") vide notification dated 18 June 1997.

In 2019, the NHB Act was amended and certain powers for regulation of HFCs were conferred with the Reserve Bank of India ("RBI") pursuant to such amendments. As a result, thereof, the exemptions granted to HFCs under the RBI Act were withdrawn and the provisions of Chapter IIIB (except Section 45-IA (Requirement of Registration and Net Owned Fund)) of the RBI Act were made applicable to all HFCs vide a notification dated 19 November 2019 issued by the RBI. On 18 November 2020, the RBI issued another notification (which supersedes earlier notification dated 19 November 2019) to exempt HFCs from the provisions of Sections 45-IA (Requirement of Registration and Net Owned Fund), 45-IB (Maintenance of Percentage of Assets) and 45-IC (Reserve Fund).

The RBI undertook a review of the regulations applicable to the HFCs and proposed certain changes in the regulatory framework for HFCs. On 17 June 2020, the RBI issued a draft framework and invited public comments thereon. Finally, RBI has issued the Master Directions - Non-Banking Financial Company - Housing Finance Company (Reserve Bank) Directions, 2021 on February 17, 2021 ("Directions"). The Directions broadly accumulate the regulatory requirements, from the Regulations notified on October 22, 2020, erstwhile Master Circular for Housing Finance Companies (NHB) Directions, 2010 and other applicable circulars. The Directions neither impose any new requirements nor amend any existing regulation, but merely aggregate them.

The Company has complied and is meeting principal business criteria as laid down under paragraph 4.1.17 of the RBI circular dated February 17, 2021 RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21.

#### **Key Highlights of Master Direction - NBFC-HFC (Reserve Bank) Directions, 2021:**

##### **Guidelines on Liquidity Risk Management Framework:**

All non-deposit taking HFCs with asset size of ₹100 crores and above and all deposit taking HFCs (irrespective of asset size) shall pursue liquidity risk management, which inter alia should cover adherence to gap limits, making use of liquidity risk monitoring tools and adoption of stock approach to liquidity risk. It will be the responsibility of the Board of each HFC to ensure that the guidelines are adhered to. The internal controls required to be put in place by HFCs as per these guidelines shall be subject to supervisory review.

##### **Definition of Housing Finance**

**"Housing Finance" shall mean financing, for purchase/ construction/ reconstruction/ renovation/ repairs of residential dwelling units, which includes:**

- a. Loans to individuals or group of individuals including co-operative societies for construction/ purchase of new dwelling units.
- b. Loans to individuals or group of individuals for purchase of old dwelling units.
- c. Loans to individuals or group of individuals for purchasing old/ new dwelling units by mortgaging existing dwelling units.
- d. Loans to individuals for purchase of plots for construction of residential dwelling units provided a declaration is obtained from the borrower that he intends to construct a house on the plot within a period of three years from the date of availing of the loan.
- e. Loans to individuals or group of individuals for renovation/ reconstruction of existing dwelling units.
- f. Lending to public agencies including state housing boards for construction of residential dwelling units.

- g. Loans to corporates/ Government agencies for employee housing.
- h. Loans for construction of educational, health, social, cultural or other institutions/ centres, which are part of housing projects and which are necessary for the development of settlements or townships.
- i. Loans for construction meant for improving the conditions in slum areas, for which credit may be extended directly to the slum-dwellers on the guarantee of the Central Government, or indirectly to them through the State Governments.
- j. Loans given for slum improvement schemes to be implemented by Slum Clearance Boards and other public agencies.
- k. Lending to builders for construction of residential dwelling units.

All other loans including those given for furnishing dwelling units, loans given against mortgage of property for any purpose other than buying/ construction of a new dwelling unit/s or renovation of the existing dwelling unit/s as mentioned above, will be treated as non-housing loans and will not be falling under the definition of "Housing Finance".

#### **Definition of Housing Finance Company**

"Housing finance company" shall mean a company incorporated under the Companies Act, 2013 that fulfils the following conditions:

- a. It is an NBFC 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 Master Directions.
- b. Out of the total assets (netted off by intangible assets), not less than 50% should be by way of housing finance for individuals as stated at clauses (a) to (e) of Paragraph 4.1.16 of Master Directions.

Note: The above-mentioned conditions shall be treated as Principal Business Criteria for HFCs and are applicable from the date of original instructions issued vide circular DOR.NBFC (HFC).CC. No.118/03.10.136/ 2020-21 dated October 22, 2020.

Net Owned Funds requirement has been revised to INR 20 Crores. CRAR requirement have been revised to 15%. Loans against HFCs own shares prohibited, hence, No HFC shall lend against its own shares.

#### **Loan to Value (LTV) Ratio for housing loans**

##### **No housing finance company shall grant housing loans to individuals:**

- a. up to Rs.30 lakh with LTV ratio exceeding 90 per cent,
- b. above Rs.30 lakh and up to Rs.75 lakh with LTV ratio exceeding 80 per cent, and,
- c. above Rs.75 lakh with LTV ratio exceeding 75 per cent

HFCs are required to put in place a Board approved valuation policy for putting in place a system/ procedure for realistic valuation of properties / fixed assets and also for empanelment of valuers in accordance with the details contained in Annex XIV of master directions.

#### **Concentration of credit/ investment**

No housing finance company shall lend to-

- a. any single borrower exceeding fifteen per cent of its owned fund; and
- b. any single group of borrowers exceeding twenty-five per cent of its owned fund;

#### **Rotation of partners of the Statutory Auditors' Audit Firm**

All HFCs shall rotate the partner/s of the Chartered Accountant firm conducting the audit, every three years so that same partner shall not conduct audit of the company continuously for more than a period of three years. However, the partner so rotated shall be eligible for conducting the audit of the HFC after an interval of three years, if the HFC, so decides. The HFC shall incorporate appropriate terms in the letter of appointment of the firm of auditors and ensure its compliance.

#### **Framing of Internal Guidelines**

All HFCs shall frame their internal guidelines on corporate governance with the approval of the Board of Directors, enhancing the scope of the guidelines without sacrificing the spirit underlying the above guidelines and it shall be published on the company's website, for the information of various stakeholders.

#### **Opening of Branches/Offices**

1. An HFC shall, before opening a branch or an office in India, inform the NHB in writing, of its intention to open a branch or an office.
2. No housing finance company shall open a branch outside India.

#### **Auditors to submit additional Report to the Board of Directors**

**The auditor's report on the accounts of a housing finance company shall include a statement on the following matters, namely:**

1. Conducting housing finance activity without a valid Certificate of Registration (CoR) granted under Section 29 A of the NHB Act, 1987 is an offence under Chapter VII of the NHB Act, 1987. Therefore, if the company is engaged in the business of Housing Finance Institution as defined in Section 2 (d) of the NHB Act and meeting Principal Business Criteria as laid down under Paragraph 4.1.17 of these directions, the auditor shall examine whether the company has obtained a CoR under Section 29A of the NHB Act, 1987. The auditor shall also certify the Principal Business Criteria as specified in Paragraph 4.1.17.
2. Whether the housing finance company is meeting the Net Owned Fund (NOF) requirement as prescribed under Section 29A of the National Housing Bank Act, 1987 including paid-up

preference shares which are compulsorily convertible into equity.

3. Whether the housing finance company has complied with Section 29C of the National Housing Bank Act, 1987.
4. Whether the total borrowings of the housing finance company are within the limits prescribed under Paragraph 27.2 of these directions. (27.2 - Maximum leverage allowed 12 times)
5. Whether the housing finance company has complied with the prudential norms on income recognition, accounting standards, asset classification, loan-to-value ratio, provisioning requirements, disclosure in balance sheet, investment in real estate, exposure to capital market and engagement of brokers, and concentration of credit/investments as specified in these directions;
6. Whether the capital adequacy ratio as disclosed in the half-yearly statutory return, submitted to the NHB, as per the directions issued by NHB in this regard, has been correctly determined and whether such ratio is in compliance with the prescribed minimum capital to risk weighted asset ratio (CRAR);
7. Whether the housing finance company has furnished to the NHB within the stipulated period the half-yearly statutory return, as specified in the directions issued by NHB;
8. Whether the housing finance company has furnished to the NHB within the stipulated period the quarterly statutory return on Statutory Liquid Assets, as specified in the directions issued by NHB;
9. Whether, in the case of opening of new branches/ offices or in the case of closure of existing branches/offices, the housing finance company has complied with the requirements contained in these directions.
10. Whether the housing finance company has complied with the provisions contained in Paragraph 3.1.3, Paragraph 3.1.4 and Paragraph 18 of these directions. (Paragraph 18 - No HFC shall lend against its own shares, Paragraph 3.1.3- Loans against security of shares, Paragraph 3.1.4- Loans against security of gold jewellery)
11. Whether the Board of Directors of the housing finance company has passed a resolution for non-acceptance of any public deposits;
12. Whether the housing finance company has accepted any public deposits during the relevant period/ year;

Reasons to be stated for unfavourable or qualified statements/ remarks/ notes

Where, in the auditor's report, the statement/ remarks/ notes regarding any of the items referred to in Paragraph 70 of Master Directions is unfavourable or qualified, the auditor's report shall also state the reasons for such unfavourable or qualified statement, as the case may be. Where the auditor is unable to

express any opinion on any of the items referred to in Paragraph 70, his report shall indicate such fact together with reasons therefor.

#### Obligation of auditor to report to the Reserve Bank of India and the National Housing Bank

1. Where, in the case of a housing finance company, the statement regarding any of the items referred to in Paragraph 70, is unfavourable or qualified, or in the opinion of the auditor the company has not complied with:
  - a. the provisions of Chapter V of the National Housing Bank Act, 1987;
  - b. the provisions of Chapter III B of the RBI Act, except Sections 45-IA, 45-IB and 45-IC; or
  - c. the provisions contained in these directions (i.e. Master Direction Non -Banking Financial Company - Housing Finance Company (Reserve Bank of India) Directions, 2021)  
It shall be the obligation of the auditor to make a report containing the details of such unfavourable or qualified statements and/or about the noncompliance, as the case may be, in respect of the housing finance company to the NHB and Department of Regulation, Reserve Bank of India, Mumbai.
2. The duty of the auditor under Sub-paragraph 72.1 shall be to report only the contraventions of the provisions of NHB Act, 1987, the RBI Act, 1934 and directions, guidelines, instructions referred to in Sub-paragraph 72.1 and such report shall not contain any statement with respect to compliance of any of those provisions.

#### Grievance Redressal Mechanism

1. The Board of Directors of HFCs should lay down the appropriate grievance redressal mechanism within the organization to resolve complaints and grievances. Such a mechanism should ensure that all disputes arising out of the decisions of lending institution's functionaries are heard and disposed of at least at the next higher level.
2. The Board of Directors of each HFC should provide for periodical review of the compliance of the Fair Practices Code and the functioning of the grievances redressal mechanism at various levels of management. A consolidated report of such reviews may be submitted to the Board at regular intervals, as may be prescribed by it.

#### Language and mode of communicating Fair Practice Code

Fair Practices Code (which shall preferably be in the vernacular language or a language as understood by the borrower) based on the directions outlined hereinabove shall be put in place by all HFCs with the approval of their Boards. HFCs will have the freedom of drafting the Fair Practices Code, enhancing the scope of the directions but in no way sacrificing the spirit underlying the above directions. The same shall be put up on their website, for the information of various stakeholders.

**Products and Services:**

IHLL's primary offering is through home loan products to suit borrowing capabilities across different classes of borrowers, namely salaried professionals, self-employed and entrepreneurs. Housing loans include finance for the purchase of ready or under-construction housing units, home renovation/extension, self-construction, purchase of plots and composite loan for purchase of plot and self-construction. Special care is taken to enable home loan access to the LIG segment, while designing the product and processes.

**Branding and Marketing Efforts:**

IHLL continues to strengthen its reach and service to customers, especially in the lower and middle income (LMI) segment. Company is engaged with specialized third party agencies for various marketing activities. IHLL is operating in four states - Gujarat, Rajasthan, Maharashtra and Delhi. It has 13 offices across these four states. IHLL's staff strength as at March 31, 2021 was 68.

**Financial Performance:**

In the financial year ended March 31, 2021, the Company's Total Comprehensive Income decreased to Rs. 1.14 crore, declined by over 60% over last year's Total Comprehensive Income of Rs. 2.82 crore. The Company's revenues for the year ended March 31, 2021 stood at Rs. 31.13 Cr. Asset under management (AUM) stood at Rs. 209.51 Cr as on March 31, 2021 compared to AUM for the year ended March 31, 2020 which was Rs. 216.43 Cr. For FY 2020-21, the return on average equity was at 2.94%.

**Key Financial Indicators**

Key Financial Indicators for the year ended March 31, 2021 are:

1. Home loan portfolio at the end of year stood at Rs. 167.69 Cr.
2. Loan against Property Loan portfolio at the end of year stood at Rs. 13.66 Cr.
3. Project Loan portfolio at the end of the year stood at Rs. 28.16 Cr.
4. Current year Total Comprehensive Income decreased to Rs. 1.14 Cr., as on 31st March 2021 as against last year Total Comprehensive Income amounting to Rs. 2.82 Cr.
5. The Company's credit rating is maintained at "CARE BBB-" as on 31st March 2021.

**Loans**

The Loan approval process at IHLL is centralized with varying approval limits. Approvals of lending proposals are carried out by credit officers upto the limits delegated. Approvals beyond certain limits are referred to the Credit Committee and larger proposals, as appropriate, are referred to the Committee of Directors, set up by the Board.

**Provision for Standard Assets, NPAs and Contingencies**

As per the prudential norms of NHB, IHLL has identified Non-Performing Asset (NPAs) and made required provisions on such NPAs besides not recognizing income in respect of such NPAs. An asset is NPA if the interest or EMIs (Equated Monthly Instalment) is overdue for 90 days. IHLL's NPAs as at March 31st, 2021 were INR 8.74 Cr. in respect of Individual Home Loans and INR 0.41 Cr. in respect of LAP



Loan. There were no NPAs under Developer Loans. As per prudential norms of NHB, IHLL is required to carry a provision of INR 3.87 Cr. towards such NPAs. IHLL gross NPA is 4.37% and net NPA is 2.31% on the outstanding loans of INR 209.51 Cr. as at March 31st, 2021. The board of Directors are apprised and informed time to time regarding status of NPA accounts and they suggested necessary action to be taken to control and reduce such accounts.

### **Investments**

The Board of Directors are Responsible for approving investments in line with limits. The decisions to buy and sell up to the approved limit delegated by the board are taken by the Managing Director. The investment function is carried out primarily to support the core business of housing finance to ensure adequate levels of liquidity and to maintain investment in approved securities as per the norms of NHB. Considering the time lag between raising of resources and its deployment, the surplus funds are generally being parked with liquid fund schemes of mutual funds and short-term deposits with banks.

### **Borrowed Funds**

IHLL has been raising funds for its lending activities from banks/FIs by way of term loan, from NHB by way of refinance. Endeavours at IHLL have been performed to minimize the weighted average cost of borrowings and maintain a healthy spread on its lending activities. To minimize the risk arising on account of asset liability mismatch, IHLL has set internal norms on the quantum of short-term borrowings so that a prudent balance is maintained in keeping the cost of funds low to an extent that the risk arising from the mismatch could be managed.

During the Financial 2020-21, company has availed total borrowing of Rs 35 Cr. The outstanding amount as on 31st March 2021 is Rs. 145.16 Cr. against outstanding of Rs 170.06 Cr. in previous year.

### **Operational Performance**

During the course of the year, the Company had a muted growth in the total revenue from operations which mainly includes interest on housing loan disbursed to the customers. Due to tight liquidity in financials market, debt raise was difficult. New disbursement got impacted due to difficulty of raising funds. Due to scheduled draw down of Loan book and closure of many loan accounts by customers the total AUM reduced to INR 209.51 Cr. as on 31st March 2021 from 216.43 Cr. as on 31st March 2020.

### **NHB/RBI Guidelines and Prudential Norms**

The Company has complied with the provisions of the Housing Finance Companies (NHB) Directions as prescribed by National Housing Bank (NHB) and has been in compliance with the various Circulars, Notifications and Guidelines issued by NHB from time to time. The Circulars, Notifications and Guidelines issued by NHB are also placed before the Audit Committee / Board of Directors at regular intervals to update the Committee/ Board members on the compliance of the same. The RBI undertook a review of the regulations applicable to the HFCs and proposed certain changes in the regulatory framework for HFCs. On 17th June 2020, the RBI issued a draft framework and invited public comments thereon. Finally, RBI has issued the Master Directions - Non-Banking Financial Company - Housing

Finance Company (Reserve Bank) Directions, 2021 on February 17, 2021 ("Directions"). The Directions broadly accumulate the regulatory requirements, from the Regulations notified on October 22, 2020, erstwhile Master Circular for Housing Finance Companies (NHB) Directions, 2010 and other applicable circulars. The company has complied with the provision and master directions of RBI. The Master Directions of RBI are also placed before the Audit Committee/ Board members on the compliance of same.

IHLL's total borrowings as at March 31, 2021 of INR 145.16 Cr. were within the permissible limit of 12 times the net owned funds. IHLL's Capital Adequacy Ratio as at March 31, 2021 was 43.39% as against RBI's prescribed limit of 15%. The Capital Adequacy on account of Tier I Capital was 30.69 % while the Capital Adequacy on account of the Tier II Capital was 12.70%

#### **Inspection by National Housing Bank (NHB)**

NHB, under section 34 of the NHB Act, 1987, carries out inspection of HFCs. During the Financial year 2020-21, NHB conducted credit inspection of selected loan files of IHLL.

#### **Opportunities and Threats**

##### **Opportunities**

The Government schemes have provided the much-needed stimulus to the real estate sector. Infrastructure status to the affordable housing sector, various deduction on profits for affordable housing projects, an increase in the carpet area for MIGs, bringing more beneficiaries under the CLSS net, and relaxed completion timelines for affordable housing projects are some of the important steps. More recently, a dedicated fund for affordable housing was set up under the National Housing Bank, which will be funded through priority sector lending shortfall and fully serviced Government-authorized bonds. This was in addition to the rationalization of GST for affordable and low-cost housing from the previous 12% to 8%, and the formalization of a new policy framework for PPPs. The introduction of the Real Estate Regulation and Development Act, 2016, Goods & Services Tax, and the revision of the Real Estate Investment Trust (REIT) guidelines have lent some stability to the real estate market. Some of the major opportunities for the housing sector include:

- Increasing demand in Sub-Urban and Tier II and Tier III Cities
- Increasing population in Cities
- Thrust given by Govt. in developing Smart City Concept
- Central Govt. "Housing for all Push for CLSS under PMAY

##### **Threats**

Despite improving sector dynamics, the limited availability and high cost of land in urban areas remain big challenges. Some of the major challenges grappling the housing sector include:

- The housing finance sector has been facing finance sourcing challenges, like rising funding cost, increased spotlight on their asset-liability mismatches and contracting margins.
- Poor employment opportunities lead to under development of the region. This coupled with

inadequate infrastructure like roads, electricity, water supply, drainage systems, educational institutions, hospitals etc. pose challenges for possibility of creating a favorable habitat

- Stiff competition from public and private banks.
- Uncertainties in Real Estate Sector.
- Subdued Market due to the impact of Covid-19.
- In some cases, Incomes of borrowers affected by lockdown due to Covid-19 may affect borrower's repayment capacity for a while.

#### **OUTLOOK AND STRATEGY:**

The company intends to increase its portfolio primarily in the affordable housing segment in the states of Gujarat, Maharashtra and Rajasthan. The company is more inclined towards government projects considering the default risk is low in these projects. IHLL has done detailed analysis of existing and upcoming affordable housing government projects in target territories of the above mentioned 3 states. IHLL is looking for new and further equity funding to be able to leverage it with bank and financial borrowings so as to grow its book. The company is working towards to further strengthen its internal processes and policies so as to able to smoothly transition to a growth phase in affordable housing lending segment. The government's efforts to boost "affordable housing" by conferring "infrastructure status" to this segment and announcing various tax incentives will continue to attract more prominent developers to realign their products to operate in this category which will provide increased opportunities for affordable housing finance companies to lend. The Union Cabinet's decision to increase the carpet area of affordable units to 120 sq. m and 150 sq. m for MIG-I (income category `6-12 lakh per annum) and MIG-II (income category of `12-18 lakh per annum) segments respectively, coupled with an interest subsidy of upto6%, has benefitted both buyers and sellers as options increased for the former and inventories were cleared for the latter.

#### **Risks and concerns**

IHLL has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. The Company has constituted a Risk Management Committee of the Board which is authorised to monitor and review risk management plan. The Risk Management Committee (RMC) comprises Executive Director as the Chairman and the members include senior managers holding key positions in the Company. The RMC would apprise the Audit Committee of the key risks associated with the business of the Company and the measures to mitigate them.

The Audit Committee has been periodically reviewing the risk profile of the Company and evaluating the adherence by the branches/function of the systems and processes in the place for monitoring, evaluation, assessment and mitigation of risk through a systematic and effective audit programme. The observations of Audit Committee, if any, on the risk management are reported to the Board. IHLL manages various risks like financial risk, operational risk, marketing risk, external risk and regulatory risks associated with the mortgage business. The critical risks which can significantly impact profitability and financial strength are credit risk, interest rate risk and liquidity risk. IHLL manages credit risk through internal credit norms. Liquidity risk and interest rate risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity profile.

### **Internal control systems and their adequacy**

IHLL has an adequate system of internal control for business processes, operations, financial reporting, fraud control, and compliance with applicable laws and regulations. It has been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliance with regulations and for ensuring reliability of financial reporting. IHLL has documented procedures covering all financials and operating functions.

Company's Management Assurance and Audit function is headed by Directors with reporting lines to the Audit Committee of the Board and a dotted line reporting to the Managing Director. The head of management assurance and audit is accountable to the Board of Directors through the Chairman of the Audit Committee. The function is responsible for providing comprehensive audit coverage of all divisions within the Company and for assisting management in ensuring proper control over Company's assets and liabilities. It is an independent and objective assurance and consulting activity designed to add value and improve the Company's operations. It helps your Company accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The function adopts a risk based audit approach and conducts an audit of all branches and functions and also proactively recommends improvements in operational processes and suggests streamlining of controls to mitigate various risks.

### **Human Resource and Employee Relations**

As business continues to grow at a steady pace, the HR's responsibility of nurturing the potential of employees is also greater. With digitization of the HR function we have made further progress. Our talent acquisition programme is also continually focused on hiring best in class talent. The HR personnel along with senior employees across departments are involved in developing internal talent, and best performing employees are given enhanced job responsibilities.

The Company had 68 employees as on March 31, 2021.

### **Cautionary Statement**

The Management Discussion and Analysis report containing your Company's objectives, projections, estimates and expectation may constitute certain statements, which are forward-looking within the meaning of applicable laws and regulations. The statements in this Management Discussion and Analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include money market conditions, cyclical demand and pricing in the Company's principal markets, changes in the governmental regulations, tax regimes, and economic developments within India, the global macro-economic conditions and other incidental factors.

## **REPORT ON CORPORATE GOVERNANCE**

This Corporate Governance Report relating to the year ended on March 31, 2021 has been issued in compliance with the applicable provisions of Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as "Listing Regulations").

### **COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE:**

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, investors and the society at large. Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding the operations/governance of the Company.

As required by the Listing Regulations the report on Management Discussion and Analysis, Corporate Governance along with the Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance form part of the Annual Report. The Company has also adopted Code of Conduct which sets out the systems, process and policies in confirmation to Housing Finance Companies - Corporate Governance (National Housing Bank) Directions, 2016, as amended from time to time.

### **BOARD OF DIRECTORS:**

The Board of Directors oversees the management functions to enhance value of Shareholder. The potential competitive advantage of board structure comprising executive directors and Independent Non-Executive Director including Women Director lies in knowledge, optimal mix of professionalism, variety experience and core competence across various fields viz. banking, finance, accounting and economics which enables the Board to discharge its responsibilities and provide effective leadership to the business.

As on March 31, 2021, the Board comprised two Executive Directors, three Non-Executive and Independent Directors (including Woman Director) and two Nominee Directors. Out of the above Directors, Mr. Ramesh Madhavrao Bhujang, Independent Director, Mr. Vinit Janardan Rai, Nominee Director and Siddharth Pradip Kothari, Nominee Directors on the Board of the Company have resigned from the Company w.e.f., April 9, 2021, June 30, 2021 and June 30, 2021 respectively. The Chairman of the Board is Non-Executive Independent Director. None of the directors of the Company are inter-se related to each other except that Mr. Mahesh N. Pujara, Managing Director is father of Mr. Mitesh M. Pujara, Whole-time Director and the Nominee Directors are representatives of the AIF. The composition of Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) 2015, Regulations ("SEBI LODR Regulations"), read with Section 149(4) of the Companies Act, 2013 ("Act").

### **NUMBER OF BOARD MEETINGS**

During the financial year ended on March 31, 2021, 9 (Nine) Board Meetings were held on April 23, 2020, May 28, 2020, June 26, 2020, July 13, 2020, August 28, 2020, September 14, 2020, November 13, 2020, February 12, 2021 and February 15, 2021. The maximum interval between any two meetings was well within the maximum allowed gap of one hundred and twenty days. The 30th Annual General Meeting (AGM) of the Company was held on September 25, 2020.

**COMPOSITION OF BOARD AS ON MARCH 31, 2021:**

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2021 are given herein below:

Sr. No.	Name of the Director	Category	Number of Board Meetings attended during FY 2020-21	Whether attended last AGM held on September 25, 2020	*No of Directorships in other public limited companies	**No of committee positions held in other public limited companies	Name of listed entity where Director along with Category of Directorship
1.	Mr. Mahesh N. Pujara (Managing Director)	Promoter Director	9	Yes	-	-	0
2.	Mr. Mitesh M. Pujara (Whole-time Director)	Promoter Director	9	Yes	-	-	0
3.	Mr. Govinder Singh Chairman	Independent Director	9	Yes	-	-	0
4.	#Mr. Siddharth P. Kothari	Nominee Director		No	1	1	Independent Director in NITCO Limited
5.	#Mr. Vinit Rai	Nominee Director		No	0	0	0
6.	Mrs. Shakuntala Merchant	Independent Director		No	0	0	0
7.	@Mr. Ramesh Bhujang	Independent Director		No	1	0	0

\* Includes Directorships of public limited companies or a private company that is either a holding or subsidiary company of a public company registered under the Companies Act, 1956/ the Companies Act, 2013 other than India Home Loan Limited.

\*\*For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of Listing Regulations.



# resigned from the Board of our Company w.e.f. June 30, 2021 due to personal reasons.  
@resigned from the Board of our Company w.e.f. April 9, 2021.

*In view of prevalent non-conducive factors, it would not be feasible for Mr. Bhujang to effectively contribute to business growth aspirations of the Company. There, he has tendered his resignation as the Independent Director from the board of the Company.*

## **BOARD PROCEDURE**

The required information, including information as enumerated in Part A of Schedule II of the Listing Regulations is made available to the Board of Directors for discussions and consideration at Board Meetings. A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentations, if any, is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s) and at times when meetings are held at shorter notice then consent is taken prior to holding the meeting. The Board meets at least once in a quarter to review financial results and operations of the Company. In addition to the above, the Board also meets as and when necessary to address specific issues concerning the businesses of the Company. We provide video/teleconferencing facilities to enable their participation. The Board periodically reviews compliance reports pertaining to all laws applicable to the Company, prepared by the Company.

## **ROLE OF INDEPENDENT DIRECTORS**

The Company has received declarations from the Independent Directors that they continue to fulfil the criteria of independence prescribed in Section 149 (6) of the Companies Act, 2013 read with Schedule IV and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations'). In the opinion of the Board, the independent directors fulfil the conditions specified in these regulations and are independent of the management.

Independent Directors act as a guide to the company. Their roles broadly include improving corporate credibility and governance standards functioning as a watchdog, and playing a vital role in risk management. Independent Directors play an active role in various committees set up by company to ensure good governance.

## **FAMILIARIZATION PROGRAMMES FOR THE INDEPENDENT DIRECTORS:**

The Company follows a structured orientation programme for its newly inducted Director(s) to ensure that they become fully aware of the industry in which the Company operates, the processes, systems and policies adopted and followed by the Company. The familiarization programme focuses on the business model and operations of the Company and aims at informing the directors on the legal, regulatory as well as socio-economic regime in which the Company functions.

The Company briefs its Independent Directors on the roles, rights and responsibilities of the Independent Directors, nature of the industry in which the Company operates, business and operations model, credit policies of the Company etc. It also ensures that regular updates are provided to all the Directors on the changes/ revision in the Company's business model, new developments & initiatives undertaken by the Company, new processes & policies adopted/revised, amendment/introduction of applicable laws and/or regulations etc.

The familiarization programme for the new and continuing Independent Directors of the Company ensures valuable participation and inputs from them which helps in bringing forth the best practices into the



organization and helps in taking informed decision(s) at the Board Level. The details of such familiarization programmes for Independent Director(s) are put up on the website of the Company [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in).

**INDEPENDENT DIRECTOR'S MEETING:**

The Independent Directors convened a separate meeting without the presence of the Non-Independent Directors or Chief Financial Officer or any other Managerial Personnel.

The meeting was conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to, inter alia, review of performance Non Independent Directors and the Board as a whole, review the performance of the company, assess the quality, quantity and timelines of flow of information between company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Meeting of the Independent Director was held on February 12, 2021.

**BOARD EVALUATION:**

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirement as prescribed by the Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from the Directors on the basis of specified criteria such as the Board Composition and structures, effectiveness of board processes, information and functioning, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the Individual Directors on the basis of contribution of the individual director to the Board and Committee meetings based upon criteria such as attendance, preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At a separate meeting of Independent Directors, performance of Non-Independent Directors & performance of the Board as a whole was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors. The same was discussed at the next Board meeting at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board:

Business	Developing robust sales and marketing team, understanding various geographical markets, business development, identifying and working towards market opportunities
Technology	Developing and implementation of process technology and monitoring of outstanding loan accounts, preparation of reports, etc.
Finance	Financial management, managing financial systems, Financial reporting process, Internal financial control, capital allocation, Auditor, principal controller, Capex management.
Leadership	Guiding and leading management teams to make decision in uncertain environments projects management, strategic planning, risk management, Effective communication, Awareness of business process, developing talent, integrity, building relations, innovation, developing leadership skills, planning successions.

These skills/competencies are broad-based, encompassing several areas of expertise/experience. Each Director may possess varied combinations of skills/experience within the described set of parameters, and it is not necessary that all Directors possess all skills/experience listed therein.

Sr. No.	Name of Directors	Business	Technology	Finance	Leadership
1	Mr. Mahesh N. Pujara (Managing Director)	✓		✓	✓
2	Mr. Mitesh M. Pujara (Whole-time Director)	✓	✓	✓	
3	Mr. Govinder Singh (Chairman)	✓		✓	✓
4	#Mr. Siddharth P. Kothari (Nominee Director)	✓		✓	✓
5	#Mr. Vinit Rai (Nominee Director)	✓	✓	✓	✓
6	Mrs. Shakuntala Merchant (Independent Woman Director)	✓		✓	
7	@Mr Ramesh Bhujang (Independent Director)	✓	✓	✓	✓

#ceased to be a Director of the Company with effect from June 30, 2021.

@ceased to be a Director of the Company with effect from April 9, 2021.

#### **COMMITTEES OF THE BOARD**

To enable better and more focused attention on the affairs of the Company, the board delegates particular matters to committees of the board set up for the purpose. Pursuant to the applicable provisions of the Act and SEBI Listing Regulations the Board has constituted Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. These committees prepare the groundwork for decision-making and report the same to the board at the subsequent meetings.

#### **AUDIT COMMITTEE:**

##### **Brief description and terms of reference:**

The Audit Committee is an essential component in corporate governance. It is responsible for providing oversight over the organization's audit and other areas involving financial management. All the members of the committee have accounting and financial management expertise. The quorum for the meeting of the committee is two members.

The Audit Committee is duly constituted in accordance Regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and of Section 177 of the Act.

Composition of Audit Committee as on 31st March, 2021:

Name of Directors	Status in Committee	Nature of Directorship
Govinder Singh	Chairman	Non-Executive- Independent Director
#Siddharth P. Kothari	Member	Non-Executive - Nominee Director
Shakuntala Merchant	Member	Non-Executive- Independent Director
@Ramesh Madhavrao Bhujang	Member	Non-Executive- Independent Director

#ceased to be a Director of the Company with effect from June 30, 2021.

@ Ceased to be a Director of the Company with effect from April 9, 2021.

Further, the Board of Directors of the Company has appointed Mr. Mahesh Fogla and Mr. Mahesh Manharlal Shah as members of the Audit Committee w.e.f. June 15, 2021 and August 13, 2021 respectively.

During the year, the committee met 6 (Six) times. The meetings were held on July 13, 2020, August 28, 2020, September 14, November 13, 2020, January 21, 2021 and February 12, 2021.

Meetings and Attendance of the Audit Committee during the year:

Sr. No.	Name of Member	No. of Meeting Held During the Year	No. of Meetings Attended
1	Govinder Singh	6	6
2	#Siddharth P. Kothari	6	–
3	Shakuntala Merchant	6	6
4	@Ramesh Madhavrao Bujang	6	–

#ceased to be a Director of the Company with effect from June 30, 2021.

@ Ceased to be a Director of the Company with effect from April 9, 2021.

The Audit Committee meetings are also attended by Internal Auditors and Statutory Auditors as invitees, wherever necessary.

**Powers of the Audit Committee:**

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of the Audit Committee:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and to verify that the systems for internal control are adequate and are operating effectively;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval or any subsequent modification of transactions of the company with related parties;
10. Scrutiny of inter-corporate loans and investments;
11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Evaluation of internal financial controls and risk management systems;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
17. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. To review the functioning of the Whistle Blower/ Vigil Mechanism mechanism. Committee ensure that the procedures ensure adequate safeguards against victimization of persons using such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee is duly constituted and the matters specified in accordance with Regulation 19 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013.

Composition of Nomination and Remuneration Committee as on 31st March, 2021:

<b>Name of Directors</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Mrs. Shakuntala Merchant	Chairperson	Non-Executive & Woman Independent Director
#Mr. Siddharth P. Kothari	Member	Non-Executive & Nominee Director
Mr. Govinder Singh	Member	Non-Executive & Independent Director
#Mr. Vinit Rai	Member	Non-Executive & Nominee Director

#ceased to be a Director of the Company with effect from June 30, 2021.

Further, the Board of Directors of the Company has appointed Mr. Mahesh Fogla and Mr. Mahesh Manharlal Shah as members of the Nomination and Remuneration Committee w.e.f. August 13, 2021.

During the year under review, the committee met only 1 (One) time. The meetings of the committee were held during the year on July 13, 2020.

Meetings and Attendance of the Nomination and Remuneration Committee during the year:

Sr. No.	Name of Member	No. of Meeting Held During the Year	No. of Meetings Attended
1	Mrs. Shakuntala Merchant	1	1
2	#Mr. Siddharth P. Kothari	1	1
3	Mr. Govinder Singh	1	1
4	#Mr. Vinit Rai	1	1

#ceased to be a Director of the Company with effect from June 30, 2021.

#### ROLE OF THE COMMITTEE:

The role of Nomination and Remuneration Committee is as follows:

- Determining/recommending the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Determining/recommending the criteria for qualifications, positive attributes and independence of Directors;
- Identifying candidates who are qualified to become Directors and who may be appointed in Senior Management and recommending to the Board their appointment and removal;
- Reviewing and determining all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonus, stock options, pension, etc.;
- Reviewing and determining fixed component and performance linked incentives for Directors along with the performance criteria;
- Determining policy on service contracts, notice period, severance fees for Directors and Senior Management;
- Evaluating performance of each Director and performance of the Board as a whole;
- Devising a policy on diversity of Board of Directors.
- Oversee the Director's succession planning process for ensuring the right mix of Directors on the Board.

#### REMUNERATION OF DIRECTORS:

The remuneration policy is in consonance with the existing industry practice and also with the provisions of the Companies Act, 2013. The Board of Directors has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees. The Company's remuneration policy is driven by the success and performance of the individual employee and the performance of the Company.

##### (a) Remuneration of Executive Directors:

The details of remuneration paid to the Executive Directors during the year 2020-21 are given below:

Sr. No.	Name of Directors	Salary (in Rs.)
1	Mr. Mahesh N. Pujara	52,28,226
2	Mr. Mitesh M. Pujara	47,05,410
	<b>Total</b>	<b>99,33,636</b>

**Note:**

The appointment of Managing Director and Whole-time Director are by way of Board/Special Resolution and covering terms and conditions of the services. Services of the Managing Director and Executive Directors may be terminated by either party, giving the other party three month notice or the Company paying three months' salary in lieu thereof. There is no separate provision for severance fees.

**(b) Remuneration of Non-Executive Directors:**

The details of remuneration paid to Non-Executive Directors for the year 2020-21 are given below:

Sr. No.	Name of Directors	Sitting fees	Number of Share Held
1	Mr. Govinder Singh	Rs.1,05,000	10500
3	Mrs. Shakuntala Merchant	Rs.82,500	-
4	@Mr. Ramesh Madhavrao Bhujang	Rs.90,000	-

@ Ceased to be a Director of the Company with effect from April 9, 2021.

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

The Committee supervises the mechanism for redressal of investors' grievance and ensures cordial investors relations.

**Terms of Reference:**

- to approve requests for share transfers and transmissions.
- to approve the requests pertaining to remat of shares/sub-division/consolidation/issue of renewed and duplicate share certificates etc.
- to oversee all matters encompassing the shareholders' / investors' related issues.

**Composition of Stakeholder Relationship Committee as on 31st March, 2021:**

Name of the Directors	Status in Committee	Nature of Directorship
Mr. Govinder Singh	Chairperson	Non-Executive & Independent Director
Mr. Mahesh N. Pujara	Member	Executive Director
Mr. Mitesh M. Pujara	Member	Executive Director
@Mr. Ramesh Madhavrao Bhujang	Member	Non-Executive & Independent Director

@ Ceased to be a Director of the Company with effect from April 9, 2021.

During the year under review, the committee met only1 (One) time. The meetings were held on July 13, 2020.



**Meetings and Attendance of the Stakeholder Relationship Committee during the year:**

Sr. No.	Name of Member	No. of Meeting Held During the Year	No. of Meetings Attended
1	Mr. Govinder Singh	1	1
2	Mr. Mahesh Pujara	1	1
3	Mr. Mitesh Pujara	1	1
4	@Mr. Ramesh Madhavrao Bhujang	1	1

@ Ceased to be a Director of the Company with effect from April 9, 2021.

**Other details of Stakeholders Relationship Committee**

**i. Name and Designation of Compliance Officer**

Ms. Ayushi Thakuriya, Company Secretary has been appointed as a Compliance Officer of the Company on December 13, 2019.

Name: Ms. Ayushi Thakuriya  
 Designation: Company Secretary and Compliance Officer  
 Address: 504-504A, 5th Floor, Nirmal Ecstasy, Jatashankar Dossa Road, Mulund (w), Mumbai-400080  
 Tel: +91 (22) 25683353  
 Email: [cs@indiahomeloan.co.in](mailto:cs@indiahomeloan.co.in)

**ii. Status of Shareholder Complaints**

Details of investor complaints received and redressed during FY 2020- 21 are as follows:

Nature of Complaints	Received during the year	Resolved during the year	Unresolved at the end of the year
Loss of share certificates	0	0	0
Transfer of shares	0	0	0

**DISCLOSURES:**

**Related Party Disclosures**

The Company has formulated a policy on Materiality of dealing with Related Party Transactions which specify the manner of entering into related party transactions and same is displayed on the Company's website viz. [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in). There were no material significant related party transactions entered by the Company during Financial Year 2020-21 that may have potential conflict with the interests of the Company at large. Transactions entered into with related parties during the financial year were in the ordinary course of business and at arms' length basis and were approved by the Audit Committee.

Further, details of related party transactions are presented in Notes to the financial statements section of the Annual Report.

**Subsidiary Companies**

The Company does not have any subsidiary.

**Policy for determining 'material' subsidiaries**

The Company has no material subsidiary in the F.Y. 2020-21. The Company has formulated the policy for determining material subsidiaries in terms of the Listing Regulations. This Policy has been posted on the website of the Company at the website: [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in).

**Details of non-compliance, penalties, strictures imposed by the Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets during the last 3 years**

There have been no instances of non-compliance on any matter with the rules and regulations prescribed by the Stock Exchange, Securities and Exchange Board of India or any other Statutory Authority relating to the capital market during the previous 3 (three) financial years except for one instance of delay in updating the status of resolution of investor grievance.

**Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company does not deal with any commodity and hence not exposed to any commodity price risk. As on March 31, 2021, the Company does not have any transaction involving foreign exchange.

**Total fees paid to Statutory Auditors**

The particulars about the total amount of fees paid to the Statutory Auditors of the Company during the financial year 2020-21, is stated in Notes to financial statements, which forms part of the Annual Report.

**Details of Utilization of Funds Raised through Qualified Institutional Placement**

The Company did not raise any funds through preferential issue or qualified institutions placement during the financial year 2020-21.

**Certificate from Company Secretary in Practice**

The Company has obtained the certificate from M/s. D. A. Kamat & Co., Practising Company Secretary required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 confirming that none of the Directors on Board of the Company as on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The said Certificate duly signed by a Practising Company Secretary is appended to this Report.

### **Managing Director (MD) and Chief Financial Officer (CFO) Certification**

As required under the Listing Regulations, the MD and the CFO of the Company have certified the accuracy of financial statements for the financial year 2020-21 and adequacy of internal control systems for financial reporting for the said year, which is appended to this Report.

### **Certificate on Corporate Governance**

A certificate has been received from M/s. D. A. Kamat & Co., Practicing Company Secretaries, confirming the compliance of conditions of corporate governance is annexed to this Report in terms of the provisions of Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Compliance with mandatory requirements**

The Company has complied with all the mandatory requirements relating to Corporate Governance under the Listing Regulations.

- i. The Company has complied with requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule V of SEBI (LODR) Regulations, 2015.
- ii. The Company has complied with the requirement specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

### **Compliance with Non-mandatory Requirements**

The non-mandatory requirements under the Listing Regulations as adopted by the Company are as under:

- a) There is no audit qualification in the company's financial statements for the year ended March 31, 2021.
- b) The Internal Auditors of the Company reports to the Audit Committee and participates in the meetings of the Audit Committee of the Board of Directors of the Company and presents their internal audit observations to the Audit Committee.

### **Accounting Treatment**

The Financial Statements of the Company have been prepared in accordance with Ind AS with effect from April 1, 2019, as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Act.

### **Vigil Mechanism / Whistle Blower**

The Company has adopted a Whistle Blower Policy, as a part of Vigil Mechanism to provide appropriate avenues to Directors and Employees to bring to the attention of the management any issue which is

perceived to be in violation of or in conflict with the Code of Business Principles of the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. No personnel have been denied access to the Audit Committee pertaining to the Whistle Blower Policy.

### **Prevention of Insider Trading**

In January 2015, SEBI notified the SEBI (Prohibition of Insider Trading) Regulations, 2015 that came into effect from May 15, 2015. Pursuant thereof, the Company as a listed Company has formulated and adopted a new code for prevention of Insider Trading including Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, incorporating the requirements in accordance with the regulations, clarifications and circulars and the same are updated as and when required..

### **Code of Conduct**

In accordance with Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for Board of Director and Senior Management. The Code is available on the Company's website viz. [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in).

### **Forfeiture of Share Warrants**

The Company had issued and allotted an aggregate Sixteen Lakh Convertible Warrants on March 30, 2019 on a preferential basis to certain persons. The conversion option could only be exercised by Warrant holder(s) at any time during the period of 18 (Eighteen) months from the date of allotment of equity warrants, in one or more tranches, as the case may be and on such other terms and conditions as applicable. The warrant holders had made 25% payment at the time of allotment and balance 75% would be paid within 18 months.

However, due to the adverse impact of Covid-19 on financial market in the country and on request of all warrant holders, the Company had filed an application for extension of due date of warrants with SEBI on September 4, 2020 and based on our application, SEBI had given 45 days of extension but consequent upon of the expiry of the extension given and term for conversion of the warrants into equity shares in November 2020, the warrants held by all the warrant holders including the promoters were forfeited by the Company on November 13, 2020.

### **Disclosure of Complaints on Sexual Harassment under the Sexual Harassment of Women at Workplace (Prevention and Redressal) Act, 2013**

No. of complaints at the end of previous year	Nil
No. of complaints received during the year	Nil
No. of complaints resolved during the year	Nil
No. of complaints pending as at the end of year	Nil

### **Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account**

The disclosures with respect to demat suspense account / unclaimed suspense account is not applicable to the Company for Financial Year 2020-21.

### GENERAL BODY MEETINGS

The details of Annual General Meetings convened during the last three years are as follows:

Date of AGM	Time	Location	Special Resolution passed
September 25, 2020	10.00 AM	Through Video Conferencing	1. Creation of Encumbrance on Assets of the Company not exceeding Rs. 450 Cr. (Rupees Four Hundred and Fifty Crore) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.
September 13, 2019	10.00 AM	Hotel Subham Pure Veg, Flora Point, Near M.C.C College, S.N Road, Mulund West, Mumbai, 400080	1. Approval of the India Home Loan Limited Employee Stock Options Plan - 2019
August 31, 2018 Lav-kush	12.00 Noon	Hotel Kirti Mahal, Co. Operative Society, M. G. Road, Panch Rasta, Mulund (W), Mumbai - 400 080.	<ol style="list-style-type: none"> <li>1. To adopt New Set of Article of Association (Part A) as per Companies Act.</li> <li>2. To Alter Memorandum of Association of the Company.</li> <li>3. Declassification of Promoter of the Company as Public Shareholder.</li> <li>4. Reappointment of Mr. Mahesh Pujara as Managing Director of the Company.</li> <li>5. Reappointment of Mr. Mitesh Pujara as Whole Time Director of the Company.</li> </ol>

The details of Extraordinary General Meetings convened during the last three years are as follows:

Financial Year	Date & Time	Location	Special Resolution passed
2018-19	16.03.2019	Hotel Subham Pure Veg, Flora Point, Near M.C.C College, S.N Road, Mulund West, Mumbai, 400080	1. Issue of Warrants on Preferential basis

#### Postal Ballot:

The Company had sought the approval of the shareholders by way of a Special Resolution through notice of postal ballot dated October 24, 2020 for reclassification of shareholdings of Mr. Subhash Ambubhai Patel,

Mrs. Parul Subhashbhai Patel and Mr. Neel Subhashbhai Patel from "Promoter/Promoter Group" category to "Public" category which was duly passed on December 2, 2020 and the results of which were announced on December 3, 2020. Mr. C D Sakaria (Membership No. FCS 9477) of C D Sakaria & Associates, Practising Company Secretaries, was appointed as the Scrutinizer to scrutinize the postal ballot process only by voting through electronic means (remote e-voting) in a fair and transparent manner.

#### Means of Communication

Quarterly Financial Results	The unaudited quarterly results are announced within forty- five days of the close of each quarter /or such extended time as permitted, other than the last quarter. The audited annual results are announced within sixty days from the end of the financial year /or such extended time as permitted, as required under the Listing Regulations. The aforesaid financial results are disclosed to the Stock Exchange within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved.
Newspapers in which results are normally published	The results are usually published in Financial Express, English newspaper having country-wide circulation and in Lakshadeep, Marathi newspaper where the registered office of the Company is situated.
Website	All the information and disclosures required to be disseminated as per Regulation 46(2) and Regulation 62(1) of the Listing Regulations and Companies Act, 2013 are being posted at Company's website viz. <a href="http://www.indiahomeloan.co.in">www.indiahomeloan.co.in</a>
Administrative/Registered Office	504/504A, 5th Floor, Nirmal Ecstasy, Jata Shankar Dossa Road, Mulund (west), Mumbai-400080
Whether Management Discussions and Analysis report is a part of Annual Report or not	Yes
Designated Exclusive Email ID	The Company has designated the email id i.e. <a href="mailto:cs@indiahomeloan.co.in">cs@indiahomeloan.co.in</a> for investor grievances. This Email ID has been displayed on the Company's website viz. <a href="http://www.indiahomeloan.co.in">www.indiahomeloan.co.in</a>
Annual Report	Annual Reports and any other communication will be sent to email ids of members whose emails are registered with the Company.
SEBI Complaints Redress System (SCORES)	All complaints received through SEBI SCORES are resolved in a timely manner by the Company. There were no complaints received during the year 2020-21.

**GENERAL SHAREHOLDER INFORMATION:**
**1. 31st Annual General Meeting:**

The Company has decided to hold its 31st Annual General Meeting (the "AGM") on Wednesday, September 29, 2021 at 2.00 p.m. through Video Conferencing ("VC") and/or Other Audio Visual Means ("OAVM"). The Company is conducting meeting through Video Conferencing / Other Audio Visual Mode pursuant to the Ministry of Corporate Affairs ("MCA") Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 and as such there is no requirement to have a venue for the AGM.

Guidelines for participation in the Company's 31st Annual General Meeting are laid out in the Notice convening the meeting and have also been uploaded on the website of the Company viz. [www.indiahomeloan.co.in](http://www.indiahomeloan.co.in).

**2. Financial Year 2021-22**

The financial year of the Company starts from the 1st day of April and ends on 31st day of March of next year. Our tentative calendar for declaration of results for the financial year 2021-22 are as given below:

Quarter Ended	Release of Results
First Quarter Results	on or before August 14, 2021
Second Quarter and Half Yearly Results	on or before November 14, 2021
Third Quarter Results	on or before February 14, 2022
Annual Results	on or before May 30, 2022

In addition, the Board may meet on other dates as and when required.

**3. Date of Book Closure:**

Thursday, September 23, 2021 to Wednesday, September 29, 2021 (both days inclusive). Final Dividend of INR 0.10/- per equity share has been recommended by the Board of Directors and it is subject to the approval of the shareholders at the ensuing Annual General Meeting, if approved shall be paid/ credited on or before October 28, 2021.

**4. Registered Office:**

India Home Loan Limited, 504/504A, 5th Floor, Nirmal Ecstasy, Jata Shankar Dossa Road, Mulund (west), Mumbai - 400080.

**5. Listing of securities on Stock Exchanges:**

The Company's shares are listed on: BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001.

\*The Publicly Issued Non- Convertible Debentures ("NCDs") are listed on BSE.

The Listing Fees as applicable on equity and debt have been duly paid to the aforesaid Stock Exchange.



**6. A) Stock Codes**

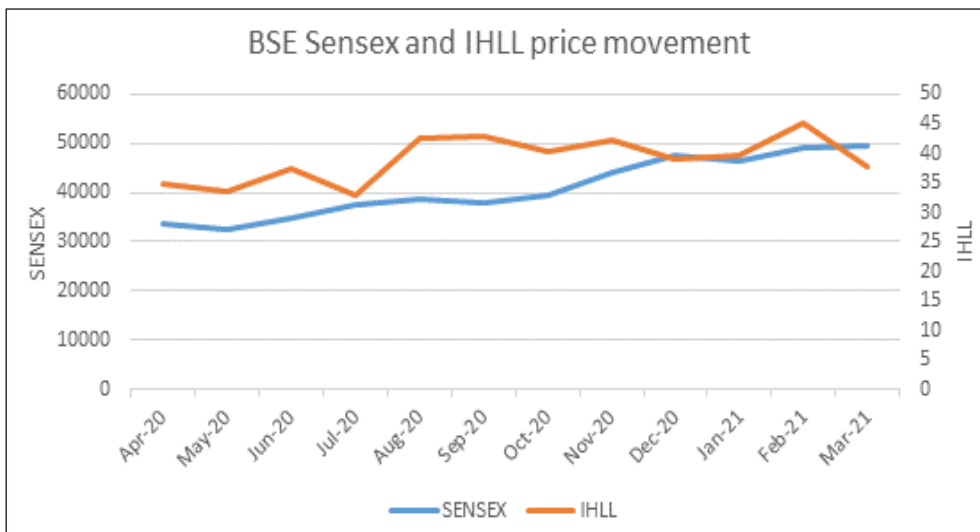
BSE: 530979  
ISIN: INE274E01015

\*The Publicly Issued Non- Convertible Debentures ("NCDs") are listed on BSE. NCD's scrip code is 959722 and ISIN is INE274E07012.

**7. Market Price Data: BSE**

The Monthly high/low quotation of equity shares traded on the BSE Limited, Mumbai are as follows:

Month	Open Price	High Price	Low Price	Close Price	No. of shares Traded
Apr-20	35.10	42.00	28.30	34.75	73,097
May-20	34.75	35.80	28.65	33.45	98,261
Jun-20	34.90	45.00	27.20	37.25	1,75,249
Jul-20	33.00	43.00	27.20	32.85	2,47,410
Aug-20	31.60	54.00	29.70	42.70	2,99,800
Sep-20	44.85	47.00	35.55	42.90	1,04,302
Oct-20	43.00	43.95	39.00	40.45	1,19,706
Nov-20	40.50	45.95	31.40	42.25	1,68,320
Dec-20	45.00	45.00	34.00	38.90	1,74,471
Jan-21	40.65	49.05	37.20	39.80	2,02,603
Feb-21	41.50	46.00	38.00	45.30	1,50,798
Mar-21	46.10	48.00	35.05	37.89	3,21,000



### Share Transfer Agent and Share Transfer System:

M/s. Purva Sharegistry (India) Private Limited continues to be the Registrar and Transfer Agent of the Company. All the work related to Share Registry in terms of both physical and electronic segment has been allotted to M/s. Purva Shareregistry (India) Private Limited, in view of the directive issued by SEBI in this regard i.e. for handling both physical as well as electronic transfer at a single point.

As the Company's shares are compulsorily to be traded in the dematerialized form, members holding shares in physical form are requested to send the share certificate to their Depository Participants or to the address of Registrar and Transfer agent of the Company, which is:

#### Purva Sharegistry (India) Private Limited

9 Shiv Shakti Industrial Estate,  
J R Boricha Marg, Opp Kasturba Hosp.,  
Lower Parel (E), Mumbai-400011  
**Email:** [support@purvashare.com](mailto:support@purvashare.com)

### Share Transfer /Transmission audit

The Company has appointed a firm of Practicing Company Secretary to conduct the audit on half yearly basis to ensure that the requests for the transmission of shares, issue of duplicate shares, dematerialisation, rematerialisation of shares of the Company are processed within the stipulated time period subject to lodgement of all the necessary documents by the concerned shareholders.

### Share Capital Audit

The issued and paid up share capital is reconciled on a quarterly basis with the details of share capital admitted on National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") and held in physical form by the shareholders. The quarterly audit of the Company's share capital is carried out by a Practicing Company Secretary with the object of reconciling the total share capital admitted with NSDL and CDSL and held in physical form, with the total issued and listed capital of the Company. The certificate of share capital audit received from the concerned Practicing Company Secretary is submitted to BSE and NSE and is also placed at the meetings of the Board of Directors on a quarterly basis.

### 8. Distribution of Equity Shareholding as on March 31, 2021:

Category	No. of Shareholders	% of Total Shareholders	Amount	Total Shares for the Range	% of Amount
01-5000	1438	71.12	2327480	232748	1.63
5001-10000	252	12.46	2108510	210851	1.48
10001- 20000	129	6.38	1998130	199813	1.40
20001 - 30000	48	2.37	1261620	126162	0.88
30001 - 40000	21	1.04	765520	76552	0.54
40001 - 50000	23	1.14	1088770	108877	0.76
50001 - 100000	48	2.37	3479750	347975	2.44
100001 & Above	63	3.12	129787770	12978777	90.88
<b>TOTAL</b>	<b>2022</b>	<b>100</b>	<b>142817550</b>	<b>14281755</b>	<b>100</b>

**9. Shareholding Pattern as on March 31, 2021:**

	<b>Categories of Shareholders</b>	<b>Shares Held</b>	<b>% of Total</b>
a	Promoters	5510585	38.59
b	Banks, Financial Institution, Insurance Companies, (Central/ State Govt. Institution/ Non-Govt. Institution)	-	-
c	Mutual Funds/UTI	10100	0.07
d	Foreign Portfolio Investors	-	-
e	Bodies Corporate	74714	0.52
f	Public Individuals	4462789	31.25
g	NRI (REPAT)/NON(REPAT)	25649	0.18
h	Clearing Members	38762	0.27
l	LLP/Partnership Firm/HUF	660126	4.62
j	Alternate Investment Fund	3499030	24.50
	<b>TOTAL</b>	<b>14281755</b>	<b>100</b>

**10. Demat and Physical Shares held as on March 31, 2021:**

Equity Shares of the Company are traded under compulsory dematerialized mode and are available for trading under both the depositories i.e. NSDL and CDSL.

As on March 31, 2021: 13959015 shares, representing 97.74 % of the total issued capital, were held in dematerialized form and 322740 shares, representing 2.26 % of the total issued capital is held in physical form.

<b>Description</b>	<b>Shares</b>	<b>% to Equity</b>
No. of Physical Shares	322740	2.26
No. of Shares held in dematerialized form in NSDL	10091152	70.66
No. of Shares held in dematerialized form in CDSL	3867863	27.08
<b>Total</b>	<b>14281755</b>	<b>100</b>

**11. Outstanding ADRs/GDRs:**

The company has not issued any ADRs/GDRs

**12. Shareholders may correspond with the Registrar and Transfer Agents at:**

**Purva Shareregistry (India) Private Limited**  
 9 Shiv Shakti Industrial Estate,  
 J R Boricha Marg, Opp Kasturba Hosp.,  
 Lower Parel (E) Mumbai-400011  
**Email:- [support@purvashare.com](mailto:support@purvashare.com)**

The Company has also designated [cs@indiahomeloan.co.in](mailto:cs@indiahomeloan.co.in) as an exclusive email ID for Investors for the purpose of registering complaints and the same has been displayed on the Company's website.

Shareholders would have to correspond with the respective Depository Participants for Shares held in dematerialised form for transfer/transmission of Shares, change of Address, change in Bank details, etc.

**The Compliance Officer can also be contacted at:**

**Ms. Ayushi Thakuriya**

Company Secretary and Compliance Officer

504/504A, 5th Floor, Nirmal Ecstasy,

Jatashankar Dossa Road,

Mulund (W) Mumbai-400080

Tel: +91 (22) 25683353

**Email:** [cs@indiahomeloan.co.in](mailto:cs@indiahomeloan.co.in)

The Company can also be visited at its [website: www.indiahomeloan.co.in](http://www.indiahomeloan.co.in)

**Credit Ratings:**

During the year 2020-21, Care Ratings has assigned its rating for the Company which is as follows;

Sr. No.	Particulars	Current Rating
1.	Long Term Rating	BBB-ve stable
2.	Short Term Rating	-

**13. Factory Address/Plant Locations:**

The Company does not have any plant or factory as it is engaged in home finance business.

**Declaration**

I confirm that the Company has obtained the confirmation from all its Directors and Senior Management Personnel that they have complied with the provisions of the Code of Conduct for the financial year 2020-21.

Date: September 3, 2021

Place: Mumbai

**Sd/-  
Mahesh N. Pujara  
Managing Director**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members  
INDIA HOME LOAN LIMITED  
504 / 504A, 5th Floor, Nirmal Ecstasy,  
Jatashankar Dossa Road, Mulund (W),  
Mumbai, Maharashtra, 400080

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of INDIA HOME LOAN LIMITED having CIN: L65910MH1990PLC059499 and having registered office at 504 / 504A, 5th Floor, Nirmal Ecstasy, Jatashankar Dossa Road, Mulund (W), Mumbai, Maharashtra, 400080 and (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

The list of Directors as at 31st March, 2021 are as follows:

No.	Name of Director	DIN	Date of appointment in the Company
1	Mr. Govinder Singh	00025406	11/07/2017
2	Mr. Mahesh Narshibhai Pujara	01985578	21/08/2008
3	Mr. Mitesh Mahesh Pujara	02143047	21/08/2008
4	Mr. Siddharth Pradip Kothari	02594732	02/12/2016
5	Mr. Vinit Janardan Rai	02638343	02/12/2016
6	Ms. Shakuntala Bharat Merchant	08237904	28/09/2018
7	*Mr. Ramesh Madhavrao Bhujang	00194189	15/01/2020

\* Mr. Ramesh Madhavrao Bhujang (DIN: 00194189) ceased to be theresigned as the Independent Director of the Company due to the resignation w.e.f 9th April, 2021.

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

**For, D A Kamat & Co**  
**Company Secretaries**  
**Rachana Shanbhag**  
**Partner**  
**FCS 8227**  
**CP 9297**  
**UDIN: F008227C000484769**

**Place: Mumbai**  
**Date: 18.06.2021**

## CERTIFICATE OF COMPLIANCE WITH CORPORATE GOVERNANCE

To,  
The Members,  
India Home Loan Limited  
Mumbai

1. This Certificate is issued in terms of our engagement letter dated 14th September, 2020.
2. We, D A Kamat & Co, Company Secretaries, the Secretarial Auditors of India Home Loan Ltd ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the financial year ended on March 31, 2021, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (the "Listing Regulations").
3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.
4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring Compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.
5. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the Compliance with Corporate Governance requirements by the Company.
6. Based on our examination of the relevant records and according to the information and explanations provided to us and the presentations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and Para C and D of Schedule V of the Listing Regulations during the Year ended March 31, 2021.
7. We state that such Compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For, D. A. Kamat & Co.  
Company Secretaries**

**Rachana Shanbhag  
Partner  
FCS 8227  
CP 9297  
UDIN:F008227C000883739**

**Place: Mumbai  
Date: 2nd September, 2021**

## MANAGING DIRECTOR AND CFO CERTIFICATION TO THE BOARD

To,  
The Board of Directors  
India Home Loan Limited

We, do hereby certify as follows:

- A. We have reviewed the financial statements and the cash flow statement for the year and to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
  2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
- B. There are to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and there are no deficiencies in the design or operation of such internal controls of which we are aware.
- D. We have indicated to the Auditors and the Audit Committee:
1. Significant changes in internal control over financial reporting during the year;
  2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal system over financial reporting.

**For India Home Loan Limited**

**Mahesh Pujara  
Managing Director**

**For India Home Loan Limited**

**Abhishek Agarwal  
Chief Financial Officer**

**Place: Mumbai  
Date: 15.06.2021**



## **INDEPENDENT AUDITORS' REPORT**

**To the Members of,  
India Home Loan Limited.**

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the financial statements of India Home Loan Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

#### **Emphasis of Matter**

We draw attention to **Note 27.5** to the financial statement, which explains the impact of re-impositions of localised lockdown in various parts of the country, other restrictions imposed by the Government and conditions related to continuing COVID-19 pandemic on the Company's operations and financial position including the Company's estimate of the possible increase in impairment loss, for which definitive assessment would highly depend on future developments, as they evolve in subsequent periods.

**Our opinion is not modified in this respect.**

#### **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 year. 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.

Key audit matter	How the matter was addressed in our audit
<p><b>1. Expected credit loss allowances:</b></p> <p>Recognition and measurement of impairment of loans and advances involve significant management judgement.</p> <p>Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss (ECL) model. The Company's impairment allowance is derived from estimates including the historical defaults and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors:</p> <p>The most significant areas are:</p> <ul style="list-style-type: none"> <li>- Segmentation of loan book</li> <li>- Determination of exposure at default (EAD)</li> <li>- Loan staging criteria</li> <li>- Calculation of Probability of default and Loss given default</li> <li>- Consideration of probability weighted scenarios and forward looking macro-economic factors.</li> </ul> <p>There is large increase in the data inputs required for the computation of ECL. This increases the risk of completeness and accuracy of the data that has been used as a basis of assumptions in the model.</p>	<p>We evaluated management's process and tested key control saround the determination of expected credit loss allowances, including controls relating to:</p> <ul style="list-style-type: none"> <li>• The identification of events leading to a significant increase in risk and credit impairment events; and</li> <li>• The review, challenge and approval of the expected credit loss allowances, including the impairment model outputs and key management judgements applied.</li> </ul> <p>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.</p> <p>Tested controls for staging of loans based on their past-due status. Also tested samples of stage 1 and Stage 2 loans to assess whether any loss indicators were present requiring them to be classified under stage 2 or stage 3.</p> <p>We tested the formulae applied within the calculation files, the completeness and accuracy of key data inputs, sourced from underlying systems that are applied in the calculation.</p> <p>We also tested the reconciliation of loans and advances between underlying source systems and the expected credit loss models.</p>
<p><b>2. Amortisation of Processing Fee &amp; DSA commission:</b></p> <p>In accordance with Ind-AS 109, interest income on loans is recognised in the statement of profit or loss using the effective interest method. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts, accordingly processing fees collected and DSA commissions paid are an integral part of the effective interest rate calculation. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial</p>	<p>We evaluated management's process and tested key controls around the determination of amortization of processing fees, including controls relating to:</p> <ul style="list-style-type: none"> <li>• Identification of agent sourced loans</li> <li>• Estimating the transaction cost relating to sourcing of loans</li> </ul> <p>We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit.</p> <p>We have verified the workings which contain the processing fees collected/commission paid against each loan sanctioned during the current year as well as previous year.</p>

<p>liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or,</p>	<p>We tested the formulae applied within the calculation files. We tested the completeness and accuracy of keydata inputs, sourced from underlying system that are applied in the working.</p>
<p><b>Key audit matter</b></p>	<p><b>How the matter was addressed in our audit</b></p>
<p>when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.</p> <p>Hence the processing fees income and DSA commissions now are being recognized over the life of the loan.</p>	<p>We matched the processing fees &amp; commissions in the workings with the underlying source systems including General Ledger</p> <p>We have also tested whether loans which have been pre-closed, the related balance processing fees received have been recognized fully as income/expense.</p>
<p><b>3. Impact of COVID 19</b></p> <p>Novel Corona Virus (Covid -19) -A Pandemic as declared by WHO, has disrupted the social &amp; economic structure and continues to affect people and businesses world-wide, causing various Governments to impose restrictions. Given the unique nature of the pandemic and the extent of its economic impact which depends on future developments including governmental and regulatory measures and the Company's responses thereto, the actual credit loss can be different than that being estimated.</p> <p>We have identified that the impact and uncertainty related to the Covid-19 pandemic as a key element and consideration for recognition and measurement of impairment of loans and advances on account of:</p> <ul style="list-style-type: none"> <li>- Application of RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020, on asset classification and provisioning;</li> <li>- Impact of the pandemic on the borrowers and their ability to repay their dues.</li> <li>- Short and Long-term macroeconomic effect on businesses and employment generation opportunities.</li> </ul> <p>Management, while calculating ECL that affects financial results, has taken into account its historical experience of losses, updated to reflect current conditions of pandemic and moratorium as well as forecasts of future economic conditions.</p>	<p>The appropriateness of management's judgement was also independently reconsidered in respect of moratorium offered on the payment of instalments falling due between March 1, 2020 and August 31, 2020 to eligible borrowers.</p> <p>Test checked the basis of historical loss rates used and moratorium as well as forecasts of future economic conditions.</p> <p>Read and assessed the specific disclosures made in the financial statements with regards to managements evaluation of the uncertainties arising from COVID-19 and its impact on ECL.</p>

### **Other Information**

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' 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.

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 in the 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 management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatement 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:**

- I 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.
- I Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- I Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors in the financial results.
- I 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.
- I 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.

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 the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure-2" to this report;
- B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**FOR JOSHI & SHAH**  
**(Chartered Accountants)**  
**Firm Registration No. - 144627W**

**JAYDIP JOSHI**  
**(Partner)**  
**Membership No. - 170300**  
**UDIN: 21170300AAAABX3356**

**Place: Mumbai**  
**Date: 15th June, 2021**

## ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of INDIA HOME LOAN LIMITED for the year ended on March 31, 2021]

**1) In respect of fixed assets:**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) Some of The Fixed Assets were physically verified during the year by the management in accordance with a program of verification, which in our opinion provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us no material discrepancies were noticed on such verification;
  - (c) In our opinion and according to information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- 2) According to the information and explanations given to us, the nature of the Company's business is such that it is not required to hold any inventories, accordingly, the requirements under clause 3 (ii) of the Order are not applicable to the Company and hence not commented upon.
  - 3) The company has granted Unsecured Loans to companies, firms, Limited Liability Partnerships and other parties not covered in the register maintained under section 189 of the Companies Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
  - 4) In our opinion and according to information and explanations given to us, there are no loans, investments, guarantees and securities granted by the company in respect of which provisions of Section 185 and 186 of Companies Act, 2013 are applicable and hence not commented upon.
  - 5) The company has not accepted any deposits from public during the year in terms of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
  - 6) The Company is not engaged in production, processing, manufacturing or mining activities therefore, the provisions of maintenance of cost records specified by the central government under sub section (1) of Section 148 of the Companies Act, 2013 mentioned in clause (vi) of paragraph 3 of the order are not applicable.



- 7) According to the information and explanations given to us, in respect of statutory dues:
- a) The company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess for a period of more than six months from the date they became payable.
  - b) According to the information and explanation given to us, there are no dues of Income tax, service tax, Value Added Tax, Goods and Service Tax, which have been outstanding on account of any dispute.
- 8) According to the information's and explanations given to us, and based on the records of the company, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer. Further, the money raised by way of debt instrument and term loans were, prima facie, applied by the company for the purpose for which they were obtained, other than temporary deployment pending application.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**FOR JOSHI & SHAH**  
**(Chartered Accountants)**  
**Firm Registration No. - 144627W**

**JAYDIP JOSHI**  
**(Partner)**  
**Membership No. - 170300**  
**UDIN: 21170300AAAABX3356**

**Place: Mumbai**  
**Date: 15th June, 2021**

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

**[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of INDIA HOME LOAN LIMITED on the financial statements for the year ended March 31, 2021]**

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

We have audited the internal financial controls over financial reporting of India Home Loan Limited ("the Company") as of March 31, 2021 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 essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company'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 the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under sub-section (10) of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;(2)Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to 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, 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, 2021, based on 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).

**FOR JOSHI & SHAH**  
**(Chartered Accountants)**  
**Firm Registration No. - 144627W**

**JAYDIP JOSHI**  
**(Partner)**  
**Membership No. - 170300**  
**UDIN: 21170300AAAABX3356**

**Place: Mumbai**  
**Date: 15th June, 2021**

**Statement of Assets and Liabilities**

(Amount in Rs.)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>I ASSETS</b>			
<b>1) Financial Assets</b>			
(a) Cash and Cash Equivalents	3(a)	32,685,112	22,862,781
(b) Bank Balances other than (a) above	3(b)	49,025,319	27,791,395
(c) Loans	4	2,028,709,553	2,128,331,032
(d) Investments	5	-	-
(e) Other Financial Assets	6	14,621,866	3,444,437
<b>2) Non-Financial Assets</b>			
(a) Property Plant and Equipment	7	3,193,169	4,036,407
(b) Intangible Assets	7	2,195,463	2,858,875
(c) Other Non-Financial Assets	8	30,195,132	35,719,321
(d) Deferred Tax Asset (Net)	14	4,914,938	-
<b>TOTAL ASSETS</b>		<b>2,165,540,552</b>	<b>2,225,044,248</b>
<b>II LIABILITIES AND EQUITY</b>			
<b>1) Financial Liabilities</b>			
<b>(a) Payables</b>			
<b>Trade Payables</b>			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues creditors other than micro enterprises and small enterprises		703,820	1,546,496
<b>Other Payables</b>			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues creditors other than micro enterprises and small enterprises		2,448,351	3,217,774
(b) Debt Securities	10	200,000,000	-
(c) Borrowings (other than debt securities)	10A	1,451,599,396	1,700,639,583
(d) Subordinated Liabilities			
(e) Other financial liabilities	11	64,743,357	78,896,046
<b>2) Non-Financial Liabilities</b>			
(a) Current Tax liabilities (Net)	12	3,703,392	3,216,384
(b) Provisions	13	3,555,287	3,254,935
(c) Deferred Tax liabilities (Net)	14	-	688,935
(e) Other non-financial liabilities	15	47,625,897	52,021,946
<b>3) Equity</b>			
(a) Equity Share Capital	16	142,817,550	142,817,550
(b) Other Equity	17	248,343,503	238,744,599
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>2,165,540,552</b>	<b>2,225,044,248</b>

Significant Accounting Policies

1&amp;2

The Accompanying Notes are an integral part of the Financial Statements

As per our report of even date

**For Joshi & Shah**

Chartered Accountants

(FRN 144627W)

**Jaydip Joshi**

Partner

(Membership No. 170300)

Place : Mumbai

Date :15th June, 2021

 For and on behalf of the Board of Directors of  
India Home Loan Limited

**Mahesh Pujara**

(Managing Director)

(DIN No- 01985578)

**Abhishek Agarwal**

(Chief Financial Officer )

**Govindar Singh**

(Independent Director)

(DIN No-00025406)

**Ayushi Thakuriya**

(Company Secretary)

**Statement of Profit and Loss**

(Amount in Rs.)

Particulars	Note No.	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Revenue from Operations</b>			
I) Interest Income	18	303,142,831	315,597,686
ii) Fees and Commission Income	19	8,107,900	7,829,459
<b>I Total Revenue from Operations</b>		<b>311,250,731</b>	<b>323,427,145</b>
<b>II Other Income</b>	20	<b>3,100</b>	<b>5,967,238</b>
<b>III Total Income (I+II)</b>		<b>311,253,831</b>	<b>329,394,383</b>
<b>Expenses</b>			
I) Finance Costs	21	202,479,421	215,695,091
ii) Fees and Commission Expenses	22	2,979,644	697,117
iii) Impairment on financial instruments	23	30,373,772	11,941,650
iv) Employee Benefit Expenses	24	34,956,297	36,992,465
v) Depreciation and Amortisation	7	2,338,241	3,252,192
vi) Other Expenses	25	23,282,387	23,326,964
<b>IV Total Expenses</b>		<b>296,409,762</b>	<b>291,905,478</b>
<b>V Profit Before Tax</b>		<b>14,844,069</b>	<b>37,488,905</b>
<b>VI Tax Expenses</b>	35		
(i) Current Tax		9,227,790	10,067,904
(ii) Deferred Tax		(5,603,873)	(628,674)
<b>VII Profit/(Loss) for the Year</b>	(V-VI)	<b>11,220,151</b>	<b>28,049,675</b>
<b>Other comprehensive income</b>			
A ) I) Items that will not be classified to profit and loss		210,424	242,029
ii) Income Tax on Items that will not be reclassified to profit or loss		(52,960)	(61,604)
Sub Total (A)		157,464	180,425
B ) I) Items that will be classified to profit and loss		-	-
ii) Income Tax on Items that will be reclassified to profit or loss		-	-
Sub Total (B)		-	-
<b>VIII Other Comprehensive Income</b>		<b>157,464</b>	<b>180,425</b>
<b>IX Total Comprehensive Income</b>		<b>11,377,616</b>	<b>28,230,100</b>
Earnings Per Share (Face Value INR 10)			
Basic EPS		0.79	1.96
Diluted EPS		0.79	1.77
<b>Number of Shares used in computing earning per share</b>			
Basic		14,281,755	14,281,755
Diluted		14,281,755	15,881,755

Significant Accounting Policies

1&amp;2

The Accompanying Notes are an integral part of the Financial Statements

As per our report of even date

**For Joshi & Shah**  
 Chartered Accountants  
 (FRN 144627W)

**Jaydip Joshi**  
 Partner  
 (Membership No. 170300)

 Place : Mumbai  
 Date : 15th June, 2021

 For and on behalf of the Board of Directors of  
 India Home Loan Limited

**Mahesh Pujara**  
 (Managing Director)  
 (DIN No- 01985578)

**Abhishek Agarwal**  
 (Chief Financial Officer )

**Govindar Singh**  
 (Independent Director)  
 (DIN No-00025406)

**Ayushi Thakuriya**  
 (Company Secretary)

**Statement of Cash Flows as at March 31,2021**

(Amount in Rs.)

Particulars	Year Ended March 31, 2021	Year Ended March 31,2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and extraordinary items	<b>14,844,069</b>	<b>37,488,905</b>
i) Adjustment for:		
Depreciation & Amortization	2,338,241	3,252,192
Allowance of credit loss on Financial Assets	30,373,772	11,941,650
Profit on Sale of Investment	-	(1,777,745)
Interest received on deposits	(6,328,355)	(3,263,618)
Profit on Sale of Property, Plant and Equipment	-	(93,911)
Fair Value adjustments on Investments	-	(431,991)
Gratuity Provision	310,591	-
<b>Operating profit before working capital changes</b>	<b>41,538,318</b>	<b>47,115,482</b>
ii) <b>Movement in working capital :</b>		
Increase/(decrease) in Payables	(1,612,099)	(5,518,576)
Increase/(decrease) in Other Financial Liabilities	(14,152,689)	49,340,423
Increase/(decrease) in Other Non-Financial Liabilities	(4,396,049)	2,326,558
Increase/(decrease) in Provisions	510,776	563,363
Decrease/(increase) in Loans -Net of Repayments	69,247,707	21,571,129
Decrease/(increase) in Other Financial Assets	(11,177,429)	(1,604,883)
Decrease/(increase) in Other Non-Financial Assets	5,524,189	32,604
Cash generated from / (used in) operation	85,482,724	113,826,100
Direct taxes paid (net of refund)	<b>(8,740,783)</b>	<b>(6,907,259)</b>
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>76,741,941</b>	<b>106,918,841</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment & computer software	(831,587)	(1,665,066)
Proceeds from Property, Plant and Equipment	-	606,394
Proceeds from sale of trade investments	-	95,283,113
Investment in trade investments	-	(3,000,000)
(Increase)/Decrease in Other Bank balances	(21,233,924)	(2,732,596)
Interest received on deposits	6,328,355	3,263,618
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(15,737,156)</b>	<b>91,755,463</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares (net of expenses)	-	-
Proceeds from Borrowings	350,000,000	220,000,000
Repayment of Borrowings	(399,040,187)	(436,053,527)
Dividend Paid (including Dividend distribution Tax)	(2,142,263)	(3,449,127)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(51,182,450)</b>	<b>(219,502,654)</b>
Net Increase/(Decrease) in cash and cash equivalents (A + B + C)	9,822,331	(20,828,350)
Cash and cash equivalents at the beginning of the year	<b>22,862,781</b>	<b>43,691,131</b>
Cash and cash equivalents at the end of the year	<b>32,685,112</b>	<b>22,862,781</b>

**Notes :**

- The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Indian Accounting Standard ("Ind AS 7") Statement of Cash Flows specified under section 133 of Companies Act, 2013.
- Figures for the previous year have been regrouped / rearranged wherever found necessary.

As per our report of even date

**For Joshi & Shah**  
 Chartered Accountants  
 (FRN 144627W)

**Jaydip Joshi**  
 Partner  
 (Membership No. 170300)  
 Place : Mumbai  
 Date :15th June, 2021

 For and on behalf of the Board of Directors of  
 India Home Loan Limited

**Mahesh Pujara**  
 (Managing Director)  
 (DIN No- 01985578)  
**Abhishek Agarwal**  
 (Chief Financial Officer )

**Govindar Singh**  
 (Independent Director)  
 (DIN No-00025406)  
**Ayushi Thakuriya**  
 (Company Secretary)



**Notes forming part of the financial statements**  
**NOTE 3(a) CASH AND CASH EQUIVALENTS**

Particulars	March 31, 2021 Rs.	March 31, 2020 Rs.
Cash on hand	3,489,504	5,582,487
Balances with Banks	27,679,082	16,080,294
Fixed deposits with less than 3 months maturity (refer note (i) below)	-	-
Cheques, drafts on hand	1,516,526	1,200,000
<b>TOTAL</b>	<b>32,685,112</b>	<b>22,862,781</b>

**NOTE 3(b) Bank Balances other than (a) above**

Particulars	March 31, 2021 Rs.	March 31, 2020 Rs.
Fixed deposits with maturity more than 3 months (refer note (i) & (ii) below)	48,797,782	27,605,452
Unpaid Dividend	227,537	185,943
	49,025,319	27,791,395

i) Fixed deposit and other balances with banks earns interest at fixed rate.

ii) Fixed deposits with maturity more than 3 months includes Rs. 284.21 lakhs (Previous year Rs. 276.05 lakhs) under lien.

**NOTE 4 - LOANS**

Particulars	March 31, 2021 Rs.	March 31, 2020 Rs.
<b>Home Loans</b>		
(i) Individuals	1,676,916,428	1,744,380,114
(ii) Others	281,220,584	280,652,764
<b>Other Loans</b>		
(1) Individuals	136,649,736	138,490,894
(2) Others	350,989	861,672
Total - Gross (A)	2,095,137,737	2,164,385,444
Less: Impairment Loss Allowance	(66,428,184)	(36,054,412)
Total - Net (A)	2,028,709,553	2,128,331,032
(i) Secured by Tangible Assets	2,095,137,737	2,164,385,444
(ii) Secured by Intangible Assets	-	-
(iii) Covered by Bank/ Government Guarantees	-	-
(iv) Unsecured	-	-
Total - Gross (B)	2,095,137,737	2,164,385,444
Less: Impairment Loss Allowance	(66,428,184)	(36,054,412)
Total - Net (B)	2,028,709,553	2,128,331,032
Loans in India	-	-
(i) Public Sector	-	-
(ii) Others	2,095,137,737	2,164,385,444
Total - Gross (C)	2,095,137,737	2,164,385,444
Less: Impairment Loss Allowance	(66,428,184)	(36,054,412)
Total - Net (C)	2,028,709,553	2,128,331,032
Loans outside India	-	-
(i) Public Sector	-	-
(ii) Others	-	-
Total - Gross (D)	-	-
Less: Impairment Loss Allowance	-	-
Total - Net (D)	-	-

- 4.1 Impairment loss allowance also includes Special Provisioning for RBI regulatory package Loans includes Rs. 169.91 lakhs (Previous Year 72.69 lakhs ) in respect of properties held for disposal under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
- 4.2 Loans includes Rs. 15.78 lakhs (Previous Year Rs. 16.33 lakhs) given to the employees of IHLL.
- 4.3 Loans granted by IHLL are secured by one or combination of following securities:
- Equitable/Registered mortgage of property and / or
  - Hypothecation of assets and / or
  - Company guarantee or personal guarantee and/or
  - Undertaking to create a security
- 4.4 In its normal course of business, the Company does not physically repossess properties or other assets except properties repossessed under SARFAESI. Property acquisition is a last recourse which company exercise in case recovery become very difficult. Any surplus funds after settlement of outstanding loan are returned to the customers. As a result of this practice, the residential properties under legal repossession processes are not treated as non-current assets held for sale.

Sr. No.	Particulars	Housing loans (including instalments due from borrowers)		Other Loans	Total Loans	Provisions required as per NHB Norms for Housing loans		Provisions required as per NHB Norms for Other loans	Total Provisions
		Individuals	Others			Individuals	Others		
i)	<b>As on 31st March, 2021</b>								
	Standard Loans	1,589,566,292	281,220,584	132,880,477	2,003,667,353	3,973,916	2,109,154	533,627	6,616,697
	Sub - Standard Loans	2,273,228			2,273,228	340,984			340,984
	Doubtful Loans	85,076,908		4,120,248	89,197,156	36,719,315		1,648,099	38,367,414
	Loss Assets	-			-				-
	Additional Provisions					5,927,488			5,927,488
	Special provisioning for RBI regulatory package					15,175,601			15,175,601
	<b>Total</b>	<b>1,676,916,428</b>	<b>281,220,584</b>	<b>137,000,725</b>	<b>2,095,137,737</b>	<b>62,137,303</b>	<b>2,109,154</b>	<b>2,181,726</b>	<b>66,428,184</b>
ii	<b>As on 31st March, 2020</b>								
	Standard Loans	1,658,930,647	280,652,764	135,050,186	2,074,633,597	4,147,327	2,104,896	543,216	6,795,439
	Sub - Standard Loans	2,598,559	-	-	2,598,559	389,784	-	-	389,784
	Doubtful Loans	82,850,908	-	4,302,380	87,153,288	22,067,547	-	1,276,424	23,343,971
	Loss Assets	-	-	-	-	-	-	-	-
	Additional Provisions	-	-	-	-	818,370	-	-	818,370
	Special provisioning for RBI regulatory package					4,706,849			4,706,849
	<b>Total</b>	<b>1,744,380,114</b>	<b>280,652,764</b>	<b>139,352,566</b>	<b>2,164,385,444</b>	<b>32,129,876</b>	<b>2,104,896</b>	<b>1,819,640</b>	<b>36,054,412</b>

- 4.5 Provision of Non-performing assets is required to be maintained as per NHB guidelines on prudential norms to the extent of Rs 387.08 lakhs (Previous year Rs. 237.34 lakhs) against which the company, by way of prudence and abundant caution has maintained cumulative provision of Rs. 387.08 lakhs (Previous year Rs.237.34 lakhs). The Management has provided an additional provision of Rs. 59.27 Lakhs (Previous year Rs. 8.18 Lakhs) during the current year based on their estimate. General provision required to be maintained in respect of accounts in default but standard and asset classification benefit extended ,as per RBI circular on COVID 19 regulatory package dated April 17,2020 ,the company holds a provision of INR 151.75 lakhs .

- 4.6 "In accordance with the RBI guidelines relating to COVID - 19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Company granted moratorium of three months on payments of all instalments and/or interest falling due on or after March 1, 2020 till May 31, 2020 (further extended as per RBI guidelines for another 3 months falling due on or after June 1, 2020 till August 31, 2020) to eligible borrowers who have requested for moratorium.
- 4.7 The Company has used the principles of prudence in applying judgments, estimates and possible forward looking scenarios to assess and provide for the impact of the COVID-19 pandemic on the Financial Statements specifically while assessing the expected credit loss on financial assets by applying the customer profiling within salaried and self-employed portfolio and management overlays. The Company has performed an estimation of portfolio stress through analysing its portfolio in respect of various risk classification, using the available historical and current data and based on current indicators of future economic conditions.
- 4.8 On May 22, 2020, the RBI has announced extension of the moratorium period by further three months. The extent to which COVID - 19 pandemic will impact the company's provision on financial assets will depend on future developments, which are highly uncertain. The impact of COVID - 19 pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions."

#### NOTE 5 INVESTMENTS

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
(At Fair Value Through Profit and Loss)		
i) Mutual Funds	-	-
(At Amortised Cost)	-	-
ii) Government Securities	-	-
<b>TOTAL (A)</b>	-	-
Investments in India	-	-
Investments outside India	-	-
<b>TOTAL (B)</b>	-	-

#### NOTE 6 OTHER FINANCIAL ASSETS

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Rent Deposits - Unsecured; considered good	969,880	1,081,880
Security Deposits - Unsecured; considered good	-	-
- To Related Party	-	-
- To Others	1,800	-
Staff Advances	1,578,368	1,632,868
Other Advances - Unsecured; considered good	12,071,818	729,689
<b>Total</b>	<b>14,621,866</b>	<b>3,444,437</b>

<b>NOTE 7 PROPERTY PLANT AND EQUIPMENT</b>												<b>in Rs.</b>	
Description of Assets	Gross Block				Depreciation and Amortization				Net Block				
	Balance as at April 01, 2019	Additions	Deductions	Balance as at March 31, 2020	Balance as at April 01, 2019	Provided for the year	Deductions	Balance as at March 31, 2020	As at March 31, 2020	As at March 31, 2019			
<b>Tangible Assets</b>													
Computers and Printers	3,942,582	120,207	-	4,062,789	2,578,527	932,419	-	3,510,946	551,843	1,364,055			
Furniture & Fixtures	1,666,564	193,866	-	1,860,430	1,278,640	222,690	-	1,501,330	359,100	387,923			
Office Equipment	329,192	12,938	1,635	340,495	199,085	60,534	-	259,619	80,875	130,107			
Air Conditioner	617,313	-	-	617,313	458,779	66,621	-	525,400	91,913	158,534			
Electrical Fitting*	267,886	-	-	267,886	249,278	4,396	-	253,674	14,212	18,608			
Flooring & Ceiling**	1,441,739	-	-	1,441,739	1,383,107	-	-	1,383,107	58,632	58,632			
Motor Vehicles	5,103,041	1,210,669	510,849	5,802,861	1,942,437	980,592	-	2,923,029	2,879,832	3,160,604			
<b>Total (A)</b>	<b>13,368,317</b>	<b>1,537,680</b>	<b>512,484</b>	<b>14,393,513</b>	<b>8,089,853</b>	<b>2,267,252</b>	-	<b>10,357,106</b>	<b>4,036,407</b>	<b>5,278,463</b>			
<b>Previous Year</b>	<b>10,689,315</b>	<b>2,679,002</b>	-	<b>13,368,317</b>	<b>4,970,073</b>	<b>3,119,781</b>	-	<b>8,089,853</b>	<b>5,278,463</b>	<b>5,719,242</b>			
<b>Intangible Assets</b>													
Computer Software	6,331,841	127,386	-	6,459,227	2,615,412	984,940	-	3,600,352	2,858,875	3,716,429			
<b>Total (B)</b>	<b>6,331,841</b>	<b>127,386</b>	-	<b>6,459,227</b>	<b>2,615,412</b>	<b>984,940</b>	-	<b>3,600,352</b>	<b>2,858,875</b>	<b>3,716,429</b>			
<b>Previous Year</b>	<b>6,128,591</b>	<b>203,250</b>	-	<b>6,331,841</b>	<b>1,324,349</b>	<b>1,291,063</b>	-	<b>2,615,412</b>	<b>3,716,429</b>	<b>4,804,242</b>			
<b>Total (A)+ (B)</b>	<b>19,700,158</b>	<b>1,665,066</b>	<b>512,484</b>	<b>20,852,740</b>	<b>10,705,265</b>	<b>3,252,192</b>	-	<b>13,957,458</b>	<b>6,895,282</b>	<b>8,994,892</b>			
*Electrical Fitting has been amortised over 5 years **Flooring and Ceiling has been amortised over period of 5 years													
Description of Assets	Gross Block				Depreciation and Amortization				Net Block				
	Balance as at April 01, 2020	Additions	Deductions	Balance as at March 31, 2021	Balance as at April 01, 2020	Provided for the year	Deductions	Balance as at March 31, 2021	As at March 31, 2021	As at March 31, 2020			
<b>Tangible Assets</b>													
Computers and Printers	4,062,789	683,913	-	4,746,702	3,510,946	462,929	-	3,973,875	772,827	551,843			
Furniture & Fixtures	1,860,430	2,699	-	1,863,129	1,501,330	147,272	-	1,648,602	214,526	359,100			
Office Equipment	340,495	61,648	-	402,143	259,619	40,976	-	300,595	101,548	80,876			
Air Conditioner	617,313	-	-	617,313	525,400	36,464	-	561,864	55,449	91,913			
Electrical Fitting*	267,886	-	-	267,886	253,674	2,396	-	256,070	11,816	14,212			
Flooring & Ceiling**	1,441,739	-	-	1,441,739	1,383,107	-	-	1,383,107	58,632	58,632			
Motor Vehicles	5,802,861	-	-	5,802,861	2,923,029	901,461	-	3,824,490	1,978,371	2,879,832			
<b>Total (A)</b>	<b>14,393,513</b>	<b>748,260</b>	-	<b>15,141,773</b>	<b>10,357,106</b>	<b>1,591,498</b>	-	<b>11,948,603</b>	<b>3,193,169</b>	<b>4,036,407</b>			
<b>Previous Year</b>	<b>13,368,317</b>	<b>1,537,680</b>	<b>512,484</b>	<b>14,393,513</b>	<b>8,089,853</b>	<b>2,267,252</b>	-	<b>10,357,106</b>	<b>4,036,407</b>	<b>5,278,463</b>			
<b>Intangible Assets</b>													
Computer Software	6,459,227	83,330	-	6,542,557	3,600,352	746,743	-	4,347,095	2,195,462	2,858,875			
<b>Total (B)</b>	<b>6,459,227</b>	<b>83,330</b>	-	<b>6,542,557</b>	<b>3,600,352</b>	<b>746,743</b>	-	<b>4,347,095</b>	<b>2,195,462</b>	<b>2,858,875</b>			
<b>Previous Year</b>	<b>6,331,841</b>	<b>127,386</b>	-	<b>6,459,227</b>	<b>2,615,412</b>	<b>984,940</b>	-	<b>3,600,352</b>	<b>2,858,875</b>	<b>3,716,429</b>			
Intangible Asset under Development	-	-	-	-	-	-	-	-	-	-			
Intangible Assets under Development	-	-	-	-	-	-	-	-	-	-			
<b>Total (C)</b>	-	-	-	-	-	-	-	-	-	-			
<b>Previous Year</b>	-	-	-	-	-	-	-	-	-	-			
<b>Total (A)+ (B) + (C)</b>	<b>20,852,740</b>	<b>831,590</b>	-	<b>21,684,330</b>	<b>13,957,458</b>	<b>2,338,241</b>	-	<b>16,295,698</b>	<b>5,388,631</b>	<b>6,895,282</b>			
*Electrical Fitting has been amortised over 5 years **Flooring and Ceiling has been amortised over period of 5 years													

**NOTE 8 OTHER NON - FINANCIAL ASSETS**

<b>Particulars</b>	<b>March 31,2021 Rs.</b>	<b>March 31,2020 Rs.</b>
Prepaid Expenses - Unsecured; considered good	11,814,026	18,060,118
Balance with Statutory Authorities	6,007,990	4,642,964
Other non-financial assets	12,373,116	13,016,239
<b>TOTAL</b>	<b>30,195,132</b>	<b>35,719,321</b>

**NOTE 9 PAYABLES**

<b>Particulars</b>	<b>March 31,2021 Rs.</b>	<b>March 31,2020 Rs.</b>
<b>Trade Payables:</b>		
i) total outstanding dues of micro enterprises and small enterprises		
ii) total outstanding dues creditors other than micro enterprises and small enterprises	703,820	1,546,496
<b>Other Payables:</b>		
1) total outstanding dues of micro enterprises and small enterprises	-	-
2) total outstanding dues creditors other than micro enterprises and small enterprises	2,448,351	3,217,774
<b>TOTAL</b>	<b>3,152,171</b>	<b>4,764,270</b>

**9.1** Trade payables include Nil (Previous Year Nil) payable to “Suppliers” registered under The Micro, Small & Medium Enterprises Development Act 2006. No interest has been paid by the company during the year to the “suppliers” covered under The Micro, Small & Medium Enterprises Development Act, 2006. The above information takes into account only those suppliers who have responded to enquiries made by the company for this purpose. The amount of principal and interest outstanding during the year is given below.

<b>Particulars</b>	<b>March 31, 2021 Rs.</b>	<b>March 31, 2020 Rs.</b>
a) Amount outstanding but not due as at year end	-	-
b) Amount due but unpaid as at the year end	-	-
c) Amount paid after appointed date during the year	-	-
d) Amount of interest accrued and unpaid as at year end	-	-
e) The amount of further interest due and payable even in the succeeding year	-	-
<b>TOTAL</b>		

**NOTE 10 DEBT SECURITIES**

Particulars	March 31, 2021				March 31, 2020			
	At Amortised cost	AT FVTPL	Designated at FVTPL	Total	At Amortised cost	AT FVTPL	Designated at FVTPL	Total
i) Liability component of compound financial instruments	-	-	-	-	-	-	-	-
ii) Others Secured Listed Secured Rated Redeemable Non convertible Debentures	200,000,000	-	-	200,000,000	-	-	-	-
iii) Others : Unsecured	-	-	-	-	-	-	-	-
(A) Total	200,000,000	-	-	200,000,000	-	-	-	-
Debt Securities in India	200,000,000	-	-	200,000,000	-	-	-	-
Debt Securities outside India	-	-	-	-	-	-	-	-
(B) Total	200,000,000	-	-	200,000,000	-	-	-	-
TOTAL	200,000,000	-	-	200,000,000	-	-	-	-

During the financial year ended March 31, 2021, the Company has, on June 26, 2020, issued 200 Rated, Listed, 11% Secured Non-convertible Debentures having face value of Rs. 10,00,000 each aggregating to Rs. 20 Crore (Rupees Twenty Crore only) and the same have been allotted on June 30, 2020 for a tenor of 36 months and with security cover of 1.05 times of outstanding amount. The proceeds of the NCDs were used for the objects that were stated in the offer document(s).

Particulars	Repayment schedule	ROI	Current Year	Previous year
Non convertible Debentures	Repayment in 12 Quarterly interest, beginning from Sept 2020	11%	200000000	0

**NOTE 10A - BORROWINGS (OTHER THAN DEBT SECURITIES)**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
<b>Secured:</b>		
Term Loans		
- National Housing Bank*	309,708,000	212,707,000
- Banks and Other Financial Institutions**	990,107,834	1,337,354,378
- Car Loan***	-	578,205
<b>Unsecured:</b>		
Term Loans		
- IDFC First Bank Ltd	151,783,562	150,000,000
<b>TOTAL (A)</b>	<b>1,451,599,396</b>	<b>1,700,639,583</b>
Borrowings in India	1,451,599,396	1,700,639,583
Borrowings outside India	-	-
<b>TOTAL</b>	<b>1,451,599,396</b>	<b>1,700,639,583</b>
Loan secured by exclusive charge on portfolio of the Company and personal guarantee of Directors	-	-

**Term Loan from Banks**

Particulars	Repayment schedule	ROI	Current Year	Previous year
National Housing bank	Repayment in 60 quarterly instalments, beginning from oct 2015	9.85%	16,540,000	18,580,000
National Housing Bank	Repayment in 28 quarterly instalments, beginning from Sept 2020	8.00%	86,132,000	-
National Housing Bank	Repayment in 48 quarterly instalments, beginning from Jan 2018	6.30%	13,655,000	17,915,000
Federal Bank	Repayment in 60 monthly instalments, beginning from Nov 2016	10.50%	10,361,510	15,833,333
SBI	Repayment in 84 monthly instalments, beginning from oct 2017	8.70%	141,366,558	163,557,227
South Indian Bank Loan	Repayment in 60 monthly instalments, beginning from Sept 2017	9.75%	17,195,405	24,113,274
Uco Bank	Repayment in 60 monthly instalments, beginning from Apr 2018	10.35%	47,148,002	59,601,494
Andhra Bank	Repayment in 24 equal quarterly instalments, beginning from April 2019	10.90%	66,539,575	83,277,729
Au Small Finance Bank Ltd	Repayment in 60 monthly instalments, beginning from oct 2017	11.35%	15,072,062	25,129,650
Au Small Finance Bank Ltd Loan 1	Repayment in 60 monthly instalments, beginning from Mar 2018	11.35%	9,659,249	14,704,992
Bandhan Bank Loan Account	Repayment in 18 quarterly instalments, beginning from Apr 2018	11.25%	27,720,000	56,050,482
Bank Of Maharashtra	Repayment in 24 quarterly instalments, beginning from Apr 2019	10.90%	103,251,257	123,135,691
Canara Bank	Repayment in 28 quarterly instalments, beginning from Sept 2018	10.65%	78,055,741	85,794,831
Dhanlaxmi Bank	Repayment in 20 quarterly instalments, beginning from Feb 2018	9.30%	17,575,801	27,631,925



<b>Term Loan from Banks</b>				
HDFC Car Loan 1 beginning from Jan 2018	Repayment in 36 monthly instalments, 8.76%	-	217,090	
HDFC Car Loan 2	Repayment in 36 monthly instalments, beginning from Jan 2018	8.76%	-	361,115
IDFC First Bank Ltd	Repayment in 36 monthly instalments, beginning from July 2021	11.00%	50,467,123	50,000,000
National Housing bank	Repayment in 60 Quarterly instalments, beginning from June-2019	6.90%	64,958,000	76,212,000
National Housing bank	Repayment in 20 Quarterly instalments, beginning from Feb 2020	6.35%	78,423,000	100,000,000
National Housing bank	Repayment in 4 Quarterly instalments, beginning from June 2020	5.25%	50,000,000	-
IDFC First Bank Ltd	Principal shall be paid on last day of 84th month from first disbursement	14.00%	151,783,562	150,000,000
	<b>TOTAL</b>		<b>1,045,903,845</b>	<b>1,092,115,833</b>
<b>Term Loan from Financial Institutions</b>				
<b>Particulars</b>	<b>Repayment schedule</b>	<b>ROI</b>	<b>Current Year</b>	<b>Previous year</b>
MAS Financial Services Limited 3	Repayment in 48 monthly instalments, beginning from Nov 2016	11.85%	-	2,937,106
MAS Financial Services Limited 4	Repayment in 60 monthly instalments, beginning from Aug 2018	11.75%	130,421,062	168,049,547
MAS Financial Services Limited 5	Repayment in 60 monthly instalments, beginning from Dec 2018	11.75%	102,438,451	128,002,174
MAS Financial Services Limited 6	Repayment in 60 monthly instalments, beginning from Oct 2018	11.75%	33,060,538	42,074,749
MAS Financial Services Limited 7	Repayment in 54 monthly instalments, beginning from April 2019	12.00%	18,367,034	23,375,739
MAS Rural Housing & Mortgage Finance Limited	Repayment in 60 monthly instalments, beginning from Nov 2018	12.00%	22,797,346	28,805,539
Hinduja Housing Finance	Repayment in 72 monthly instalments, beginning from Jan 2019	10.75%	50,000,004	63,333,334
Hinduja Housing Finance 1	Repayment in 72 monthly instalments, beginning from June 2019	10.95%	48,611,116	60,277,780
JM Financial Product Ltd	Repayment in 8 quarterly instalments, beginning from Sep 2019	12.25%	-	52,852,245
TATA Capital Financial Services	Repayment in 72 monthly instalments, beginning from June 2019	11.25%	-	38,815,537
	<b>TOTAL</b>		<b>405,695,551</b>	<b>608,523,750</b>

**NOTE 11 OTHER FINANCIAL LIABILITIES**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Bank Overdraft	64,334,121	78,663,656
Advance Processing Fee Received	55,793	46,447
Unpaid Dividend	227,537	185,943
Other Financial Liabilities	125,906	-
<b>Total</b>	<b>64,743,357</b>	<b>78,896,046</b>

As of March 31, 2021, there is no amount due for transfer to the Investor Education and Protection Fund as per Sec 125 of the Companies Act, 2013.

**NOTE 12 CURRENT TAX LIABILITIES (NET)**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Provisions for Tax (Net of Advance Tax & Withholding Tax)	3,703,392	3,216,384
<b>Total</b>	<b>3,703,392</b>	<b>3,216,384</b>

**NOTE 13 PROVISIONS**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Provisions for Employee Benefits	3,555,287	3,254,935
<b>Total</b>	<b>3,555,287</b>	<b>3,254,935</b>

**NOTE 14 DEFERRED TAX LIABILITY /(ASSETS ) NET**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Deferred Tax Assets on:		
Depreciation	636,423	789,893
Provision for Expected Credit Loss	16,718,645	9,074,174
Provision for Employee Benefits	220,045	167,085
Tax on Ind AS adjustments as per EIR method	-	-
<b>Total (A)</b>	<b>17,575,113</b>	<b>10,031,152</b>
Deferred Tax Liabilities on:		
Depreciation	-	-
Provision for Expected Credit Loss	-	-
Provision for Employee Benefits	-	-
Other Items	12,804,637	10,468,425
Tax on Ind AS adjustments as per EIR method	(144,461)	251,66
<b>Total (B)</b>	<b>12,660,176</b>	<b>10,720,087</b>
<b>TOTAL (B - A)</b>	<b>(4,914,937)</b>	<b>688,935</b>

**Movement in deferred tax Assets /Liabilities**

Particulars	As At 1st April, 2020	Profit and Loss	Other Comprehensive Income	Total	As At 31st March, 2021
Depreciation	(789,893)	153,470	-	153,470	(636,423)
Provision for Expected Credit Loss	(9,074,174)	(7,644,471)	-	(7,644,471)	(16,718,645)
Provision for Employee Benefits	(167,085)	-	(52,960)	(52,960)	(220,045)
Other Items	10,468,425	2,336,212	-	2,336,212	12,804,637
Tax on Ind AS adjustments as per EIR method	251,662	(396,123)	-	(396,123)	(144,461)
<b>Total</b>	<b>688,935</b>	<b>(5,550,912)</b>	<b>(52,960)</b>	<b>(5,603,872)</b>	<b>(4,914,937)</b>

**NOTE 15 OTHER NON-FINANCIAL LIABILITIES**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Statutory Payables	3,906,622	6,349,613
Other non-financial liabilities	43,719,277	45,672,333
<b>Total</b>	<b>47,625,899</b>	<b>52,021,946</b>

**NOTE 16 EQUITY SHARE CAPITAL**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Authorised: 2,45,00,000 Equity Shares of Rs. 10/- each (('Previous Year 2,45,00,000 Equity Shares of Rs. 10/- each)	245,000,000	245,000,000
Preference share capital (50,000 Redeemable Preference Shares of Rs. 100/- each)	5,000,000	5,000,000
	<b>250,000,000</b>	<b>250,000,000</b>
Issued, Subscribed and Fully Paid up: 1,42,81,755 Equity Shares of Rs. 10/- each (Previous Year 1,42,81,755 Equity Shares of Rs. 10/- each )	142,817,550	142,817,550
<b>Total</b>	<b>142,817,550</b>	<b>142,817,550</b>

Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As At March 31, 2021		As At March 31, 2020	
	Number	Rupees	Number	Rupees
Equity shares outstanding as at the beginning of the reporting period	14,281,755	142,817,550	14,281,755	142,817,550
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Equity shares outstanding as at the end of the reporting period	14,281,755	142,817,550	14,281,755	142,817,550

**List of Shareholders holding more than 5% of Paid-up Equity Share Capital**

Class of Shares/Name of Shareholder	As At March 31, 2021		As At March 31, 2020	
	Number	"% of sharesheld to total shares"	Number	"% of sharesheld to total shares"
JM financial India Trust II - JM Financial India Fund II	3,499,030	24.50%	3,499,030	24.50%
Ashok Shanabhai Patel	1,232,810	8.63%	1,232,810	8.63%
Sonal Shah	1,070,000	7.49%	1,070,000	7.49%
Mahesh Narshibhai Pujara	884,350	6.19%	884,350	6.19%
Mitesh Mahesh Pujara	745,240	5.22%	745,240	5.22%

'The Company has only one class of shares referred to as equity shares having face value of Rs.10 each. Each holder of equity share is entitled to one vote per share. The holders of equity shares are entitled to dividends ,if any, proposed by the board of directors and approved by shareholders at the Annual General Meeting.

**NOTE 17 OTHER EQUITY**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
<b>Statutory Reserve (created as per the requirement of Section 29C of the NHB Act, 1987)</b>		
Balance at the beginning of the year	3,716,680	3,716,680
Add: Transferred from Profit and Loss Account	-	-
Balance at the end of the year	3,716,680	3,716,680
<b>"Special Reserve (created as per requirement of Income Tax Act - Section 36(1)(viii)):"</b>		
Balance at the beginning of the year	41,594,188	31,593,488
Add: Transferred from Profit and Loss Account	9,282,468	10,000,700
Balance at the end of the year	50,876,656	41,594,188
<b>Capital Reserve</b>		
Balance at the beginning of the year	40,739,000	40,739,000
Add: Additions during the year	30,700,000	-
Balance at the end of the year	71,439,000	40,739,000
<b>Securities Premium Reserve</b>		
Balance at the beginning of the year	105,314,405	105,314,405
Add: Received during the year	-	-
Balance at the end of the year	105,314,405	105,314,405
<b>Retained Earnings</b>		
Balance at the beginning of the year	16,680,326	1,900,053
Add: Total Comprehensive Income for the year	11,430,575	28,230,100
Add/ (Less):- Transferred to Special Reserve	(9,282,468)	(10,000,700)
Add/ (Less):-Any Other Item	31,0591	
Add/ (Less):- Transferred to Statutory Reserve		-
Add/ (Less):- Adjustment to retained earnings due to Ind AS adoption		-
Add/ (Less):- Dividend	(2,142,263)	(2,856,351)
Add/ (Less):- Corporate Dividend Tax		(592,776)
Balance at the end of the year	16,996,761	16,680,326
<b>Money received against Share Warrants</b>		
Balance at the beginning of the year	30,700,000	30,700,000
Add/Less: Additions/(deletions) during the year	(30,700,000)	-
Balance at the end of the year		30,700,000
<b>TOTAL</b>	<b>248,343,503</b>	<b>238,744,599</b>

'On 30th March, 2019 the company had issued 16,00,000 Convertible share warrants to promoters and non-promoters at a price of Rs. 76.75 per share warrant with an option to convert each warrant with one equity share of face value of Rs. 10 per equity shares on or before 29th September, 2020. The Company had already received 25% of the issue price from the Allottees upto 29th March, 2019. Allottees needed to pay balance 75% of issue price on or before 29th September, 2020. The Company, on request of all warrant holders, has made an application to SEBI for extension of due date of warrants on 4th September, 2020. The SEBI has given extension till 13th November, 2020. However allottees were unable to pay balance 75% of issue price till extended time allowed by SEBI and hence company has forfeited the paid 25% amount of issue price ( INR 3,07,00,000)and transferred the same to Capital Reserve.

<b>NOTE 18 INTEREST INCOME</b>							(in Rupees)
<b>Particulars</b>	<b>March 31,2021</b>			<b>March 31,2020</b>			
	<b>On financial Assets measured</b>			<b>On financial Assets measured</b>			
	<b>At Amortized Cost</b>	<b>At FVTPL</b>	<b>At FVOCI</b>	<b>At Amortized Cost</b>	<b>At At FVTPL</b>	<b>At FVOCI</b>	
Interest on Loans	296,814,476	-	-	312,334,068	-	-	
Interest on Bank Deposits/ Financial Institution	6,328,355	-	-	3,263,618	-	-	
<b>Total</b>	<b>303,142,831</b>			<b>315,597,686</b>			
<b>NOTE 19 FEES AND COMMISSION INCOME</b>							
<b>Particulars</b>	<b>March 31,2021 Rs.</b>	<b>March 31,2020 Rs.</b>					
Processing and other fees	6,690,765	7,207,083					
Other Operating Income	1,417,135	622,376					
<b>Total</b>	<b>8,107,900</b>	<b>7,829,459</b>					
<b>NOTE 20 OTHER INCOME</b>							
<b>Particulars</b>	<b>March 31,2021 Rs.</b>	<b>March 31,2020 Rs.</b>					
Net gain on Financial Instruments measured at Fair Value through Profit & Loss Account	-	2,209,736					
Income Tax Refund	-	97,077					
Profit on Sale of Property ,Plant and Equipment	-	93,911					
Excess Provision Written Back	-	3,016,514					
Miscellaneous Income	-	550,000					
Short Term Capital Gain / Loss	3,100						
<b>Total</b>	<b>3,100</b>	<b>5,967,238</b>					
<b>NOTE 21 FINANCE COSTS</b>							
<b>Particulars</b>	<b>March 31,2021 Rs.</b>	<b>March 31,2020 Rs.</b>					
Interest on borrowings	198,050,570	212,442,748					
Processing fees	3,887,676	2,511,932					
Bank charges	329,240	335,764					
Other Finance Charges	211,936	404,646					
<b>Total</b>	<b>202,479,421</b>	<b>215,695,091</b>					
<b>NOTE 22 FEES AND COMMISSION EXPENSES</b>							
<b>Particulars</b>	<b>March 31,2021 Rs.</b>	<b>March 31,2020 Rs.</b>					
Direct selling agents' commission	2,066,769	588,117					
Rating fees	912,875	109,000					
<b>Total</b>	<b>2,979,644</b>	<b>697,117</b>					

**NOTE 23 IMPAIRMENT ON FINANCIAL INSTRUMENTS**

(in Rupees)

Particulars	March 31,2021		March 31,2020	
	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at FVOCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at FVOCI
Loans	30,373,772	-	11,941,650	-
<b>Total</b>	<b>30,373,772</b>	<b>-</b>	<b>11,941,650</b>	<b>-</b>

**NOTE 24 EMPLOYEE BENEFITS EXPENSES**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Salaries and Bonus	32,724,322	34,043,609
Contribution to Gratuity Fund and Other Funds	934,883	1,304,864
Staff Training and Welfare Expenses	1,242,266	1,424,494
Staff leave encashment	54,826	219,498
<b>Total</b>	<b>34,956,297</b>	<b>36,992,465</b>

**NOTE 25 OTHER EXPENSES**

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
Office Rent	3,852,799	3,718,861
Repairs and Maintenance	671,278	1,039,115
General Office Expenses	1,544,078	794,291
Directors sitting fees	302,475	100,350
Electricity Charges	399,483	522,422
Insurance Charges	579,683	110,528
Travelling and Conveyance	2,841,361	3,052,981
Rates and Taxes	548,868	800,552
Printing and Stationery	829,292	774,870
Postage, Telephone and Fax	326,540	372,430
Advertising & Promotion	414,621	482,261
Legal and Professional Expenses	5,123,519	5,985,821
Computer / Server Expenses	1,234,068	964,706
Miscellaneous Expenses	1,705,051	1,490,242
Business Promotion	210,158	260,820
Bad Debts	405,008	334,700
Listing and Filing Fees	574,051	479,597
Auditors' Remuneration	590,000	500,000
Membership & Subscription	147,454	320,515
Donation	275,000	776,847
Annual review charges	206,273	263,128
Motor car expenses	48,676	181,928
Inspection charges	452,652	
<b>TOTAL</b>	<b>23,282,387</b>	<b>23,326,964</b>



**NOTE 26 EARNINGS PER SHARE**

(In accordance with the Indian Accounting Standard on 'Earning Per Share '(Ind AS 33))

Particulars	March 31,2021 Rs.	March 31,2020 Rs.
<b>(A) Basic EPS:</b>		
(i) Net Profit attributable to Equity Shareholders	11,220,151	28,049,675
(ii) Weighted average number of Equity Shares outstanding (Nos.)	14,281,755	14,281,755
<b>Basic EPS (Rs.) (i)/(ii)</b>	<b>0.79</b>	<b>1.96</b>
(i) Weighted average number of Equity Shares Outstanding	14,281,755	14,281,755
(ii) Add: Diluted effect of outstanding share Warrants	-	1,600,000
(iii) Weighted average number of Equity Shares Outstanding for calculation of Diluted EPS (i+ii)	14,281,755	15,881,755
<b>Diluted EPS (Rs.) {(A) (i) } / (iii)</b>	<b>0.79</b>	<b>1.77</b>

## Notes forming part of the financial statements

### 1 CORPORATE INFORMATION

India Home Loan Ltd. ("The company") is a public limited company incorporated under the Companies Act, 1956. The Company is a Non-deposit accepting Housing Finance Company registered with National Housing Bank (NHB) under the provisions of National Housing Bank Act 1987 having registration number "05.0119.15", for carrying out the business of housing finance. The company offers retail home loan product for affordable housing segment. Under this product, loans are offered to the customers for Purchase of home, home improvement, home extension and for construction of a dwelling unit on an owned plot of land.

India Home Loan Limited formerly known as (MHFCL) Manoj Housing Finance Company Ltd which was incorporated on 19th Dec, 1990 under the Companies Act, 1956 in Maharashtra. In 2009, the name of Manoj Housing Finance Company Ltd has been changed to India Home Loan Limited.

India Home Loan Limited is a BSE listed company. The company came out with an IPO (Initial Public Offering) in 1995 to augment its long term resources to meet the needs of the business of housing finance and enhance its borrowing capacity by improving its net worth.

### 2 Summary of Significant Accounting Policies:

#### 2.1 Basis of Preparation and Presentation

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies below, the relevant provisions of the Companies Act, 2013 (the Act) (to the extent notified) and the guidelines issued by the National Housing Bank (NHB) to the extent applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The financial statements are presented in Indian Rupees which is the functional and the presentation currency.

Effective April 1, 2019, the Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101, First time Adoption of Indian Accounting Standards, with effect from April 1, 2018 as the first transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

#### 2.2 Use of Estimates and Judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, and disclosure of Contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are as below:

1. Measurement of Expected Credit Loss
2. Measurement of useful life of Property, Plant & Equipment

3. Estimation of Taxes on Income
4. Estimation of Employee Benefit Expense

### **2.3 Presentation of Financial Statements**

The Balance Sheet and the Statement of Profit and Loss are prepared on accrual basis and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”. Amounts in the financial statements are presented in Indian Rupees.

### **2.4 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.

#### **2.4.1 Interest and Dividend Income**

Interest income are recognised in the statement of profit or loss using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses.

Dividend income is recognised when the Company’s right to receive dividend is established by the reporting date.

#### **2.4.2 Fees Income**

Processing fees collected on loan proposals, the entire fees will be amortised over the behavioural tenure of the loan and will be recognised as income on the basis of Effective Interest Rate calculation.

#### **2.4.3 Other operational revenue**

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

### **2.5 Property, Plant and Equipment (PPE)**

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. PPE is stated at original cost less accumulated depreciation and cumulative impairment, if any, Cost includes professional fees related to the acquisition of PPE.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per IGAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2018.

PPE not ready for the intended uses on the date of the Balance Sheet are disclosed as “capital work-in-progress.

Depreciation is recognised using WDV method so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Act, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

## 2.6 Intangible Assets

Intangible assets comprising application software are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life as follows :

Name of Asset	Useful life (years)
Computer Software	10
License	3

The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

## 2.7 Employee Benefits

### 2.7.1 Short-term obligations:

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### 2.7.2 Post-employment obligations:

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund.

### **2.7.3 Defined Benefit Plans:**

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses and the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset). Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### **2.7.4 Defined contribution plan**

Obligations for contributions to defined contribution plans are expensed as the related service is provided and the Company will have no legal or constructive obligation to pay further amounts. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

### **2.7.5 Termination benefits**

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

## **2.8 Leases**

The company assesses whether a contract contains a lease, at inception of a contract. The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The company has a lease agreement for the office premise, which is a cancellable agreement. A lease has a contract period of five years but can be terminated any time at the option of the lessor or the lessee without incurring any significant penalty. Therefore, the company has not taken into account the effect of IndAS 116.

Thus, Lease rentals on assets under operating lease are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

## **2.9 Financial instruments**

### **2.9.1 Initial recognition and measurement:**

All financial instruments are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition of the financial asset are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. Loans, borrowings and payables are recognised net of directly attributable transaction costs. Subsequently, financial instruments are measured according to the category in which they are classified.

### **2.9.2 Subsequent measurement:**

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

### **2.9.3 Non-derivative financial assets**

#### **(i) Business Model Test for Financial Assets**

An assessment of business models 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 is not assessed on an instrument-by-instrument basis but at a higher level of aggregated portfolios and is based on observable factors such as:

- (a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- (b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- (c) How employees of the business are compensated (e.g. whether the compensation is based on the fair value of mutual funds of the assets managed or on the contractual cash flows collected of loans).

At initial recognition of a financial asset, the Company determines whether newly recognised financial assets are part of an existing business model or whether they reflect the commencement of a new business model. The Company reassesses its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business models.

#### **Solely Payment of Principal and Interest (SPPI test)**

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

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). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are 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.

**(ii) Financial assets at amortised cost**

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- (a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets. Cash and cash equivalents are highly liquid instruments that are readily convertible into cash and which are subject to an insignificant risk of changes in value and comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

**(iii) Financial instruments at FVTOCI**

A financial instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- (b) the asset's contractual cash flow represents SPPI

Financial instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.



**(iv) Financial instruments at FVTPL**

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

**2.9.4 Non-derivative financial liabilities  
Financial liabilities at amortised cost**

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

**2.9.5 Impairment of financial assets**

"Ind AS 109 establishes a credit risk impairment model based on expected losses. This model will apply to loans and debt instruments measured at amortised cost or at fair value through shareholders' equity (on a separate line), to loan commitments and financial guarantees not recognised at fair value, as well as to lease receivables. The impairment model under Ind AS 109 requires accounting for 12-month expected credit losses (that result from the risk of default in the next 12 months) on the financial instruments issued or acquired, as of the date of initial recognition on the balance sheet. Expected credit losses at maturity (that result from the risk of default over the life of the financial instrument) will be recognised if the credit risk has increased significantly since initial recognition (Stage 2) or have become credit impaired (Stage 3).

Under the standard, there is also a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due. Based on past experience, the company has developed the ECL model rebutting this presumption and uses 30 days past due as the trigger for confirming a significant increase in credit risk. The structure of the ECL model developed by the company is :"

Stage	Assets
1	<p><b><u>Standard Assets</u></b></p> <p>Standard asset means the asset in respect of which, no default in repayment of principal or payment of interest is perceived and which does not disclose any problem nor carry more than normal risk attached to the business</p>
2	<p><b><u>Sub-standard Assets</u></b></p> <p>Substandard asset means :</p> <p>(i) an asset, which has been classified as non-performing asset for a period not exceeding twelve months;</p> <p>(ii) an asset, where the terms of the agreement regarding interest and/or principal have been re-negotiated or rescheduled after release of any instalment of loan or an inter-corporate deposit which has been rolled over, until the expiry of one year of satisfactory performance under the re-negotiated or rescheduled terms: Provided that where a delay in completion of a project is caused on account of factors beyond the control of the project implementing agency, terms of the loan agreement regarding interest and/ or principal may be rescheduled once before the completion of the project and such loans may be treated as standard asset, subject to the condition that such reschedulement shall be permitted only once by the Board of Directors of the concerned housing finance company and that interest on such loan is paid regularly and there is no default; Provided further that where natural calamities impair the repaying capacity of a borrower, terms of the loan agreement regarding</p>

interest and/ or principal may be rescheduled and such loans shall not be classified as sub-standard; the classification of such loans would thereafter be governed by the revised terms and conditions.

<b>3</b>	<p><b><u>Doubtful and Loss Assets</u></b></p> <p>(a) Doubtful asset means a term loan, or a leased asset, or a hire purchase asset, or any other asset, which remains a sub-standard asset for a period exceeding twelve months;</p> <p>(b) loss asset means –</p> <p>(i) an asset which has been identified as loss asset by the housing finance company or its internal or external auditor or by the National Housing Bank, to the extent it is not written off by the housing finance company; and</p> <p>(ii) an asset which is adversely affected by a potential threat of non-recoverability due to any one of the following, namely:-</p> <p>(a) non-availability of security, either primary or collateral, in case of secured loans and advances;</p> <p>(b) erosion in value of security, either primary or collateral, is established;</p> <p>(c) insurance claim, if any, has been denied or settled in part;</p> <p>(d) fraudulent act or omission on the part of the borrower;</p> <p>(e) the debt becoming time barred under Limitation Act, 1963 (36 of 1963);</p> <p>(f) inchoate or defective documentation.</p>
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The Company assesses periodically and at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. Impairment allowances represent management's best estimate of the losses incurred within the loan portfolios at the balance sheet date. They are calculated on a collective basis for portfolios of loans of a similar nature and on an individual basis for significant loans. The calculation of both collective and specific impairment allowances is inherently judgmental. Collective impairment allowances are calculated using models which approximate the impact of current economic and credit conditions on large portfolios of loans. The inputs to these models are based on historical loss experience with judgement applied to determine the assumptions (for example the value of collateral) used to calculate impairment. The amount of provision for loan losses is calculated by multiplying the exposure at default (EAD), Probability of Default (PD) and Loss Given Default (LGD).

Being a housing finance company, the company has to follow the guidelines given by the Master Directions Non Banking Financial Company -Housing Finance Company (Reserve Bank) Directions, 2021 on Asset Classification and provisioning requirement. The Prudential norms prescribed do not consider the value of security for standard and sub-standard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the norms of RBI whichever is higher.

### **2.9.6 Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

- (a) It has transferred its contractual rights to receive cash flows from the financial asset or
- (b) It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

A transfer only qualifies for derecognition if either:

- (a) The Company has transferred substantially all the risks and rewards of the asset or
- (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss.

#### **2.9.7 Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

#### **2.10 Cash and cash equivalents**

Cash comprises of cash on hand and demand deposits with banks. Cash equivalents are short-term deposits with banks (with an original maturity of three months or less from the date of placement) and cheques on hand. 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.

#### **2.11 Borrowing Costs**

Borrowing costs includes interest, commission/brokerage on deposits and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to interest cost. Interest expenses is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable.

The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expenses over the relevant period.

#### **2.12 Segments**

The Company's main business is financing by way of loans for the purchase or construction of residential houses in India. All other activities of the Company revolve around the main business. This in the context of Ind AS 108 – "Operating Segments" specified under section 133 of the Companies Act, 2013, is considered to constitute one reportable segment.

#### **2.13 Taxes on Income**

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the Statement of Profit and Loss except when they relate to items that are recognized outside profit or loss (whether in other comprehensive income or directly in equity), in which case tax is also recognized outside profit or loss.

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could 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 utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## **2.14 Earnings Per Share**

Basic earnings per share have been computed by dividing net income by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

## **2.15 Provisions, Contingent Liabilities and Contingent Assets**

### **2.15.1 Provisions are recognised only when :**

- (i) An entity has a present obligation (legal or constructive) as a result of a past event; and
- (ii) It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- (iii) A reliable estimate can be made of the amount of the obligation. Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received. Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

### **2.15.2 Contingent liability is disclosed by way of note in case of :**

- (i) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- (ii) A present obligation arising from past events, when no reliable estimate is possible.

### **2.15.3 Contingent Assets :**

Contingent assets are not recognised in the financial statements. Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**STATEMENT OF CHANGES IN EQUITY**
**Statement of Changes in Equity for the year ended March 31, 2021**
**A. EQUITY SHARE CAPITAL**

Particulars	(Amount Rs.)
<b>As At April 1, 2019</b>	142,817,550
Equity Share Capital issued during the year	-
<b>As At March 31, 2020</b>	142,817,550
Equity Share Capital issued during the year	-
<b>As At March 31, 2021</b>	142,817,550

**B. OTHER EQUITY**
**(Amount in Rs.)**

Particulars	Reserve and Surplus							Total
	Securities Premium	Capital Reserve	Retained Earnings	Statutory Reserve (As per section 29C of NHB Act and section 36 (1)(viii) of Income Tax Act, 1961)	Additional Reserve	Money received against Share Warrants	Other items of Other Comprehensive Income	
Balance As At April 1, 2020	105,314,405	40,739,000	17,276,776	41,594,188	3,716,680	30,700,000	(596,450)	238,744,599
Profit for the year transferred to Retained Earnings	-	-	11,220,151	-	-	-	-	11,220,151
Remeasurement of Defined Benefit Plans	-	-	-	-	-	-	210,424	210,424
Transfer from Retained Earnings	-	-	(9,282,468)	9,282,468	-	-	-	-
Received during the year	-	-	-	-	-	-	-	-
Dividend pertaining to Previous year paid during the year	-	-	(2,142,263)	-	-	-	-	(2,142,263)
Tax on Proposed Dividend	-	-	-	-	-	-	-	-
Additions to capital Reserve fro Share Warrants	-	30,700,000	-	-	-	(30,700,000)	-	-
Other Items	-	-	310,591	-	-	-	-	-
Balance As At March 31, 2021	105,314,405	71,439,000	17,382,787	50,876,656	3,716,680	-	(386,026)	248,343,503

As per Section 29C of the National Housing Bank Act, 1987 (the "NHB Act"), the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose any special Reserve created by the company under section 36(i)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer. Thus, the amount transferred to section 36(i)(viii) of the Income Tax Act, 1961 of Rs. 92.82 lakhs (previous year of Rs. 100.007 lakhs) is considered for Special Reserve in terms of Section 29C of the NHB Act.

Significant Accounting Policies 1 & 2

The Accompanying Notes are an integral part of the Financial Statements

As per our report of even date  
**For Joshi & Shah**  
Chartered Accountants  
(FRN 144627W)

For and on behalf of the Board of Directors of  
India Home Loan Limited

**Mahesh Pujara**  
(Managing Director)  
(DIN No- 01985578)

**Govindar Singh**  
(Independent Director)  
(DIN No-00025406)

**Jaydip Joshi**  
Partner  
(Membership No. 170300)

**Abhishek Agarwal**  
(Chief Financial Officer)

**Ayushi Thakuriya**  
(Company Secretary)

Place : Mumbai  
Date : 15th June, 2021

## Notes forming part of the financial statements

### NOTE 27

#### 27.1 Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities

- a) Claims against the Company not acknowledged as debt -NIL
- b) Sactions done but not Disbursed -74.11 lakhs

#### 27.2 Penalty imposed by the Regulatory Authorities

National Housing bank has imposed penalty of INR 50,000 plus 9,000(towards GST @ 18%) in contravention of Housing Finance Companies -Corporate Governance (National Housing Bank) Directions ,2016 via letter dated August 25,2020

#### 27.3 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

There is no dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

#### 27.4 Loans granted by IHLL are secured by one or combination of following securities:

- a) Equitable / Registered mortgage of property and / or
- b) Hypothecation of assets and / or
- c) Company guarantee or personal guarantee and/or
- d) Undertaking to create a security

#### 27.5 COVID - 19 Regulatory Package

In accordance with the RBI guidelines relating to COVID - 19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Company granted moratorium of three months on payments of all instalments and/or interest falling due on or after March 1, 2020 till May 31, 2020 (further extended as per RBI guidelines for another 3 months falling due on or after June 1,2020 till August 31,2020) to eligible borrowers who have requested for moratorium.

The Company has used the principles of prudence in applying judgments, estimates and possible forward looking scenarios to assess and provide for the impact of the COVID-19 pandemic on the Financial Statements specifically while assessing the expected credit loss on financial assets by applying the customer profiling within salaried and self-employed portfolio and management overlays. The Company has performed an estimation of portfolio stress through analysing its portfolio in respect of various risk classification, using the available historical and current data and based on current indicators of future economic conditions.

On May 22, 2020, the RBI has announced extension of the moratorium period by further three months. The extent to which COVID - 19 pandemic will impact the company's provision on financial assets will depend on future developments, which are highly uncertain. The impact of COVID - 19 pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

Post outbreak of COVID-19, virus continues to spread across the country , resulting in significant volatility in financial markets and a significant decrease in economic activities. On March 11, 2020, this



outbreak was declared a global pandemic by the World Health Organisation and consequent lockdowns were imposed across. The situation was improving upto Jan – Feb 2021 but due to the onset of the 'second wave', things have deteriorated since March 2021. Increase in COVID 19 cases necessitated imposition of restrictions which may once again impact economic activity and markets. In preparing the accompanying financial statements, the Company's management has assessed the impact of the pandemic on its operations and its assets as at March 31, 2021. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. The extent to which the second wave of COVID 19 pandemic will impact the Company's results will depend on ongoing as well as future developments, which at this juncture are highly uncertain.

**27.6** The company has complied with the norms prescribed under Housing Finance Companies (NHB) Directions, 2010 for recognising Non-Performing Assets (NPAs) in preparation of account. As per the prudential norms prescribed by the National Housing Bank, in respect of credit exposures, the total provisioning made for NPA and standard assets and towards COVID till 31st March, 2021 is Rs. 6,64,28,184 /- (Previous Year Rs. 3,60,54,412/-). Details of which is as follows:

<b>Breakup of loans and advances &amp; Provision</b>	<b>Housing 31.03.2021</b>	<b>Housing 31.03.2020</b>	<b>Non -Housing 31.03.2021</b>	<b>Non -Housing 31.03.2020</b>
Standard Assets				
a) Total outstanding Amount	1,870,786,876	1,939,583,411	132,880,477	135,050,186
b) Provisions made	6,083,070	6,252,222	533,628	543,217
Sub -Standard Assets				
a) Total outstanding Amount	2,273,228	2,598,559		
b) Provisions made	340,984	389,784		
Doubtful Assets -Category I				
a) Total outstanding Amount	4,781,816	73,818,776		2,963,520
b) Provisions made	1,195,454	18,454,694		740,880
Doubtful Assets -Category II				
a) Total outstanding Amount	74,618,719	9,032,132	4,120,248	1,338,860
b) Provisions made	29,847,488	3,612,853	1,648,099	535,544
Doubtful Assets -Category III				
a) Total outstanding Amount	5,676,373			
b) Provisions made	5,676,373			
Loss Assets				
a) Total outstanding Amount	-	-	-	-
b) Provisions made	-	-	-	-
a) Total outstanding Amount	1,958,137,012	2,025,032,878	137,000,725	139,352,566
b) Provisions made	43,143,369	28,709,553	2,181,727	1,819,641
Additional Provisions	5,927,488	818,370	-	-
Provisions relating to RBI regulatory Provisiosn	15,175,601	4,706,849	-	-

<b>27.7 Movement of NPA *</b> (Rs. in Crores)		
	<b>Current Year</b>	<b>Previous Year</b>
<b>Net NPAs to Net Advances</b>	2.31%	3.06%
<b>Movement of NPAs (Gross)</b>		
Opening Balance	8.98	8.83
Additional during the year	0.63	2.65
Reduction during the year	0.46	2.50
Closing Balance	9.15	8.98
<b>Movement of Net NPAs</b>		
Opening Balance	6.60	7.30
Additional during the year	0.45	1.80
Reduction during the year	1.78	2.50
Closing Balance	5.27	6.60
<b>Movement of provision for NPAs</b> (excluding provisions on Standard Assets)		
Opening Balance	2.38	1.53
Provisions made during the year	1.59	1.29
Write off/Write back of Excess of provision	0.10	0.44
Closing Balance	3.87	2.38
* Under movement of NPA table , additional provision provided has not been taken into consideration		
<b>27.8 Investments</b> (Rs. in Crores)		
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
Value of Investments:		
Gross Value of investments		
a) In India	-	-
b) Outside India	-	-
Provisions for Depreciation		
a) In India	-	-
b) Outside India	-	-
Net value of Investments		
a) In India	-	-
b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
Opening Balance	-	-
Add: Provisions made during the year	-	-
Less: Write-off / Write-back of excess provisions during the year	-	-
Closing Balance	-	-
<b>27.9 Provisions and Contingencies</b> (Rs. in Crores)		
<b>27.9.1 Break up of "Provisions and Contingencies" shown under the head Expenditure in Profit and Loss Account</b>		
<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
1. Provision for Depreciation on Investment		
2. Provision made towards Income Tax	0.36	0.94
3. Provision towards NPA	1.99	0.70
4. Provision for standard assets	0	0.02
5. Other provisions and contingencies	1.04	0.47

<b>27.9.2 Concentration of Loans and Advances</b>		(Rs. in Crores)	
	<b>Current Year</b>	<b>Previous Year</b>	
Total Loans and Advances to twenty largest borrowers ( in crores)	30.10	29.73	
Percentage of Loans and Advances to twenty largest borrowers to Total advances of HFC	14.37%	13.74%	
<b>27.9.3 Concentration of all exposures (including off balance sheet exposures)</b>		(Rs. in Crores)	
	<b>Current Year</b>	<b>Previous Year</b>	
Total Loans and Advances to twenty largest borrowers (? in crores)	30.10	29.73	
Percentage of Loans and Advances to twenty largest borrowers to Total advances of HFC	14.37%	13.74%	
<b>27.9.4 Concentration of NPAs</b>		(Rs. in Crores)	
	<b>Current Year</b>	<b>Previous Year</b>	
Total Exposure of Top ten NPA accounts (? in crores)	2.68	2.69	
<b>27.9.5 Sector wise NPA</b>		(Rs. in Crores)	
<b>Sector</b>	<b>Percentage of NPAs to Total advances in that sectors</b>		
<b>A. Housing Loans</b>			
1. Individuals	5.21		
2. Builders/Project Loans	-		
3. Corporates	-		
4. Other (specify)	-		
<b>A. Non-Housing Loans</b>			
1. Individuals	2.99		
2. Builders/Project Loans	-		
3. Corporates	-		
4. Other (specify)	-		
<b>27.9.6</b>	Company has not entered into any transactions for below mentioned items		
	a. Derivatives		
	b. Securitisation		
	c. NPA / purchases / Sold		
	d. Transactions (Exposures) relating to capital market		
<b>27.9.7</b>	There is no parent company and hence there is no financing of parent company products. Also there are no group companies and hence there are no group structure.		
<b>27.9.8</b>	Company has not exceeded the norms of NHB relating to single borrower limit /Group borrower limit.		
<b>27.9.9</b>	The company has not given any unsecured advances.		
<b>27.9.10</b>	Company's rating is BBB- (Negative ) from CARE Rating Limited as on March 31, 2021. for Long Term Bank Facilities. Outlook changed from stable to negative. Company received BBB – (Negative) rating for NCD on 26th June, 2020.		
<b>27.9.11</b>	There is no drawdown from reserves.		
<b>27.9.12</b>	There are no overseas assets and no overseas subsidiaries and any joint ventures partners		

**27.9.13** There are no off-balance sheet SPVs sponsored.

**27.9.14** Customer Complaints

Particulars	Current year	Previous year
a) No of complaints pending at the beginning of the year	0	-
b) No of complaints received during the year	3	8
c) No of complaints redressed during the year	3	8
d) No of complaints pending at the end of the year	0	-

**27.9.15** Registration obtained from other financial Sector regulators

Regulator	Registration Number
NHB	05.0119.15
LEI	335800E34OCGPMB9PD47
<b>BSE</b>	
EQUITY	530979
NCD	959722

**27.9.16** The company doesnot have unhedged foreign currency as on reporting date.

**27.9.17** There is NIL fraud reported during the Financial Year 2020-21

**27.9.18** The company is a non deposit taking HFC

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

Particulars	March 31, 2021 Rs.	March 31, 2020 Rs.
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987 - (A)	3,716,680	3,716,680
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987 - (B)	41,594,188	31,593,488
c) Total	45,310,868	35,310,168
Addition / Appropriation / Withdrawal during the year		
Add :		
a) Amount transferred u/s 29C of the NHB Act, 1987 - (C )		
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987 -(D)	9,282,468	10,000,700
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987 - (E )	-	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987 -(F )	-	-
c) Total	54,593,336	45,310,868
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987- A	3,716,680	3,716,680
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987 - (B+D)	50,876,656	41,594,188
c) Total	54,593,336	45,310,868

- 27.9.20** Indian Accounting Standard 110- Consolidated Financial Statements are not applicable for the Company
- 27.9.21** Revenue Recognition: No revenue recognition has been postponed pending the resolution of significant uncertainties
- 27.9.22** During the year, no transaction was accounted which was related to prior period (Previous year : Nil)
- 27.9.23** There is no change in the accounting policies except as required by the applicable statute
- 27.9.24** There are no group company and also no exposure to real estate business.
- The company has refunded/adjusted Rs.19.47 Lakhs to customers towards ex-gratia amount during the financial year 20-21. In accordance with RBI circular dated April 07, 2021, the company shall refund / adjust 'interest on interest' to all borrowers including those who had availed of working capital facilities during the moratorium period, irrespective of whether moratorium had been fully or partially availed, or not availed. The methodology for calculation of the amount of such 'interest on interest' has been circulated by the Indian Banks Association (IBA). Pursuant to these instructions, the company has estimated the said amount and recognised a charge in its Profit and Loss Account for the year ended March 31, 2021.
- 27.9.25** Account for the year ended March 31, 2021.
- 27.10** The company didn't enter into any import transactions during the year .
- 27.11** Expenditure in foreign currency -NIL
- 27.12** Earnings in foreign exchange -NIL
- 27.13** The balances appearing under unsecured loans, sundry creditors, loans and advances, and certain banks are subject to confirmation and reconciliation and consequential adjustment, if any, will be accounted for in the year of confirmation and/or reconciliation.
- 27.14** The company has appropriated a sum of Rs. 92,82,468 /- (Previous Year Rs. 1,00,00,700/-/-) to reserve fund which is in compliance with the requirement of section 36(1)(viii) of the Income Tax Act, 1962.
- 27.15** The Company leases office under cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. Rental payments under such leases are Rs. 38,52,799 /- (Previous Year Rs. 37,18,861/-) during the year.
- 27.16** There are no loans granted against collateral of Gold and Jewellery
- 27.17** The board of Directors has recommended final dividend to be paid out of current year profits @ Rs.0.10/- per equity share (FV of Rs.10/ each ) to the equity shareholders resulting in outflow of Rs.14,28,175.5/-. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

**27.18** Statement of Disclosure on Statutory/Special Reserves, as prescribed under RBI's Master Directions relating to non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

**27.18.1 Capital to Risk Assets Ratio (CRAR):**

Items	Current Year	Previous Year
1. CRAR (%)	43.39	42.30
2. CRAR - Tier I Capital (%)	30.69	29.90
3. CRAR - Tier II Capital (%)	12.70	12.40
4. Amount of subordinate debt raised as Tier II Capital (? in crores )	15.00	15.00
5. Amount raised by issue of Perpetual debt instruments	-	-

**27.18.2 Exposure to Real Estate Sector**

(Amount in Rs.)

Items	Current Year	Previous Year
<b>A Direct Exposure</b>		
<b>1 Residential Mortgages:</b> Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented :	2,095,137,737	2,164,385,444
<b>2 Commercial Real Estate</b> Lending secured by mortgages on commercial real estate (office buildings ,retail space ,multi purpose commercial premises ,multi family residential buildings,multi tenanted commercial premises ,industrial or warehouse space, hotels, land acquisition ,development and constructionn etc) Exposure shall also include non fund based limits	-	-
<b>3 Investments in Mortgage Backed Securities (MBS) and other securitised exposure:</b>		
a. Residential	-	-
b. Commercial Real Estate	-	-
<b>B Indirect Exposure</b> Fund based and non-fund based exposure on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-

**27.19 Asset Liability Management(Maturity pattern of certain items of assets and liabilities as on March 31, 2021)** (Rs.) in crore

Particulars	1 to 7 days	8 to 14 days	15 to 30 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
<b>Liabilities</b>											
<b>Deposits</b>											
Borrowings from Banks	0.04	0.16	0.54	1.00	8.97	5.99	12.11	57.81	33.21	4.74	124.59
Market borrowings	-	0.15	0.98	1.13	1.13	3.39	6.78	24.39	2.62	-	40.57
Foreign currency Liabilities											
<b>Assets</b>											
Advances	0.36	0.31	0.86	1.46	1.32	3.85	7.77	32.12	21.74	139.72	209.51
Investments											
Foreign currency Assets											

Above Cash and Cash equivalents excludes CC limit from AU Small Finance Bank.

**Maturity pattern of certain items of assets and liabilities as on March 31, 2020** (Rs.) in crore

Particulars	1 to 7 days	8 to 14 days	15 to 30 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
<b>Liabilities</b>											
<b>Deposits</b>											
Borrowings from Banks	0.04	0.17	0.55	1.07	3.46	5.61	11.89	44.04	27.73	23.09	117.65
Market borrowings	0.25	0.19	1.04	1.42	2.48	4.57	8.02	25.60	8.84	-	52.42
Foreign currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	0.31	0.31	0.71	1.29	1.28	3.90	7.67	32.10	23.42	145.46	216.43
Investments	-			-	-	-	-	-	-	-	-
Foreign Currency Assets	-			-	-	-	-	-	-	-	-

**Note :** Above Cash and Cash equivalents excludes CC limit from AU Small Finance Bank and Kotak Mahindra bank



**Disclosure as per Annexure III of RBI Circular dated 17.02.2021  
Schedule to the Balance Sheet of an HFC**

*(Rs. in Crores)*

Particulars		
Liabilities side	Amount outstanding	Amount overdue
<b>(1) Loans and advances availed by the HFC inclusive of interest accrued there on but not paid:</b> (a) Debentures : Secured 20.00 Nil : Unsecured Nil (other than falling with in the meaning of public deposits*) (b) Deferred Credits Nil (c) Term Loans 145.15 Nil (d) Inter-corporate loans and borrowing Nil (e) Commercial Paper Nil (f) Public Deposits* Nil (g) Other Loans (Bank Overdraft) 6.43 * Please see Note 1 below		Nil Not Applicable Nil Not Applicable Not Applicable Not Applicable Not Applicable
<b>(2) Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b> (a) In the form of Unsecured debentures Nil (b) In the form of partly secured debentures i.e. debentures where there is a short fall in the value of security Nil (c) Other public deposits Nil * Please see Note 1 below		Not Applicable Not Applicable Not Applicable
Assets side		Amount outstanding
<b>(3) Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b> (a) Secured 209.48 (b) Unsecured 0.03		
<b>(4) Breakup of Leased Assets and stock on hire and other assets counting towards asset financing activities</b> (i) Lease assets including lease rentals under sundry debtors (a) Financial lease Nil (b) Operating lease Nil (ii) Stock on hire including hire charges under sundry debtors (a) Assets on hire Nil (b) Repossessed Assets Nil (iii) Other loans counting towards asset financing activities (a) Loans where assets have been repossessed Nil (b) Loans other than (a) above Nil		

Particulars	Amount outstanding
<b>(5) Break-up of Investments</b>	
<b>Current Investments</b>	
<b>1. Quoted</b>	
(i) Shares	
(a)Equity	Nil
(b)Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
<b>2. Unquoted</b>	
(i) Shares	
(a)Equity	Nil
(b)Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
<b>Long Term investments</b>	
<b>1. Quoted</b>	
(i) Share	Nil
(a)Equity	Nil
(b)Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil
<b>2. Unquoted</b>	
(i) Shares	Nil
(a)Equity	Nil
(b)Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil

**(6) Borrower group-wise classification of assets financed as in (3) and (4) above:**  
(Please see Note 2 below)

Category	Amount net of provisions		
	Secured	Unsecured	Total
<b>1. Related Parties**</b>			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
<b>2. Other than related parties</b>	<b>202.84</b>	<b>0.03</b>	<b>202.87</b>
<b>Total</b>			

**(7) 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/ Breakup or fair value or NAV	Book Value (Net of Provisions)
<b>1. Related Parties**</b>		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
<b>2. Other than related parties</b>	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>

\*\*As per notified Accounting Standard (Please see Note 3)

**(8) Other information**

Particulars	Amount
(I) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	9.15
(ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	5.28
(iii) Assets acquired in satisfaction of debt	Nil

**Notes :**

- As defined in Paragraph 4.1.30 of these Directions.
- Provisioning norms shall be applicable as pre prescribed in these Directions.
- All notified Accounting Standards 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 breakup / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

**NOTE 28 RELATED PARTY DISCLOSURES**

As per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24), details of related parties, nature of the relationship, with whom company has entered transactions and the balances in related party accounts at year end, are as mentioned below:

<b>Description of relationship</b>	<b>Names of related parties</b>
<b>Key Management Personnel (KMP)</b>	Mr. Mahesh Pujara (Managing Director) Mr. Mitesh Pujara (Executive Director) Ms. Ayushi Thakuriya (Company Secretary) Mr. Abhishek Agrawal (Chief Financial Officer )
<b>Nominee Directors</b>	Mr. Siddharth Kothari Mr. Vinit Rai

Note: Related parties have been identified by the Management.

**Details of related party transactions during the year ended March 31, 2021 and balances outstanding as at March 31, 2021**

(Amount in Rs.)

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
<b>INCOME</b>				
Interest Income	-	-	-	-
<b>EXPENDITURE</b>				
Managerial Remuneration	13,232,733 (12,377,116)	-	-	13,232,733 (12,377,116)
Legal & Professional Fees	-	-	-	-
	(434,000)	-	-	(434,000)
<b>BORROWINGS</b>				
Loan from Director	-	-	-	-
<b>Balances outstanding at the end of the year</b>				
Legal & Professional fees		-	-	-

Note: Figures in bracket relate to the previous year

## NOTE 29 FAIR VALUE MEASUREMENT

### Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels.

#### (A) Financial instruments by category

Particulars	Carrying amount			Fair Value		
	FVTPL	Amortised Cost	FVOCI	Level 1	Level 2	Level 3
<b>As at 31.03.2021</b>						
<b>Financial Assets</b>						
Loans (Net of ECL)	-	2,028,709,553	-	-	-	2,028,709,553
Cash and Cash Equivalents	-	32,685,112	-	-	-	32,685,112
Bank Balance other than above	-	49,025,319	-	-	-	49,025,319
Other Financial Assets	-	14,621,866	-	-	-	14,621,866
<b>Total Financial Assets</b>	-	2,125,041,850	-	-	-	2,125,041,850
<b>Financial Liabilities</b>						
Payables	-	3,152,171	-	-	-	3,152,171
Borrowings(Other than Debt Securities)	-	1,451,599,396	-	-	-	1,451,599,396
Other Financial Liabilities	-	64,743,357	-	-	-	64,743,357
<b>Total Financial Liabilities</b>	-	1,519,494,924	-	-	-	1,519,494,924
Particulars	Carrying amount			Fair Value		
As at 31.03.2020	FVTPL	Amortised Cost	FVOCI	Level 1	Level 2	Level 3
<b>Financial Assets</b>						
Loans (Net of ECL)	-	2,133,037,881	-	-	-	2,133,037,881
Cash and Cash Equivalents	-	22,862,781	-	-	-	22,862,781
Bank Balance other than above	-	27,791,395	-	-	-	27,791,395
Other Financial Assets	-	3,444,437	-	-	-	3,444,437
<b>Total Financial Assets</b>	-	2,187,136,494	-	-	-	2,187,136,494
<b>Financial Liabilities</b>						
Payables	-	4,764,270	-	-	-	4,764,270
Borrowings(Other than Debt Securities)	-	1,700,639,583	-	-	-	1,700,639,583
Other Financial Liabilities	-	78,896,046	-	-	-	78,896,046
<b>Total Financial Liabilities</b>	-	1,784,299,899	-	-	-	1,784,299,899

The management assessed that carrying values of financial assets i.e. trade receivable, cash and cash equivalents, loans, trade payables and other Financial assets and liabilities are reasonable approximations of their fair values.

The management assessed that carrying values of financial assets i.e. trade receivable, cash and cash equivalents, loans, trade payables and other Financial assets and liabilities are reasonable approximations of their fair values.

**(B) FAIR VALUE HEIRARCHY**

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arm's length transaction. The Company has made certain judgements and estimates in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified the financial instruments into three levels prescribed under the accounting standard. An explanation of each level is as follows:

**Level 1:**

Quoted prices (unadjusted) in active markets for identical assets or liabilities. This includes mutual funds and listed equity instruments that have quoted price. The mutual funds are valued using the closing NAV.

**Level 2:**

Level 2 hierarchy includes financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates.

**Level 3:**

If one or more of the significant inputs is not based on the observable market data, the instrument is included in Level 3 hierarchy.

**(C) VALUATION TECHNIQUES**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for mutual funds
- the use of quoted market prices for equity instruments

The carrying amounts of cash and cash equivalents, other bank balances, trade payables and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values for loans and other financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair values of borrowings other than debt securities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs, including own credit risk.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## NOTE 30 FINANCIAL RISK MANAGEMENT

### A. Credit Risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to company. In lending operations, the Company is principally exposed to credit risk.

The credit risk is governed by various Product Policies. The Product Policy outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits.

The credit risk for retail borrowers is being managed at portfolio level for both Home loans and Non Home Loans. The Company has a structured and standardized credit approval process, which includes a well-established procedure of comprehensive credit appraisal. The Risk Management Policy addresses the recognition, measurement, monitoring and reporting of the Credit risk. The Company has additionally taken the following measures :-

- Borrower exposure limits as per applicable regulations.
- Establishment of a team to enhance focus on monitoring of process implementation at the branches and to facilitate proactive action wherever required.
- Enhanced monitoring of retail product portfolios through periodic review.

### Credit Approval Authorities

The Board of Directors has approved delegation of loan sanctioning powers to Managing Director and member of the management team on a graded level of the loan amount.

### Credit Risk Assessment Methodology

#### i) Retail Loans

Company's customers for retail loans are primarily low, middle and high-income, salaried and self-employed individuals.

The Company's credit officers evaluate credit proposals on the basis of active credit policies as on the date of approval. The criteria typically include factors such as the borrower's income & obligations, the loan-to-value ratio, Fixed obligation to income ratio and demographic parameters subject to regulatory guidelines. Any deviations need to be approved at the designated levels.

The various process controls such as KYC check, Credit Bureau Report analysis are undertaken. Company's staff performs comprehensive due diligence process including visits to customer's business and residence premises.

Company analyses the portfolio performance of each product segment regularly, and use these as inputs in revising the product programs, target market definitions and credit assessment criteria to meet the twin objectives of combining volume growth and maintenance of asset quality. The retail loans are fully secured and have full recourse against the borrower. The Company has a equitable mortgage over the collateral Immovable Properties. Wherever the state laws provide, the memorandum of deposit of title deeds are also registered.

#### ii) Other Loans

The Company has a framework for the appraisal and execution of project finance transactions and it believes that such framework enables optimal risk identification, allocation and mitigation and helps minimize risk in the transaction.

The project finance approval process undertakes detailed evaluation of credit, technical, commercial and financial besides capacity and capability of developer/promoter. A credit scan by obtaining CIBIL and legal litigation reports of key developer/promotor further strengthens credit evaluation. As part of the appraisal process, a risk matrix is prepared to assess project risks in terms of its viability and implementation of projects and other risks associated with the project.



Project finance loans are fully secured by equitable mortgage with registered MOD (Memorandum of deposit of titles) of the prime property being land on which project is to be executed besides lien on constructed units. The Company creates lien on the receivables arising from sale of constructed units. Cash flows are being escrowed in favour of the company besides setting up the escrowing of sale proceeds as per the RERA Act. The Company also obtains personal guarantees of the developer/key promoters. Besides, monthly reports on progress of work, sales booking and sales proceeds are being collected from borrowers which are being monitored until loans are fully repaid.

#### Risk Management and Portfolio Review

The Company ensures effective monitoring of credit facilities through a risk-based asset review framework under which the frequency of asset review is determined depending on the risk associated with the product.

For both Retail and other borrowers, the company staff verifies adherence to the terms of the credit approval prior to the commitment and disbursement of credit facilities.

The Company monitors compliance with the terms and conditions for credit facilities prior to disbursement. It also reviews the completeness of documentation, creation of security and compliance with regulatory guidelines.

#### Expected Credit Loss

Analysis of provision of expected credit loss is as follows

(Amount in Rs.)

Particulars	Loss Allowance measured at life-time expected losses		
	Loss allowance measured at 12 months expected loss	FA for which credit risk has increased significantly and not credit impaired	FA for which credit risk has increased significantly and credit impaired
Loss allowance on March 31, 2019	8,838,875	11,030,887	4,243,001
Add (Less) : Changes in loss allowances	(2,043,436)	(9,822,733)	19,100,970
Loss allowance on March 31, 2020	6,795,438	1,208,154	23,343,971
Add (Less) : Changes in loss allowances	(178,740)	5,060,318	15,023,443
Loss allowance on March 31, 2021	6,616,698	6,268,472	38,367,414

The provision estimated as per ECL (Expected Credit Loss) model on an aggregate basis is lower than the overall provision required under IRAC (Income Recognition and Asset Classification ) norms of the RBI. The Management on a conservative approach has decided to maintain the higher provision.

As at balance sheet date, the Company does not have significant concentration of credit risk

#### B. Liquidity Risk

"Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation."

To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has developed internal control processes for managing liquidity risk.

Housing Finance being core business, maintaining the liquidity for meeting the growth perspective in the business as also to honour our committed repayments is the fundamental objective of the Asset Liability Management (ALM) framework.

**Maturities of financial liabilities**

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021, March 31, 2020.

(Rs.in crore)

Particulars	As at March 31, 2021			Total
	< 1 Year	1-3 Years	> 3 Years	
Borrowings from Banks and NHB	42.38	82.19	40.58	165.15

Particulars	As at March 31, 2020			Total
	< 1 Year	1-3 Years	> 3 Years	
Borrowings from Banks and NHB	40.78	69.64	59.66	170.08

**C. Market Risk**

The Company's core business is borrowing and lending as permitted by the National Housing Bank. These activities expose the Company to interest rate risk.

Interest Rate Risk refers to the risk associated with the adverse movement in the interest rates. Adverse movement would imply rising interest rates on liabilities and falling interest yields on the assets.

This is the biggest risk which the company faces. It arises because of maturity and re-pricing mismatches of assets and liabilities.

**(a) Interest rate risk exposure**

Particulars	March 31, 2020	March 31, 2019
Variable rate borrowings	100%	100%
Fixed rate borrowings	0%	0%
Total borrowings	100%	100%

**(a) Sensitivity**

(Rs.in Crores)

Particulars	Impact on Profit Before Tax	
	Current year	Previous year
Interest rates – increase by 10 basis points (10 bps)*	(0.17)	(0.17)
Interest rates – decrease by 10 basis points (10 bps)*	0.17	0.17

\* Holding all other variables constant

**NOTE 31 CAPITAL MANAGEMENT**

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of Reserve Bank of India .

The Company has complied with the applicable capital requirements over the reported period. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return on capital to shareholders, issue new shares or sell assets to reduce debt.

"The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company."

Particulars	March 31, 2021	March 31, 2020
Net Debt (Rs.)	1,651,599,396	1,700,639,583
Total Equity (Rs.)	391,161,053	381,562,149
<b>Net Debt to Equity Ratio (in times)</b>	<b>4.22</b>	<b>4.46</b>

**NOTE 32 - Auditor`s remuneration (Excluding Goods and service tax )**

Particulars	Current Year Rs.	Previous Year Rs.
Audit fees	200,000	150,000
Tax Audit fees	90,000	50,000
Limited review	300,000	300,000
Other services	-	-
<b>TOTAL</b>	<b>590,000</b>	<b>500,000</b>

Note : Audit fees are excluding GST

**NOTE 33 EMPLOYEE BENEFITS**
**33(a) Defined Contribution plans**

The Company has recognized the following amounts in the statement of profit and loss for the year:

Particulars	Current Year Rs.	Previous Year Rs.
Employer`s contribution to provident fund	957,533	932,722
<b>Total</b>	<b>957,533</b>	<b>932,722</b>

**33(b) Defined Benefit plans**

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement in terms of provisions of the Payment of Gratuity Act. Benefit would be paid at the time of separation based on the last drawn basic salary.

**(I) Movement of defined benefit obligation and plan assets**

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(Amount in Rs.)

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
April 01, 2019	3,726,395	835,515	2,890,880
Current service cost	624,181	-	624,181
Past service cost (including curtailment gains/losses)	-	-	-
Interest expense/ income	281,941	63,215	218,726
<b>Total amount recognised in profit and loss</b>	<b>906,122</b>	<b>63,215</b>	<b>842,907</b>
<b>Remeasurements</b>			
Gain/loss from change in demographic assumption	(81)	-	(81)
Gain/loss from change in financial assumption	(128,916)	-	(128,916)
Experience gain / loss	(106,139)	6,893	(113,032)
<b>Total amount recognised in other comprehensive income</b>	<b>(235,136)</b>	<b>6,893</b>	<b>(242,029)</b>
Employer contributions	-	436,422	(436,422)
Benefit payments	-	-	-
<b>March 31, 2020</b>	<b>4,397,381</b>	<b>1,342,045</b>	<b>3,055,336</b>

(Amount in Rs.)			
Particulars	Present value of obligation	Fair value of plan assets	Net Amount
April 01, 2020	4,397,381	1,342,045	3,055,336
Current service cost	651,376	-	651,376
Past service cost(including curtailment gains/losses)	-	-	-
Interest expense/ income	290,022	88,512	201,510
<b>Total amount recognised in profit and loss</b>	<b>941,398</b>	<b>88,512</b>	<b>852,886</b>
<b>Remeasurements</b>			
Gain/loss from change in demographic assumption	-	-	-
Gain/loss from change in financial assumption	45,226	-	45,226
Experience gain / loss	(255,650)	-	(255,650)
<b>Total amount recognised in other comprehensive income</b>	<b>(210,424)</b>	<b>-</b>	<b>(210,424)</b>
Employer contributions	-	142,511	(142,511)
Benefit payments	(163,239)	(163,239)	-
<b>March 31, 2021</b>	<b>4,965,116</b>	<b>1,409,829</b>	<b>3,555,287</b>
<b>(ii) Net assets / liabilities</b>			
<b>An analysis of net (Liabilities)/assets is provided below for the Company's principal defined benefit gratuity scheme.</b>			
Particulars	Current Year Rs.	Previous Year Rs.	
Present value of funded obligations	4,965,116	4,397,381	
Fair value of plan assets	1,409,829	1,342,045	
<b>Net Liabilities for funded schemes</b>	<b>(3,555,287)</b>	<b>(3,055,336)</b>	
<b>(iii) Analysis of plan assets is as follows:</b>			
Particulars	Current Year	Previous Year	
Insurer Managed Funds (100%)(Fund is Managed by LIC as per Insurance Regulatory and Development Authority guidelines, category-wise composition of the plan assets is not available)	100%	100%	
<b>Total</b>	<b>100%</b>	<b>100%</b>	
<b>(iv) Actuarial assumptions and sensitivity analysis</b>			
Particulars	Current Year	Current Year	
Mortality table	100% of IALM 2012-14	100% of IALM 2012-14	
Discount rate	6.45%	6.60%	
Rate of increase in compensation levels	10%	0% for first year and 10% p.a. thereafter	
Expected rate of return on plan assets	NA	NA	
Expected average remaining working lives of employees (in years)	24.18	23.53	
Withdrawal Rate	10.00%	10.00%	

**Notes:**

1. **Discount rate:** The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.
2. **Salary escalation rate:** The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India.

Sensitivity of the defined benefit obligation to changes in weighted principal assumptions is:

(Amount in Rs.)

Particulars	Impact on present benefit
	31 March, 2021
Discount rate - Increase by 1%	(285,022)
Discount rate- Decrease by 1%	327312
Salary increment rate - Increase by 1%	226245
Salary increment rate- Decrease by 1%	(212,394)
Withdrawal rate - Increase by 50%	(148,804)
Withdrawal rate - Decrease by 50%	275712
Mortality rate - Increase by 10%	(94)
Mortality rate - Decrease by 10%	95

**(v) Expected future benefits payments**

The expected maturity analysis of undiscounted pension, gratuity and post-employment medical benefits is as follows:

Particulars	Current Year Rs.	Previous Year Rs.
1 Year	1,908,101	1,886,065
2 to 5 Years	1,256,817	1,000,961
6 to 10 Years	1,390,387	1,177,388
More than 10 Years	3,677,735	3,230,898

**NOTE 34 - SEGMENT REPORTING**

The main business of the Company is to provide loans for purchase or construction of residential houses, all other activities of the Company revolve around the main business and accordingly there are no separate reportable segments, as per the Ind AS 108 "Operating Segments" specified under section 133 of the Companies Act, 2013.

**NOTE 35 - TAX EXPENSES**
**35 (a) Income Tax recognised in Profit and Loss**

Particulars	Current Year Rs.	Previous Year Rs.
Current Tax - In respect of the current year	9,227,790	10,067,904.00
Deferred Tax (Net) - In respect of the current year	(5,603,873.00)	(628,674.00)
Total Tax Expense recognised in the current year relating to Continuing Operations	3,623,917	9,439,230

**35(b) Reconciliation of Income Tax Expense of the year can be reconciled to the accounting Profit as follows :**

Particulars	Current Year Rs.	Previous Year Rs.
Profit Before Tax	14,844,069	37,488,905
Income Tax Expense	3,736,252	9,435,957
Effect of Expenses for which deduction under tax laws is (allowed)/disallowed	(5,608,891)	(632,697)
Others	5,496,556	635,970
Income Tax Expense recognised in Statement of Profit and Loss	3,623,917	9,439,230

The tax rate used for the reconciliations above is the corporate tax rate of 25.17% for the year 2020-21 payable by the Company in India on taxable profit under tax law in Indian jurisdiction.

**NOTE 36**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

**NOTE 37**

General Provisions required to be maintained in respect of accounts in default but standard and asset classification extended, as per RBI circular on COVID -19 Regulatory packages dated April 17,2020 is 10 % of total outstanding which has to be phased over 2 quarters as i)Quarter ending March 31,2020 -not less then 5 Percent and Quarter ending June 30 ,2020-not less then 5 percent. For quarter ending March 31,2020 , company has created provision amounting to INR 1.51 crores

(Rs. in crores)

Particulars	Amount
i) Amounts in SMA /overdue categories ,where the moratorium / deferment was extended	42.45
ii) Amount where asset classification benefit is extended	14.11
iii) Provision made during the quarter Q4 FY 2020	1.51
Provision adjusted during the respective accounting periods against slippages and the residual provisions	-

As per our report of even date  
**For Joshi & Shah**  
Chartered Accountants  
(FRN 144627W)

For and on behalf of the Board of Directors of  
India Home Loan Limited

**Mahesh Pujara**  
(Managing Director)  
(DIN No- 01985578)

**GovindarSingh**  
(Independent Director)  
(DIN No-00025406)

**Jaydip Joshi**  
Partner  
(Membership No. 170300)

**Abhishek Agarwal**  
(Chief Financial Officer )

**Ayushi Thakuriya**  
(Company Secretary)

Place : Mumbai  
Date :15th June, 2021



## **INDIA HOME LOAN LTD.**

Registered Office & Corporate Office : 504/504A,  
5th Floor, Nirmal Ecstasy, Jatanshakar Dossa Road,  
Mulund (W), Mumbai - 40080.