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*5<sup>th</sup>*  
***ANNUAL  
REPORT  
2019-20***



**IFL HOUSING FINANCE LIMITED**  
**Regd. Off. D-16, First Floor, Above ICICI Bank Prashant**  
**Vihar, Sector- 14, Rohini New Delhi 110085**

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## **CHAIRMAN'S MESSAGE**

### **Our Vision**

To become first choice Housing Finance company among individuals from EWS or low income.

### **Our Mission**

IFL Housing wishes every family to own a home of their own through our customer friendly & new age credit programs despite low credit scores, informal incomes, low eligibility on papers.

### **Dear Shareholders,**

It gives me immense pleasure to write to you as the Chairman of your Company, and present the 5<sup>th</sup> Annual Report and Financial statements of **IFL Housing Finance Limited (IFL HFL)** for the financial year ended March 31, 2020. Thank you for your presence here today, and for your continued support to the success of our company.

IFLHFL is no stranger to adversities. In fact, an event of such scale and impact puts to test the fundamental strengths of any organisation. Your Company demonstrated once again, in FY 2019-20, its ability to withstand challenges and quickly adapt to the emerging realities.

IFLHFL employees are working relentlessly across the Three States and one Union territory of India to support aspiring homeowners through these uncertain times, providing appropriate funding to those in need and extending support to help them pass-through the pandemic (COVID-19) storm.

Your Company is actively implementing Government-backed initiatives regarding moratorium period on loan repayments of 6 months for the period March 2020 to August 2020.

The RBI has also taken steps to infuse liquidity into the system via targeted long term repo operations (TLTROs), which could increase the available liquidity. The Rs. 50,000 crores of additional TLTROs announced on April 17, 2020 and the additional Rs. 30,000 crores of Liquidity Infusion Facility (LIFT), Rs.10,000 crores of Special refinance Facility (SRF), refinance facility to National Housing Bank (NHB) will support the immediate liquidity requirements of HFCs to some extent, especially those operating in the affordable housing space where collections are likely to be impacted more.

As you are aware, the year FY 2019-2020 was very challenging on account of certain macro issues and major events namely:

- The Indian economy slowed to 4.2% in 2019-2020, compared to 6.1% in the previous year. The combined expenditure of Central and State Governments exceeded revenue, translating in to a great level of public debt-GDP-ratio.
- Financial Services has undergone great hardships and liquidity crisis on account of collapse of ILFS and governance issues in few corporate houses including a large player in HFC Industry.

- On top of these the COVID-19 pandemic has contributed to a significant uncertainty in the life and livelihood of humanity, apart from the massive decline in the economic activity, albeit from Q4 FY 20.
- Despite these major adversaries and unprecedented challenges, your company continued its focus to build strong fundamentals around its customers, products, people, technology, geographical reach, risk management and liquidity.

#### **SOME OF THE KEY INITIATIVES UNDERTAKEN DURING THE YEAR INCLUDE:**

- Significant increase in its Net Worth through infusion of additional equity capital of Rs. 4.81 Cr., which has taken the Shareholders funds in your company from Rs. 45.11 Cr. in March 2019 to Rs. 49.92 Cr. as of March 2020.
- Addition of 12 new branches to further enhance the distribution reach to 17 branches apart from Head Office in Delhi.
- Increase the manpower strength by another 68 staff, largely feet on street at the new branches resulting in total staff of over 137.
- Invest in technology, hard ware / software and networking infrastructure to enhance customer experience, improved productivity, and overall risk management including business continuity.

#### **CONTINUED SHARP FOCUS ON CORE BUSINESS AND CUSTOMERS, SUPPORTED BY THE ABOVE INITIATIVES RESULTED IN ONE OF THE BEST PERFORMANCE OF IFLHFL IN TERMS OF SUBSTANTIAL BUSINESS GROWTH, HIGH PRODUCTIVITY, LOW CREDIT LOSS AND COMMENDABLE ROA AND ROE, EVEN IN A VERY CHALLENGING YEAR, 2019-2020. SOME OF THE KEY PERFORMANCE PARAMETERS ARE:**

- The AUM has grown to Rs. 79.04 Cr., growth of 12.73% YOY. The quality of portfolio remains as one of the best in the industry with a low NPA of 0.87%.
- Active customer accounts going up to over 1062, YOY increase of 91.70 %
- No. of Loans to whom fresh Disbursements is being made during the year are 606, YOY increase of 21.93%
- Gross Turnover of the Company has gone up to Rs. 15.17 Cr., YOY increase of 127.23%.
- Profit after tax has gone up to Rs. 4.24 Cr., YOY increase of 153.60%.
- The profitability matrix in terms of Interest spread, ROA and ROE remains one of the best in the industry.
- Infusion of additional equity capital of Rs. 4.81 Cr. ensured best ALM and strong cash liquidity of Rs. 8.11 Cr (including Cash, Bank, Investment in Debt-oriented Mutual Funds and Fixed Deposits with Bank) as of March 2020, to face the uncertainty caused by COVID-19.
- Ensured sound business continuity, customer service, health of our staff and support to the community, to face the COVID-19 pandemic.

The aspiration of owning a home is a dream for most Indians. With steady growth in working class population that aspires to have own homes, the opportunity for growth in the housing finance market continues to be high. We recognise this underserved need and set our core focus on making the dreams of lower and middle income (LMI) families living in semi urban and rural India, come true. At IFLHFL, our focus has always been on Affordable Housing Finance with an aim to fulfil the aspirations of self-employed, lower and middle income families, largely in Rural India, by financing the purchase and/or construction, repair and renovation of their homes.

We are proud to share that this focus has enabled us to cater to home financing needs of around 1500 customers till date. Despite the perceived credit risks associated with these segments, our proprietary underwriting process, risk management framework, technology platform and financial resources has enabled us to build a 95.74 % retail portfolio with best in class asset quality consistently for years. IFLHFL believes in the social impact of its business in terms of better life style, enhanced financial discipline and inclusion into the financial main stream of its customers. To sustain this IFLHFL equally believes in creating significant and long lasting value for all its key stake holders.

With less than three years of experience in Housing Finance, understanding of our customer needs and the way this business is done backed firmly by our passion, energy and entrepreneurship, has made us to emerge as a strong, reliable and resilient housing finance provider and we are certain that this dreaded COVID-19 pandemic will also pass.

Before I conclude, I would also like to take this opportunity to thank all our employees, customers and stakeholders that work and support and whose contribution has helped us to make and achieve the set targets of the company further look forward to the continued support of all them in taking the Company forward on the journey of sustainable and profitable growth.

Thanking You,

With Best Wishes,

Sd/-

Gopal Bansal  
Chairman & Managing Director



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

Mr. Gopal Bansal Chairman and Managing Director
Mrs. Sunita Bansal Executive Director
Mr. Gaurav Suri@ Executive Director
Mrs. Purva Mangal* Non- Executive Non Independent Director
Mr. Basant Mittal** Independent Director
Mr. Arvinder Singh# Independent Director
Mr. Saurabh Chhabra# Independent Director
Mrs. Charu Bansal## Independent Director
Mr. Amit Kumar Agarwal### Independent Director

## KEY OFFICIALS

### Chief Financial Officer & KMP

Mrs. Purna Matta Arora

### Company Secretary & KMP

Ms. Varsha Bharti\$

### Company Secretary & KMP

Mr. Vijay Kumar Dwivedi\$\$

### National Credit Manager

Mr. Rajeev Kumar

### Grievance Redressal Officer

Mrs. Rekha Behl

## OUR AUDITORS

### Statutory Auditors

M/s Ajay Rattan & Co., Chartered Accountants  
1113, 11<sup>th</sup> Floor, Arunachal Building, Barakhamba Road, New Delhi-110001

### Internal Auditors

M/S SMVA & Associates, Chartered Accountants  
314, 3<sup>rd</sup> Floor, RG Mall, Sector09, Rohini, New Delhi-110085

### Secretarial Auditors

M/s VMS & Co., Company Secretaries,  
K-2/7, Ground Floor Model Town- II. Delhi- 110009

## REGISTRARS & TRANSFER AGENTS

### Skyline Financial Services Private Limited

D-153 A| 1st Floor | Okhla Industrial Area, Phase - I |  
New Delhi-110 020.

Direct no-011-41044923

Fax: +91 11 26812682 Web:[www.skylinerta.com](http://www.skylinerta.com)

## ANNUAL GENERAL MEETING

12.30 P.M., FRIDAY, NOVEMBER 20<sup>TH</sup>, 2020

**ADDRESS:** D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085.

**NOTE:** Members are requested to bring their copy of the Annual Report to the meeting.

## AUDIT COMMITTEE

Mr. Arvinder Singh#-Chairman  
Mr. Amit Kumar Agarwal##-(Chairman)  
Mr. Gopal Bansal  
Mr. Saurabh Chhabra#

## NOMINATION & REMUNERATION

Mr. Arvinder Singh#-Chairman  
Mr. Amit Kumar Agarwal##- (Chairman)  
Mrs. Purva Mangal\*  
Mr. Saurabh Chhabra#  
Mrs. Charu Bansal##

## RISK MANAGEMENT

Mr. Gopal Bansal-Chairman  
Mr. Arvinder Singh#  
Mr. Saurabh Chhabra#  
Mrs. Purva Mangal\*  
Mrs. Jaspreet Kaur Nagi

## ASSET LIABILITY MANAGEMENT

Mr. Gopal Bansal-Chairman  
Mr. Gaurav Suri@  
Mrs. Purna Matta Arora  
Mrs. Gunjan Jain@@  
Mrs. Jaspreet Kaur Nagi

## OUR BANKERS AND FINANCIAL INSTITUTIONS

National Housing Bank  
State Bank of India  
ICICI Bank  
E-Clear Housing Finance Limited  
AU Small Finance Bank  
Hinduja Housing Finance Limited  
Mas Financial Services Limited  
Mas Rural Housing & Mortgage Finance Ltd

## OTHER CORPORATE INFORMATION

CIN: U65910DL2015PLC285284  
Registered Office : D-16, 1<sup>st</sup> Floor, Above ICICI Bank, Sector- 14, Prashant Vihar, New Delhi- 110085

Tel: +91 11 47096097

E-mail: [info@iflhousingfinance.com](mailto:info@iflhousingfinance.com)

Website: [www.iflhousingfinance.com](http://www.iflhousingfinance.com)

@ ceased w.e.f 20/02/2020

\$\$ Appointed w.e.f.- 08/07/2020

\* Appointed w.e.f. 26/08/2019

## Appointed w.e.f.- 08/07/2020

\*\* Resigned w.e.f. 05/10/2019

# Resigned w.e.f.- 08/07/2020

\$ Resigned w.e.f.- 06/05/2020

@@ w.e.f. 28/02/2020

# COMPANY OVERVIEW

## BUSINESS OVERVIEW

Your Company follows a customer-centric business philosophy, with its growth strategy centred on transparency in terms of offerings, suitability of products and variety of choices to meet a range of needs of its customers. Your Company is a Non deposit-taking housing finance company registered with the National Housing Bank w.e.f 12<sup>th</sup> December 2017 and is focused on providing financing products mainly to the lower and middle income (LMI) segment belonging to Rural India.

Your Company has aligned its business strategies to better identify the needs of customers in the LMI segment belonging to Rural India and accurately estimate their income and repayment capabilities.

Moreover, your Company has created separate business verticals for housing loans. This allows each vertical to focus on its core business and use its expertise to offer flexible products that suit its customers' needs. An extensive distribution network, backed by focused marketing and sales initiatives, ensures a strong brand recall for its products, which find special appeal among first time buyers and end users.

Your Company has developed a suite of products and robust capabilities over the years that enable it to effectively harness the emerging opportunities in the housing finance segment, particularly in the LMI segment primarily in northern and central parts of India. An extensive distribution network, backed by focused marketing and sales initiatives, ensures a strong brand recall for its products, which find special appeal among first time buyers and end users.

## DISBURSEMENTS

Your Company has adopted centralized process where documents from all the branches are send to Head Office in Delhi. Documents includes Loan Agreement, Original Property Papers, NACH Form, Registered Mortgage, Security Cheques, Vernacular, Memorandum of Undertaking, Affidavit regarding Deposit of Title Deed, etc. which are duly verified at Head Office before disbursement of Loan from Head Office Only.

The company has opened Twelve new branch offices in the state of Delhi, Panipat, Kekri, Beawar, Bijainagar, Bhilwara, Chhoti Sadri, Sumerpur, Tonk, Depalpur, Hatpipliya and Ujjain & disbursements made in the above cities of the amount of Rs. 17.99 Crores out of Rs. Total 33.91 Crores disbursed during the year.



Rs. 111.23 Cr  
Total Disbursement



153.60%  
Growth in PAT



Rs. 79.04 Cr  
TOTAL AUM



12.73%  
Growth in AUM



Rs. 8,66,000  
Average Ticket Size of  
AUM



17.95%  
Average Interest Rate of  
AUM



4  
No of States/ Union  
Territory



17  
No of Branches Apart  
from one HO

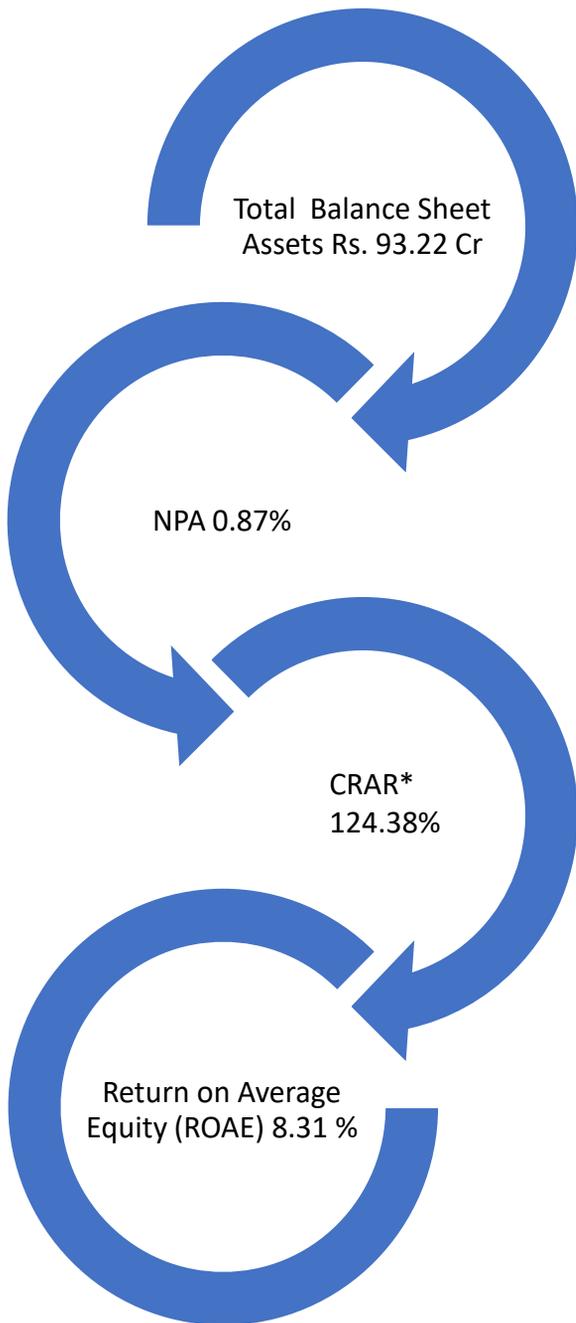
## CREDIT AND OPERATIONAL STRENGTHS

Your Company's credit evaluation and credit portfolio management methodologies are designed to ensure consistent underwriting and early identification of problematic loans using techniques such as early default analysis, product analysis, and probability of default.

## RISK MANAGEMENT

Your Company has a well-defined risk governance structure which includes periodic reviews and close monitoring to enable building a sustainable business that takes care of the interests of all stakeholders. IFLHFL has a clearly defined risk management policy that lays down guidelines for all operational areas and has established Risk Management Committee.

Comprehensive annual risk review exercises go towards continually updating the risk management policy. The policy defines role of the Company's Risk Management Committee which oversees all aspects of the business, especially credit underwriting.



The Government's initiative under "Housing For All by 2022" has heralded a new era in the housing sector. It is expected to deliver the much-needed boost to the real estate and housing finance industry by creating an enabling and supportive environment for expanding credit flow and increasing home ownership. Related developments which your company sees as positive to spur growth particularly for lower and middle income people - the common man as is normally referred to, will come from programs like Make in India and Skills India which are expected to provide additional employment opportunities. A favorable monsoon Season will be a major factor to uplift the rural economy and will see overall market sentiment turning positive with strong measures to keep inflation under check having paved positive results, the benefit of transmitting the gains in respect of interest rate is expected to gather momentum going forward. Interest rates are thus expected to maintain a south ward bias in its movement, benefiting the retail borrower category, which is the most attractive and growing market for lenders.

### **RAISING OF FUNDS**

During the year, Company raised fresh term Loan from State Bank of India of Rs. 10 Crores and also received sanction of Rs. 10 Crores under LIFT and Rs. 5 Crores under Regular Re-finance Scheme by our regulator National Housing Bank.

The Company raised the funds under Refinance Scheme sanctioned by National Housing Bank in the month of June 2020.

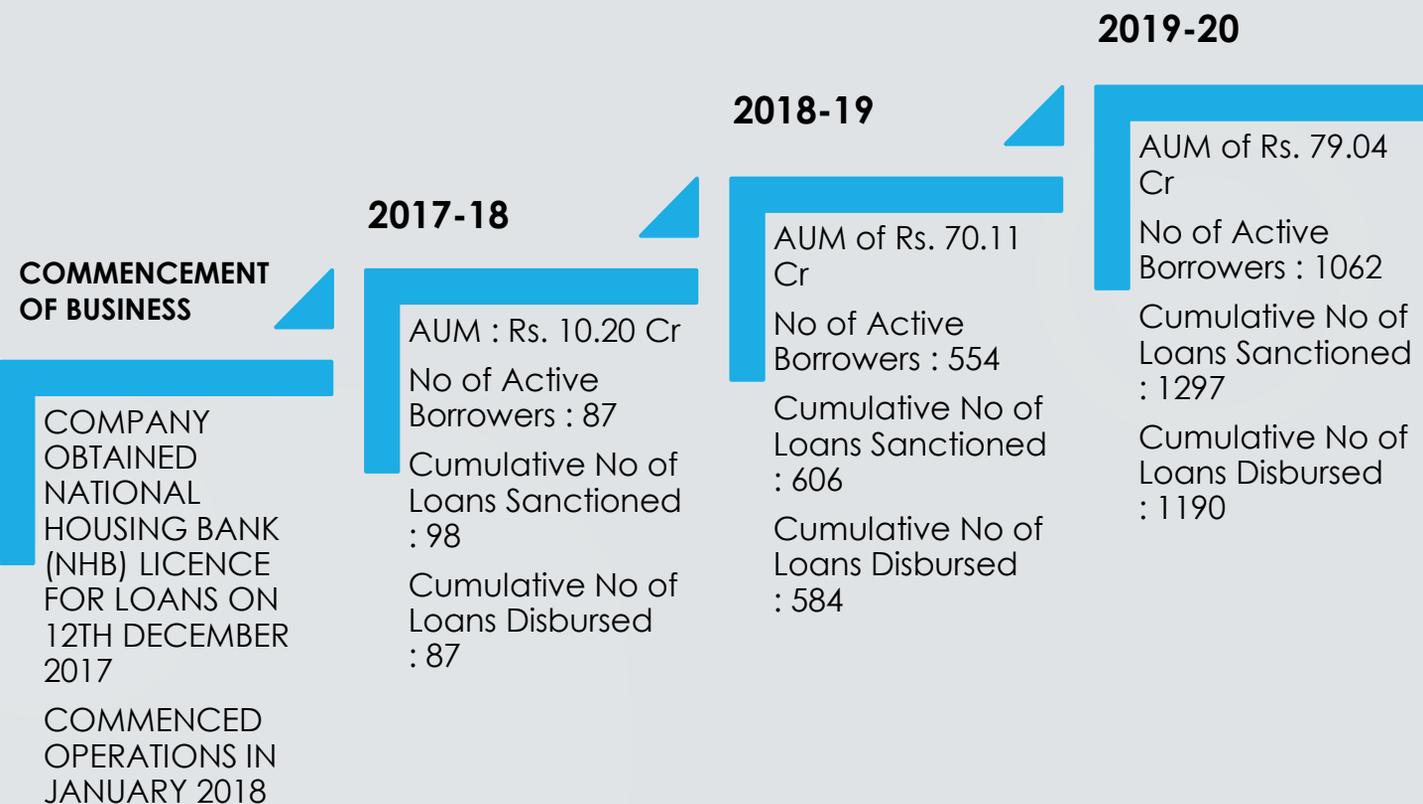
### **CORPORATE GOVERNANCE**

Your Company is committed to maintain the highest standards of Corporate Governance. A diverse composition of your Company's Board of Directors, providing timely and accurate information to the Board and its Committees, transparency and fairness in all dealings, appropriate disclosures, compliance with applicable laws and regulations, internal controls, all aggregate to meet the ultimate objective of maximizing the shareholders' value. Your company encourages its employees to act ethically all the time, every single time.

Further your Company has followed and complied all the applicable Laws and regulations and has strictly adhered to the principles of Corporate Governance.

\* CRAR to be read with point No. 8 in Addendum to Notes to Accounts1

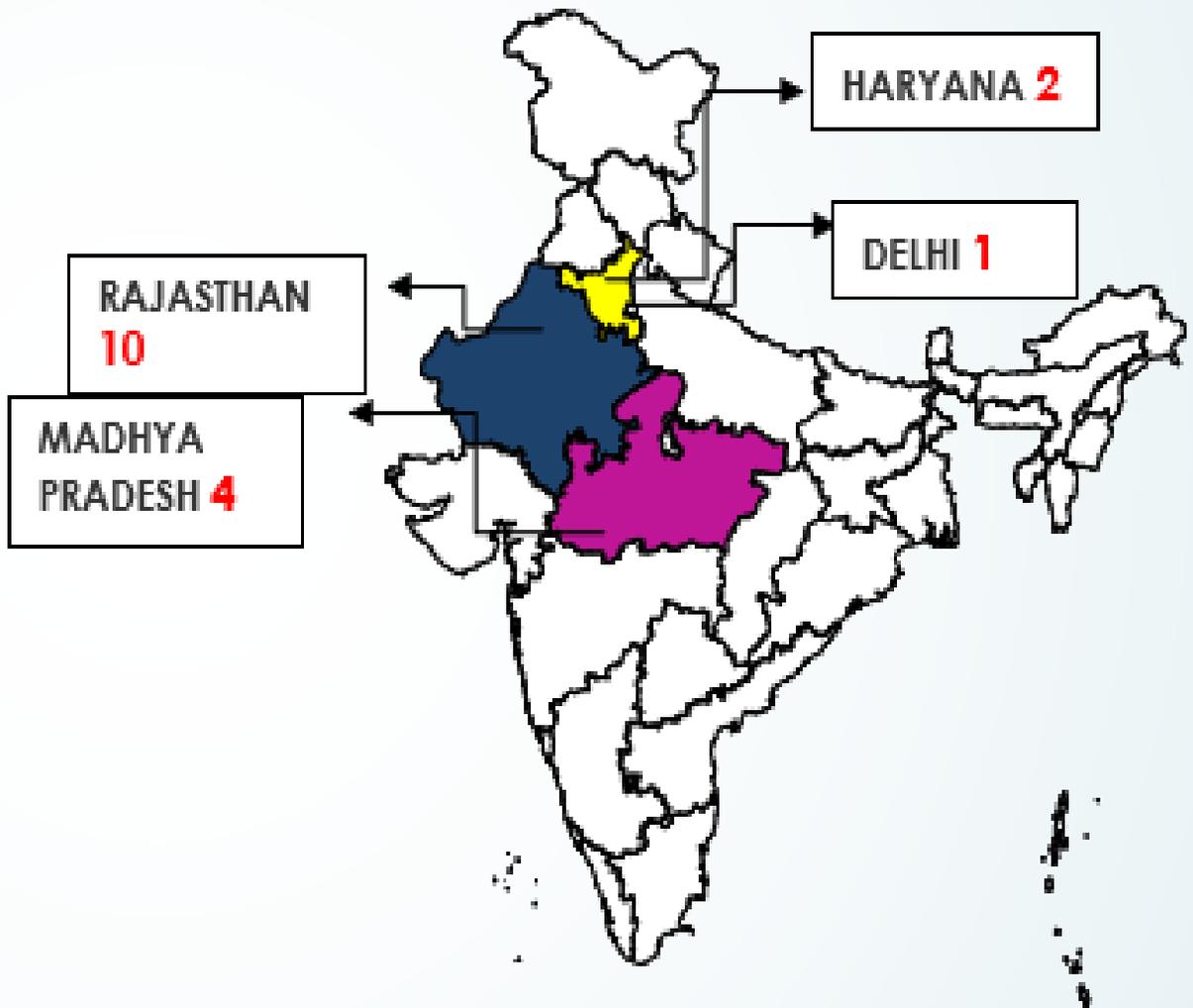
# LOOKING BACKWARD TO MOVE FORWARD



## OUR PRESENCE

### OUR PRESENCE

HEAD OFFICE IN DELHI, WE OPERATED IN 17 BRANCHES ACROSS 3 STATES AND 1 UNION TERRITORY INCLUDING DELHI, RAJASTHAN, HARYANA AND MADHYA PRADESH



# OUR PRODUCTS



The Company's product line is segregated into two major products: Housing Loan and Non-Housing Loan.

- Housing loan can be availed for purchase and/or construction of new unit, purchase of old unit, repair and renovation.

- Non- Housing Loan offers Mortgage property loan/Loan against Property (LAP) offering comprising loans against residential/commercial property for business or other purposes.

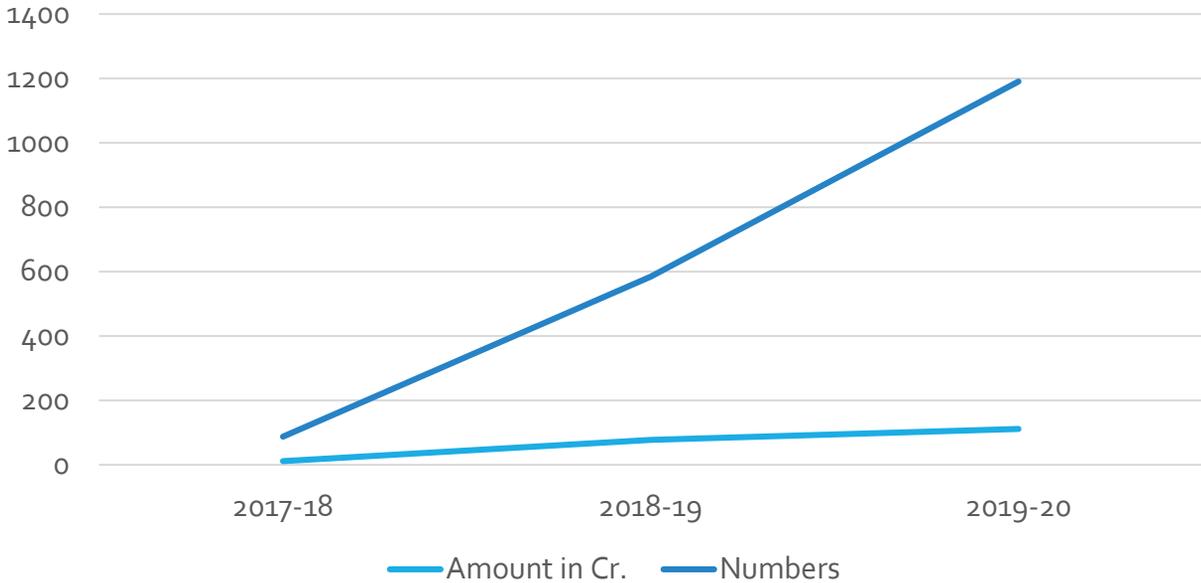
Within only 27 months of its operations, the Company has helped the underserved segment of customer. The major section of IFLHFL's customers belong to low and middle income group — self employed people owning small or medium businesses with informal source of income and limited access to formal banking credit.

By virtue of its knowledge and understanding of the target group of customers, the Company has been able to create opportunities for them to improve their lifestyle and build long-term assets and wealth. This way, the Company's success goes beyond financial growth and lies in making a positive impact in the society it caters to.



# DISBURSEMENT

## YEARWISE CUMULATIVE DISBURSEMENT



During the year, the Company made disbursements worth Rs. 33.91 Crores with 606 new loan files. With the objective of optimizing the capital consumption and keeping in mind the lower risk weights applicable on individual housing loans in Rural Areas, the Company focused on disbursing in the Rural India.

The Disbursement in FY 2019-20 covers 30 % of disbursement in Rural and Semi-Urban Segment. Individual housing loan accounted for the lion's share in total disbursements, at 74.46 % of the total disbursements during the year.

The Company started focusing on building a mass housing portfolio within its individual housing loan book to capitalise on the vast opportunity landscape in the mass housing segment.

The Government has launched several initiatives to boost this segment, from expanding the definition of the Pradhan Mantri Awas Yojna (PMAY) to MIG-1 and MIG-2, to the extension of tax benefits on the supply side.

The Company closed the year with an AUM of 79.04 crores. The retail asset contributes 95.74% to the AUM and corporate loans 4.26 %. Individual housing loans constitute 85 % of the AUM and Non- Housing Loan constitute 15%.

\*Outstanding is being taken as per IND AS Value for the FY 2017-18, 2018-19, 2019-20

# CONTRIBUTING TO PRADHAN MANTRI AWAS YOJANA - CREDIT LINKED SUBSIDY SCHEME (PMAY - CLSS)



The Government of India took a major step under 'Housing for All scheme' to ensure that people can own a house within their financial capability.

Pradhan Mantri Awas Yojana (PMAY) Urban was launched with a broad vision of providing 2 crores dwelling units to EWS, LIG & MIG beneficiaries.

The scheme was to be implemented in 20,073 statutory towns/ centers as on March, 2020. Under this scheme, Credit Linked Subsidy of ` 2.67 Lakhs is to be given EWS/ LIG beneficiaries for a loan amount of Rs. 6 Lakhs & above and Rs. 2.35 to Rs. 2.30 lakhs to MIG I & MIG II beneficiaries for purchase/ construction of houses of specified carpet area.

This PMAY scheme was implemented through 4 verticals:-

- Credit Linked Subsidy Schemes (CLSS) to beneficiaries through Banks/HFCs for loans availed
- Beneficiary lead construction,
- Affordable Housing in partnership
- In Situ Slum development.

The PMAY Rural scheme aims to construct 2.95 Crores houses in rural areas. Hence, these schemes have created huge opportunities for the company to provide housing loans to these beneficiaries as per the above schemes.

PMAY CLSS Subsidy claim and Disbursement Status as on 31st March, 2020 Your Company has also executed MOU for availing benefits under various Schemes of PMAY/ CLSS schemes and Rural Subsidy Scheme with National Housing Bank.

During the year 2019-20, the Company has submitted from time to time the claim for subsidy to NHB under the PMAY scheme.

## THE TOTAL SUBSIDY RECEIVED IS AS UNDER:

### A. PMAY Claim Received during FY 2019-20

SCHEME CATEGORY	No. of Loans	Subsidy Amount	Processing Fees
EWS/LIG NEW	225	397.21	6.75
MIG I	24	41.65	0.48
MIG II	13	22.93	0.26
TOTAL	262	461.79	7.49

### B. PMAY Claim Received since Inception

SCHEME CATEGORY	No. of Loans	Subsidy Amount	Processing Fees
EWS/LIG NEW	233	413.93	6.99
MIG I	26	45.55	0.52
MIG II	13	22.93	0.26
TOTAL	272	482.41	7.77

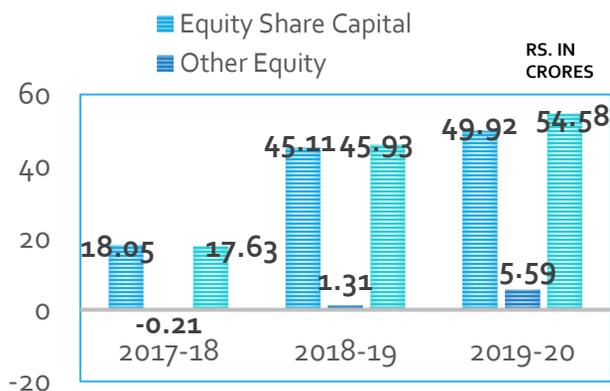
The subsidies received during the year 2019-20 were credited to customer accounts and the EMI was accordingly modified to that extent. In certain other cases, the subsidy was refunded as follows:

### C. PMAY Returned during the FY 2019-20 and since Inception

SCHEME CATEGORY	No. of Loans	Subsidy Amount	Processing Fees
EWS/LIG NEW	2	3.90	0.06
MIG I	4	7.80	0.08
MIG II	-	-	-
TOTAL	6	11.70	0.14

# SOURCE OF FUNDS AND LIQUIDITY POSITION

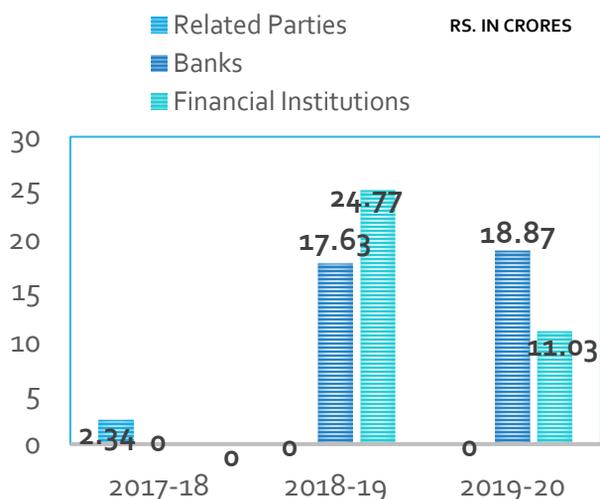
## CAPITAL



The Company has made allotment of Equity Shares twice in the year of total 48,13,000 Equity shares at the premium of 0.4 Rs. per share to its existing shareholders. Thus, raised Rs. 5 Crores of funds.

The Company has earned the benchmark PAT during the year resulting in higher "other equity" of Rs. 5.59 Cr leading to very sound Tangible Net Worth of Rs. 54.58 crores with the Balance Sheet size of Rs. 93.21 Crores.

## BORROWINGS

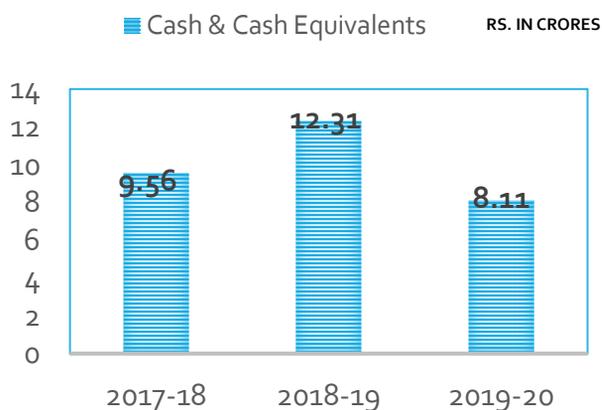


The company has passed Special Resolution u/s 180(1)(c) and other provisions, if any of Companies Act, 2013 to borrow money from Company's Bankers or any other financial institutions, persons or company as may be deemed fit by Board of Directors for aggregate amount not exceeding Rs. 200 Crores.

The company has raised Rs. 10 Crores from State Bank of India during the year. Having total secured borrowings of Rs. 35.80 Crores at the year end.

The company is always regular in paying all its debts with no single time default. The company. The company has not availed moratorium on any of its liabilities, however only SBI as per its norms has provided moratorium to the company on term loan of Rs. 25 Crores.

## LIQUIDITY POSITION

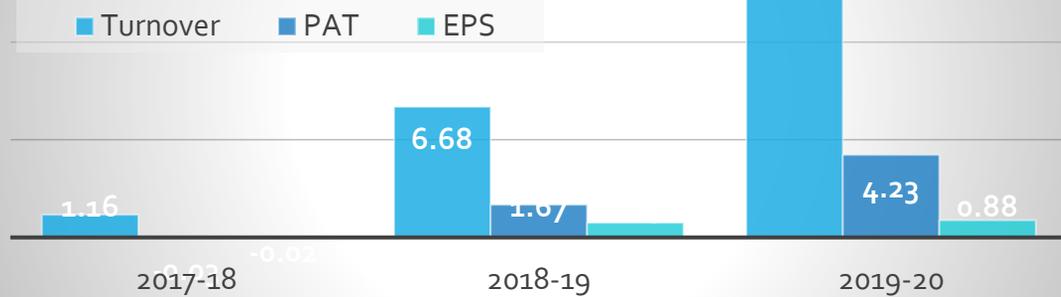


Despite the challenging economic and liquidity scenario, the Company maintained liquidity of Rs. 8.11 Cr (10.26%) of the loan book. Cash and Cash Equivalents includes Cash, Bank and Investment in Mutual Funds and Free Fixed Deposits with Bank.

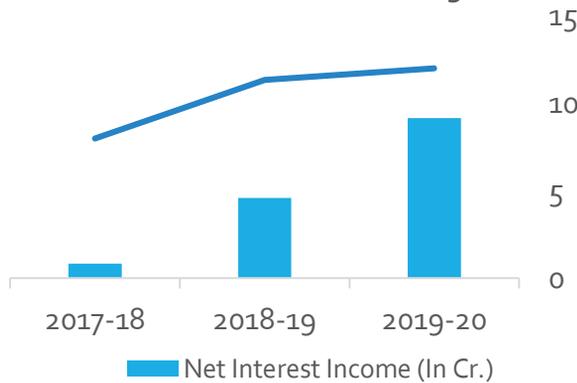
The Company is comfortably placed in meeting all its contractual debt obligations for the current fiscal amidst a challenging environment. Prudent liquidity approach, strengthened its funding profile and resulted in positive gaps across all the ALM buckets..

# KEY PERFORMANCE INDICATOR

## TURNOVER, PROFIT AFTER TAX (PAT) AND EARNING PER SHARE (EPS)



## Net Interest Income and Margin



## Asset Under Management



	FY 2018-19	FY 2019-20
Gross NPA (As % of AUM)	-	1.08
Net NPA (As % of AUM)	-	0.87
Capital Adequacy Ratio (CRAR) (In %)*	132.89	124.38
Return on Average Assets (In %)	3.17	4.74
Return on Average Equity (In %)	5.19	8.31
Debt Equity Ratio (In %)	0.79	0.65
Net Owned Fund (Rs. In Crores)	46.42	55.51
Net Profit Margin (In %)	25.01	27.91

All Balance Sheet Figures are taken as IND AS for FY 2017-18, 2018-19 & 2019-20 and P and L Figures are taken as IND AS for FY 2018-19 & 2019-20

\* CRAR to be read with point No. 8 in Addendum to Notes to Accounts





















































































































































NOTES TO THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2020

<b>3.</b>	<b>Cash and cash equivalents</b>	<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>
	Cash on hand	1,368,547	1,844,573	208,841
	<u>Balance with banks:</u>			
	In current accounts	28,807,361	91,190,571	61,940,007
	In fixed deposits (maturities less than 3 months)	-	-	33,500,000
		<b>30,175,908</b>	<b>93,035,144</b>	<b>95,648,848</b>
<b>4.</b>	<b>Receivables</b>	<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>
	<u>Considered good - unsecured</u>			
	Trade Receivables	-	-	141,600
		-	-	141,600
<b>5.</b>	<b>Loans</b>	<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>
	<u>In India (at Amortised Cost) (other than public sector)</u>			
	Housing loans (secured)	790,358,093	701,130,329	101,990,950
		<b>790,358,093</b>	<b>701,130,329</b>	<b>101,990,950</b>
<b>5.1</b>	<b>The aforesaid term loans are secured housing loans given by the company against equitable mortgage of properties of the borrowers.</b>			
<b>6.</b>	<b>Investments</b>	<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>
	<u>In India (at FVTOCI)</u>			
	In Mutual Funds	30,919,761	30,037,701	-
		<b>30,919,761</b>	<b>30,037,701</b>	<b>-</b>
<b>7.</b>	<b>Other financial assets</b>	<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>
	Balances with banks in fixed deposits with maturities more than 12 months	20,000,000	-	-
	Accrued interest on loan	8,796,480	5,679,772	2,306,103
	Cash collateral	7,500,000	7,500,000	-
		<b>36,296,480</b>	<b>13,179,772</b>	<b>2,306,103</b>
<b>8.</b>	<b>Deferred tax assets (net)</b>	<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>
	At the start of the year	2,184,605	750,859	-
	Credit/(charge) to the Statement of Profit and Loss	810,717	1,433,746	750,859
	<b>At the end of year</b>	<b>2,995,321</b>	<b>2,184,605</b>	<b>750,859</b>
<b>8.1</b>	Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.			



Particulars	For the year ended 31st March 2020 (Amount in Rupees)			
	Opening balance	Recognized in Profit and loss	Recognized in OCI	Closing balance
Property, plant and equipment	42,748	81,962	-	124,710
Preliminary expenses	163,800	(58,094)	-	105,706
Others	1,978,057	786,849	-	2,764,905
<b>Total</b>	<b>2,184,605</b>	<b>810,717</b>	<b>-</b>	<b>2,995,321</b>

Particulars	For the year ended 31st March 2019 (Amount in Rupees)			
	Opening balance	Recognized in Profit and loss	Recognized in OCI	Closing balance
Property, plant and equipment	213,819	(171,071)	-	42,748
Preliminary expenses	-	163,800	-	163,800
Others	5,37,040	1,441,017	-	1,978,057
<b>Total</b>	<b>750,859</b>	<b>1,433,746</b>	<b>-</b>	<b>2,184,605</b>

9. Property, plant & equipment	As at 31st March 2020	As at 31st March 2019	As at 1st April 2018
<u>Carrying amount:</u> -			
Office premises (Right of Use asset) (note 9.2)	37,54,368	-	-
Furniture & fixtures	11,59,254	3,56,630	2,86,980
Vehicles	11,95,264	6,78,782	57,267
Office equipment's	8,74,650	6,66,875	5,41,371
Computers	7,15,567	4,90,702	4,10,711
<b>Total</b>	<b>76,99,103</b>	<b>21,92,989</b>	<b>12,96,329</b>

	Office Premises (Rupees)	Furniture & Fixtures (Rupees)	Vehicles (Rupees)	Office equipment's (Rupees)	Computers (Rupees)	Total (Rupees)
<u>Cost or Deemed Cost:</u>						
-						
Balance as at 1st April, 2018	-	3,29,549	71,143	6,25,933	4,63,469	14,90,094
Additions during the year	-	1,58,139	7,62,529	3,10,219	4,38,001	16,68,888



Balance as at 31st March, 2019	-	4,87,688	8,33,672	9,36,152	9,01,470	31,58,982
Additions during the year	62,17,092	10,81,381	10,00,557	4,94,048	8,65,795	96,58,873
Balance as at 31st March, 2020	<b>62,17,092</b>	<b>15,69,069</b>	<b>18,34,229</b>	<b>14,30,200</b>	<b>17,67,265</b>	<b>1,28,17,855</b>
Accumulated depreciation: -						
Balance as at 1st April, 2018	-	42,569	13,876	84,562	52,758	1,93,765
Charge for the year	-	88,489	1,41,014	1,84,715	3,58,010	7,72,228
Balance as at 31st March, 2019	-	1,31,058	1,54,890	2,69,277	4,10,768	9,65,993
Charge for the year	24,62,725	2,78,757	4,84,075	2,86,273	6,40,930	41,52,760
Balance as at 31st March, 2020	24,62,725	4,09,815	6,38,965	5,55,550	10,51,698	51,18,753
Carrying amount: -						
Balance as at 1st April, 2018	-	2,86,980	57,267	5,41,371	4,10,711	12,96,329
Balance as at 31st March, 2019	-	3,56,630	6,78,782	6,66,875	4,90,702	21,92,989
Balance as at 31st March, 2020	37,54,368	11,59,254	11,95,264	8,74,650	7,15,567	76,99,103

9.1 All the above property, plant & equipment are owned by the company unless specified otherwise.

9.2 Effective from 1st April, 2019, the Company adopted Ind AS 116 Leases and applied the same to all lease contracts existing on 1st April, 2019 using the modified retrospective approach with Right of Use asset recognized at an amount equal to the adjusted lease liability. As a result, comparatives for the year ended 31st March, 2019 have not been retrospectively adjusted. Accordingly, the Company recognises office premises as Right of Use asset representing its right to use the said office premises for the contracted lease term.

10.	Other intangible assets	As at 31 <sup>st</sup> March, 2020 (Rupees)	As at 31 <sup>st</sup> March, 2019 (Rupees)	As at 31 <sup>st</sup> March, 2018 (Rupees)
	Carrying amount: -			
	Software	5,994,910	193,150	241,438
	<b>Sub-total</b>	<b>5,994,910</b>	<b>193,150</b>	<b>241,438</b>



	Intangible assets under development (software)	275,000	2,532,203	1,050,000
	<b>Total</b>	<b>6,269,910</b>	<b>2,725,353</b>	<b>1,291,438</b>
				<b>Software (Rupees)</b>
	<u>Cost or Deemed Cost: -</u>			
	Balance as at 1st April 2018			242,500
	Additions during the year			-
	Balance as at 31st March 2019			242,500
	Additions during the year			6,832,203
	Assets disposal/ written off during the year			-
	Balance as at 31st March 2020			7,074,703
	<u>Accumulated Depreciation: -</u>			
	Balance as at 1st April 2018			1,062
	Charge for the year			48,288
	Balance as at 31st March 2019			49,350
	Charge for the year			1,030,443
	Balance as at 31st March 2020			1,079,793
	<u>Carrying amount: -</u>			
	Balance as at 1st April 2018			241,438
	Balance as at 31st March 2019			193,150
	Balance as at 31st March 2020			5,994,910
<b>11.</b>	<b>Other non- financial assets</b>	<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>
	Capital advances to related parties (Note 23)	25,000,000	-	-
	<u>Advances other than capital advances: -</u>			
	Security deposits	657,328	170,328	103,000
	Advances to suppliers	956,745	512,282	500,000
	Advance to employees	244,000	-	-
	Prepaid expenses	594,181	22,599	-
	Receivable from authorities (net)	-	-	291,725
	Other assets	-	-	100,136
		<b>27,452,254</b>	<b>705,209</b>	<b>994,861</b>
<b>12.</b>	<b>Payables</b>	<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>	<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>
	Trade payables			
	- total outstanding dues of micro enterprises and small enterprises (Note 24)	15,871	-	10,620
	- total outstanding dues of other than micro enterprises and small enterprises	446,082	160,449	659,493
		<b>461,953</b>	<b>160,449</b>	<b>670,113</b>



<b>13.</b>	<b>Borrowings (other than debt securities)</b>											
		<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>		<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>		<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>						
	<u>In India (at Amortized Cost)</u>											
	Term loans (secured)											
	- from banks											
	- from other non-banking financial institutions											
	Loans from related parties (unsecured)											
			<b>358,040,958</b>		<b>365,005,873</b>		<b>23,412,336</b>					
	<u>Terms and conditions of above loans are as follows:</u>											
13.1	Term Loans from Banks are secured against hypothecation of present and future loan receivables amounting from 110% to 125% of loan value and equitable mortgage of property belonging to promoters and other group companies. The same are repayable in equal instalments from 60 to 96 months.											
13.2	Term Loans from other NBFCs are secured against hypothecation of present and future loan receivables amounting from 100% to 110% of loan value, corporate guarantee of holding company and personal guarantee of director. The same are repayable in equal instalments from 48 to 60 months.											
<b>14.</b>	<b>Other financial liabilities</b>						<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>		<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>		<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>	
	Interest accrued on loan						395,761		697,314		-	
	Insurance of loan applicant						786,140		938,409		900,213	
	Other expenses payable						2,872,073		5,257,174		1,080,600	
	Lease liability (Note 9.2)						3,992,050		-		-	
			<b>8,046,024</b>		<b>6,892,897</b>		<b>1,980,813</b>					
<b>15.</b>	<b>Provisions</b>						<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>		<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>		<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>	
	Provisions on standard assets						2,160,805		1,901,736		415,686	
	Provisions on sub-standard assets						772,857		-		-	
	Provisions on doubtful assets						876,085		-		-	
			<b>3,809,747</b>		<b>1,901,736</b>		<b>415,686</b>					
<b>16.</b>	<b>Other non financial liabilities</b>						<b>As at 31<sup>st</sup> March, 2020 (Rupees)</b>		<b>As at 31<sup>st</sup> March, 2019 (Rupees)</b>		<b>As at 31<sup>st</sup> March, 2018 (Rupees)</b>	
	Payable to authorities (net)						915,438		1,099,697		-	
	Security deposits						170,274		-		-	
			<b>1,085,712</b>		<b>1,099,697</b>		<b>-</b>		<b>-</b>		<b>-</b>	
<b>17.</b>	<b>Equity share capital</b>		As at 31st March 2020		As at 31st March 2019		As at 1st April 2018					
		<b>Nos.</b>	<b>(Rupees)</b>	<b>Nos.</b>	<b>(Rupees)</b>	<b>Nos.</b>	<b>(Rupees)</b>	<b>Nos.</b>	<b>(Rupees)</b>	<b>Nos.</b>	<b>(Rupees)</b>	
	<u>Authorized shares</u>											
	Equity shares of Rs. 10 each with voting rights											
	Issued, subscribed and fully paid- up shares											
	6,00,00,000		60,00,00,000		5,00,00,000		50,00,00,000		2,50,00,000		25,00,00,000	
	4,99,23,000		49,92,30,000		4,51,10,000		45,11,00,000		1,80,50,000		18,05,00,000	
<b>17.1</b>	<b>Reconciliation of number of equity shares and amount outstanding</b>		As at 31st March 2020		As at 31st March 2019		As at 1st April 2018					
		<b>Nos.</b>	<b>(Rupees)</b>	<b>Nos.</b>	<b>(Rupees)</b>	<b>Nos.</b>	<b>(Rupees)</b>	<b>Nos.</b>	<b>(Rupees)</b>	<b>Nos.</b>	<b>(Rupees)</b>	
	<u>Equity Shares</u>											
	- At the beginning of the period											
	4,51,10,000		45,11,00,000		1,80,50,000		18,05,00,000		1,05,00,000		10,50,00,000	



- Issued during the year (Right Issue)#	48,13,000	4,81,30,000	2,70,60,000	27,06,00,000	75,50,000	7,55,00,000
<b>Total Outstanding at the end of the period</b>	<b>4,99,23,000</b>	<b>49,92,30,000</b>	<b>4,51,10,000</b>	<b>45,11,00,000</b>	<b>1,80,50,000</b>	<b>18,05,00,000</b>

#The Company allotted equity shares of Rs. 10 each at par pursuant to the scheme of right issue during the relevant FY(s) as specified above.

### 17.2 Terms and rights attached to equity shares

The company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

17.3	Shares held by the holding Company	As at 31st March 2020		As at 31st March 2019		As at 1st April 2018	
		Nos.	% holding	Nos.	% holding	Nos.	% holding
	India Finsec Limited	3,97,15,000	79.55%	3,94,95,000	87.55%	1,72,00,000	95.29%
17.4	Details of shareholders holding more than 5% shares in the Company: -	As at 31st March 2020		As at 31st March 2019		As at 1st April 2018	
		Nos.	% holding	Nos.	% holding	Nos.	% holding
	India Finsec Limited	3,97,15,000	79.55%	3,94,95,000	87.55%	1,72,00,000	95.29%
	Mr. Gopal Bansal	53,88,000	10.79%	33,55,000	7.44%	-	0.00%
	Mrs. Sunita Bansal	29,40,000	5.89%	9,00,000	2.00%	-	0.00%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

18.	Other Equity	As at 31st March 2020 (Rupees)		As at 31st March 2019 (Rupees)	
	<u>Statutory Reserve</u>				
	(In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961)				
	Balance as per last financial statements	5,739,013		-	
	Add: Transferred during the year	7,678,396		5,739,013	
	Net Balance of Special Reserve		13,417,409		5,739,013
	<u>Securities Premium</u>				
	Opening balance	-		-	
	Add: addition/(deletion) during the year	1,925,200		-	
	Closing balance		1,925,200		-
	<u>Retained earnings</u>				
	Opening balance	7,325,950		(2,149,384)	
	Add: Profit/(loss) for the year	42,353,137		16,700,397	



	Less: Provision for Standard Assets as per NHB Act, 1987	(1,908,011)		(1,486,050)	
	Less: Appropriation to Statutory reserve	(7,678,396)		(5,739,013)	
	Closing balance		40,092,681		7,325,950
	<u>Equity instruments through other comprehensive income</u>				
	Opening balance	27,213		-	
	Add: addition/(deletion) during the year	398,781		27,213	
	Closing balance		425,994		27,213
			<b>55,861,283</b>		<b>13,092,176</b>
18.1	As per section 29C of the National Housing Bank Act, 1987, the company is required to transfer at least 20% of its net profit every year to reserve before any dividend is declared. For this purpose, any Special Reserve created by it under section 36(1)(viii) of the Income Tax Act,1961 is considered to be an eligible transfer. The company doesn't anticipate any withdrawal from Statutory Reserve in foreseeable future.				
<b>19.</b>	<b>Revenue from operations</b>		<b>For the year ended on 31st March 2020 (Rupees)</b>		<b>For the year ended on 31st March 2019 (Rupees)</b>
	Interest income (amortised cost)				
	- on loans		132,815,795		54,615,024
	- on cash collateral		524,818		7,427
	- on fixed deposits		220,059		1,061,408
	Processing & other fee		13,894,885		10,524,091
	Surplus from deployment in cash management scheme of Mutual Fund		4,269,216		563,689
			<b>151,724,773</b>		<b>66,771,639</b>
<b>20.</b>	<b>Finance cost</b>		<b>For the year ended on 31st March 2020 (Rupees)</b>		<b>For the year ended on 31st March 2019 (Rupees)</b>
	<u>On financial liabilities measured at amortised cost</u>				
	- Interest on borrowings		41,815,252		9,671,590
	- Interest expense on lease liabilities (Note 9.2)		157,957		-
			<b>41,973,209</b>		<b>9,671,590</b>
<b>21.</b>	<b>Employee benefits expenses</b>		<b>For the year ended on 31st March 2020 (Rupees)</b>		<b>For the year ended on 31st March 2019 (Rupees)</b>
	Director remuneration		-		2,275,000
	Salaries and wages		26,190,300		14,356,411
	Contribution to provident and other funds		1,285,167		470,848
	Staff welfare expenses		521,546		157,704
	Other employee benefits		1,245,540		971,838
			<b>29,242,553</b>		<b>18,231,801</b>



22.	Other expenses	For the year ended on 31st March 2020 (Rupees)	For the year ended on 31st March 2019 (Rupees)
	Advertisement expenses	194,457	161,372
	<u>Payments to Auditors</u>		
	- for statutory audit	145,000	45,000
	Car insurance	41,561	10,858
	Commission expenses	1,099,476	2,071,066
	Conveyance expenses	1,474,910	806,366
	Documentation & stamp charges	121,476	757,120
	Fee & subscriptions	1,571,549	2,857,271
	GST reversal u/s 42	1,806,343	1,122,575
	Interest on government dues	457,982	2,514
	Legal & technical charges	1,308,810	1,270,850
	Branch opening expenses	79,349	-
	Professional charges	2,620,897	1,591,477
	Rent expenses	927,750	1,519,000
	Software expenses	9,800	1,050,000
	Tour & travelling expenses	602,911	144,146
	Valuation report charges	1,484,301	1,279,800
	Other expenses	6,790,816	1,545,666
		<b>20,737,387</b>	<b>16,235,081</b>

**23. Related parties: -**

As per IND AS 24, the disclosures of transactions with the related parties are given below: -

(a) List of related parties where control exists and also related parties with whom transactions have taken place and relationship:-

(i)	Holding Company	India Finsec Limited
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director) Ms. Sunita Bansal (Director) Mr. Arvinder Singh (Director) Mr. Saurabh Chhabra (Director) Ms. Purva Mangal (Director) Mr. Gaurav Suri (Director) Ms. Purna Matta Arora (CFO) Ms. Varsha Bharti (Company Secretary)
(iii)	Relatives of Key Management Personnel	Gopal Bansal HUF Ms. Kriti Suri



(b) Following transactions are made with the related parties covered under Ind AS- 24 on “Related Parties Disclosure”:

	Transaction with	Nature of Transaction	Transactions during the year		Balances as at	
			31/03/2020 (Rs.)	31/03/2019 (Rs.)	31/03/2020 (Rs.)	31/03/2019 (Rs.)
(i)	<u>Holding Company: -</u>					
	India Finsec Limited	Interest paid	Nil	29,36,987	Nil	Nil
		Loan taken	Nil	15,33,00,000	Nil	Nil
		Loan repaid	Nil	17,67,12,336	Nil	Nil
		Allotment of equity shares	22,88,0000	Nil	Nil	Nil
(ii)	<u>Key Managerial Personnel: -</u>					
	Mr. Gopal Bansal	Director remuneration	4,83,333	6,00,000	1,00,000	Nil
		Interest paid	Nil	10,520	Nil	Nil
		Loan taken	Nil	32,00,000	Nil	Nil
		Loan repaid	Nil	32,00,000	Nil	Nil
		Allotment of equity shares	2,11,43,200	Nil	Nil	Nil
	Ms. Sunita Bansal	Rent paid	4,50,000	4,56,950	Nil	6,950
		Director remuneration	10,00,000	8,25,000	1,00,000	Nil
		Advance given	2,10,00,000	41,00,000	1,25,00,000	Nil
		Advance received back	85,00,000	41,00,000	Nil	Nil
		Allotment of Equity share	2,12,16,000	Nil	Nil	Nil
	Mr. Gaurav Suri	Director remuneration	11,25,172	7,80,000	Nil	Nil
		Allotment of equity share capital	13,00,000	Nil	Nil	Nil
	Ms. Perna Matta Arora	Salary	11,93,296	7,59,387	76,474	Nil
	Ms. Varsha Bharti	Salary	5,37,466	4,14,862	46,597	41,435
(iii)	<u>Relatives of Key Management Personnel: -</u>					
	Ms. Kriti Suri	Salary	7,00,000	2,77,740	70,000	Nil
		Allotment of equity shares	22,36,000	Nil	Nil	Nil
	Gopal Bansal HUF	Rent paid	4,50,000	4,56,950	Nil	6,950
		Allotment of Equity shares	18,72,000	Nil	Nil	Nil
		Advance given	1,25,00,000	41,00,000	1,25,00,000	Nil
		Advance received back	Nil	41,00,000	Nil	Nil



24. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

Particulars	31/03/2020	31/03/2019	1/04/2018
Principal amount due remaining unpaid	15,871	Nil	10,620
Interest due on above remaining unpaid	Nil	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil	Nil

25.	Additional Disclosures In Terms of NHB Guidelines			
25.1	Capital <i>(Amount in Rupees)</i>			
	Particulars	For the year ended on 31st March 2020	For the year ended on 31st March 2019	For the year ended on 1st April 2018
	CRAR (%)	124.38%	132.89%	396.90%
	CRAR-Tier I Capital (%)	123.89%	132.35%	395.97%
	CRAR-Tier II Capital (%)	0.49%	0.55%	0.93%
	Amount of subordinated debt raised as Tier-II Capital	-	-	-
	Amount raised by issue of Perpetual Debt instruments	-	-	-
25.2	Reserve Fund u/s 29C of NHB Act, 1987 <i>(Amount in Rupees)</i>			
	Particulars	For the year ended on 31st March 2020	For the year ended on 31st March 2019	For the year ended on 1st April 2018
	<u>Balance at the beginning of the year</u>			
	a) Statutory reserve fund u/s 29C of NHB Act, 1987	-	-	-



	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 NHB Act,1987	5,739,013	-	-
	Total	5,739,013	-	-
	<u>Addition/Appropriation/Withdrawal during the year</u>			
	<b>Add:</b>			
	a) Amount transferred u/s 29C of the NHB Act,1987	-	-	-
	b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of statutory reserve under Section 29C of the NHB Act, 1987	7,678,396	5,739,013	-
	<b>Less:</b>			
	a) Amount appropriated from the statutory reserve u/s 29C of the NHB Act, 1987	-	-	-
	b) Amount withdrawn from the special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987	-	-	-
	<u>Balance at the end of the year</u>			
	a) Statutory reserve u/s 29C of the National Housing Bank Act, 1987	-	-	-
	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	13,417,409	5,739,013	-
	Total	13,417,409	5,739,013	-
25.3	<b>Investments</b>			<i>(Amount in Rupees)</i>
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	<b>Value of Investments</b>			
	(i) Gross value of investments			
	(a) In India	30,919,761	30,037,701	-
	(b) Outside India	-	-	-
	(ii) Provision for depreciation			
	(a) In India	-	-	-
	(b) Outside India	-	-	-
	(iii) Net value of investments			
	(a) In India	30,919,761	30,037,701	-
	(b) Outside India	-	-	-



<b>Movement of provision held towards depreciation on investments</b>				
	(i) Opening balance	Not Applicable	Not Applicable	Not Applicable
	(ii) Add: Provisions made during the year	Not Applicable	Not Applicable	Not Applicable
	(iii) Less: Write-off / written-bank of excess provisions during the year	Not Applicable	Not Applicable	Not Applicable
	(iv) Closing balance	Not Applicable	Not Applicable	Not Applicable
25.4	<b>Derivatives</b>			
25.4.1	<b>Forward Rate Agreement (FRA) / Interest Rate Swap (IRS)</b> <i>(Amount in Rupees)</i>			
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	(i) The notional principal of swap agreements	Not Applicable	Not Applicable	Not Applicable
	(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Not Applicable	Not Applicable	Not Applicable
	(iii) Collateral required by the HFC upon entering into swaps	Not Applicable	Not Applicable	Not Applicable
	(iv) Concentration of credit risk arising from the swaps \$	Not Applicable	Not Applicable	Not Applicable
	(v) The fair value of the swap book @	Not Applicable	Not Applicable	Not Applicable
	Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.			
	\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.			
	@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the HFC would receive or pay to terminate the swap agreements as on the balance sheet date.			
25.4.2	<b>Exchange Traded Interest Rate (IR) Derivative</b> <i>(Amount in Rupees)</i>			
	<b>Particulars</b>	<b>Amount</b>		
	(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Not Applicable		
	(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March 2020 (instrument-wise)	Not Applicable		
	(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly	Not Applicable		



	effective" (instrument-wise)		
	(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		Not Applicable
25.4.3	<b>Disclosures on Risk Exposure in Derivatives</b>		
A.	<b>Qualitative Disclosure</b>		
	Company has no exposure in Derivatives. Hence Clause 25.4.3 is not Applicable		
B.	<b>Quantitative Disclosure</b> <i>(Amount in Rupees)</i>		
	<b>Particulars</b>	<b>Currency Derivatives</b>	<b>Interest Rate Derivatives</b>
	(i) Derivatives (Notional Principal Amount)	Not Applicable	Not Applicable
	(ii) Marked to Market Positions [1]	Not Applicable	Not Applicable
	(a) Assets (+)	Not Applicable	Not Applicable
	(b) Liability (-)	Not Applicable	Not Applicable
	(iii) Credit Exposure [2]	Not Applicable	Not Applicable
	(iv) Unhedged Exposures	Not Applicable	Not Applicable
25.5	<b>Securitisation</b> <i>(Amount in Rupees)</i>		
25.5.1	<b>Particulars</b>	<b>Amount</b>	
	1. No of SPVs sponsored by the HFC for securitisation transactions	Not Applicable	
	2. Total amount of securitised assets as per books of the SPVs sponsored	Not Applicable	
	3. Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	Not Applicable	
	(I) Off-balance sheet exposures towards credit enhancements	Not Applicable	
	(II) On-balance sheet exposures towards credit enhancements	Not Applicable	
	4. Amount of exposures to securitisation transactions other than MRR	Not Applicable	
	(I) Off-balance sheet exposures towards credit Enhancements	Not Applicable	
	a) Exposure to own securitizations	Not Applicable	
	b) Exposure to third party securitisations	Not Applicable	
	(II) On-balance sheet exposures towards credit enhancements	Not Applicable	
	a) Exposure to own securitisations	Not Applicable	
	b) Exposure to third party securitisations	Not Applicable	
	*Only the SPVs relating to outstanding securitisation transactions may be reported here		
25.5.2	<b>Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction</b>		
	<i>(Amount in Rupees)</i>		
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>
		<b>For the year ended on 1st April 2018</b>	
	(i) No. of accounts	Not Applicable	Not Applicable
		Not Applicable	Not Applicable



	(ii) Aggregate value (net of provisions) of accounts sold to SC / RC	Not Applicable	Not Applicable	Not Applicable
	(iii) Aggregate consideration	Not Applicable	Not Applicable	Not Applicable
	(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable	Not Applicable
	(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable	Not Applicable
25.5.3	<b>Details of Assignment transactions undertaken by HFCs</b> <i>(Amount in Rupees)</i>			
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	(i) No. of accounts	Not Applicable	Not Applicable	Not Applicable
	(ii) Aggregate value (net of provisions) of accounts assigned	Not Applicable	Not Applicable	Not Applicable
	(iii) Aggregate consideration	Not Applicable	Not Applicable	Not Applicable
	(iv) Additional consideration realized in respect of accounts transferred in earlier years	Not Applicable	Not Applicable	Not Applicable
	(v) Aggregate gain / loss over net book value	Not Applicable	Not Applicable	Not Applicable
25.5.4	<b>Details of non-performing financial assets purchased / sold</b>			
A.	<b>Details of non-performing financial assets purchased:</b> <i>(Amount in Rupees)</i>			
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	1. (a) No. of accounts purchased during the year	-	-	-
	(b) Aggregate outstanding	-	-	-
	2. (a) Of these, number of accounts restructured during the year	-	-	-
	(b) Aggregate outstanding	-	-	-
B.	<b>Details of Non-performing Financial Assets sold:</b> <i>(Amount in Rupees)</i>			
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>



	1. No. of accounts sold	-	-	-
	2. Aggregate outstanding	-	-	-
	3. Aggregate consideration received	-	-	-
25.6	<b>Exposure</b>			
25.6.1	<b>Exposure to Real Estate Sector</b>			<i>(Amount in Rupees)</i>
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	<b>Category</b>			
	<b>A) Direct Exposure</b>			
	<b>(i) Residential Mortgages -</b>			
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to 15 lakh may be shown separately)	-	-	-
	<b>(ii) Commercial Real Estate -</b>			
	Lending secured by mortgages on commercial real estates (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 construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-	-
	<b>(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -</b>			
	a) Residential	-	-	-



	b) Commercial Real Estate	-	-	-
	<b>B) Indirect Exposure</b>			
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-	-
25.6.2	<b>Exposure to Capital Market</b>	<i>(Amount in Rupees)</i>		
	<b>Particular</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-	-
	(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-	-
	(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-	-



	(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-	-
	(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-
	(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-
	(vii) bridge loans to companies against expected equity flows / issues;	-	-	-
	(viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-	-
	<b>Total Exposure to Capital Market</b>	-	-	-

25.6.3

**Details of financing of parent company products**

As the parent company is NBFC, no financing of parent company products is done.

25.6.4

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



	The company has not exceeded the prudential exposure limits during the year with regard to Single Borrower limit (SGL) / Group Borrower Limit (GBL).	
25.6.5	<b>Unsecured Advances</b>	
	None of the Advances of Company are reckoned as unsecured.	
26	<b>Miscellaneous</b>	
26.1	<b>Registration obtained from other financial sector regulators</b>	
	Company has taken registration under the FIU-IND (Financial Intelligence Unit of India) during the year.	
26.2	<b>Disclosure of Penalties imposed by NHB and other regulators</b>	
	No penalty has been imposed on Company by NHB and other regulators.	
26.3	<b>Related party Transactions</b>	
	Detailed information furnished under Note No. 23	
26.4	<b>Rating assigned by Credit Rating Agencies and migration of rating during the year</b>	
	CARE rating agency has rated the Company "BB+" Stable (Double B Plus; Outlook : Stable) during the year for proposed Long-term Bank Facilities up to a limit of Rs. 50 crores. The validity of this rating is upto 6th of february, 2020. However, the Company has applied for further appraisal and is awaiting response.	
26.5	<b>Remuneration of Directors</b>	
	Detailed information furnished under Notes to Accounts (please refer Note No. 23 )	
26.6	<b>Management</b>	
	As provided in Board of Directors' Report.	
26.7	<b>Net Profit or Loss for the period, prior period items and changes in accounting policies</b>	
	<b>Particulars</b>	<i>(Amount in Rupees)</i>
	Net Profit for the period (before tax)	54,588,421
	Prior Period Items	Nil
	Changes in Accounting Policies	Nil
26.8	<b>Revenue Recognition</b>	
	There is no deferment of revenue recognition.	
26.9	<b>Indian Accounting Standard (Ind AS-110) - Consolidated Financial Statements</b>	



	Not Applicable.						
26.10	<p>The world witnesses the outbreak of the Novel Corona Virus (COVID-19), an infectious disease which World Health Organisation declared as a global pandemic. The disease engulfed the entire globe, leading to loss of human lives in millions and economic losses in trillions. India responded to this crises with a nationwide lockdown with effect from 24 March, 2020 which continues in major cities across the country. The extent to which this pandemic will impact the business and financial result of the Company, at this point of time, depends on future developments which are highly uncertain.</p> <p>The RBI on March 27, 2020; April 17, 2020; May 6, 2020 and May 23, 2020 announced 'COVID-19 Regulatory Package' on asset classification and provisioning. In terms of the guidelines given in the aforesaid RBI circulars, the company has offered a moratorium option to its borrowers whose accounts are standard as on 29th Feb, 2020, from payments of installment falling due between 01st March 2020 to 31st August 2020. As such, in respect of all accounts classified as standard as on 29th February 2020, even if overdue, the moratorium period, wherever granted, has been excluded from the number of days past-due for the purpose of asset classification under Regulatory Income Recognition and Asset Classification norms (IRAC) as of March 31, 2020. The company has opted for dispensation of spreading the provisions over two quarters.</p>						
27	<b>Additional Disclosures</b>						
27.1	<b>Provisions and Contingencies</b>						
	<i>(Amount in Rupees)</i>						
	<b>Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>			
	1. Provisions for depreciation on investment	-	-	-			
	2. Provision made towards Income tax	13,046,000	6,546,000	387,540			
	3. Provision towards NPA	-	-	-			
	4. Provision for Standard assets (with details like teaser loan, CRE, CRE-RH etc.)	2,160,805	1,901,736	415,686			
	5. Provision for Sub-standard assets	772,857	-	-			
	6. Provision for Doubtful assets	876,085	-	-			
	7. Other Provision and Contingencies (with details)	-	-	-			
	<i>(Amount in Rupees)</i>						
<b>Housing</b>							
27.1	<b>Break up of Loan &amp; Advances and Provisions thereon</b>	<b>For the year ended on 31st March 2020</b>		<b>For the year ended on 31st March 2019</b>		<b>For the year ended on 1st April 2018</b>	
		<b>Housing Loan</b>	<b>Non-Housing Loan</b>	<b>Housing Loan</b>	<b>Non-Housing Loan</b>	<b>Housing Loan</b>	<b>Non-Housing Loan</b>
	Standard Assets						
	a) Total Outstanding	663,952,362	117,914,032	619,104,880	82,025,449	99,136,816	2,854,134



	Amount						
	b) Provisions made	1,683,954	476,851	1,570,067	331,669	404,068	11,618
	Sub-Standard Assets						
	a) Total Outstanding Amount	5,054,032	-	-	-	-	
	b) Provisions made	772,857	-	-	-	-	
	Doubtful Assets – Category-I						
	a) Total Outstanding Amount	3,437,667	-	-	-	-	
	b) Provisions made	876,085	-	-	-	-	
	Doubtful Assets – Category-II						
	a) Total Outstanding Amount	-	-	-	-	-	
	b) Provisions made	-	-	-	-	-	
	Doubtful Assets – Category-III						
	a) Total Outstanding Amount	-	-	-	-	-	
	b) Provisions made	-	-	-	-	-	
	Loss Assets						
	a) Total Outstanding Amount	-	-	-	-	-	
	b) Provisions made	-	-	-	-	-	
	NOTE: The company is doing the business of Housing finance only.						
27.2	<b>Draw Down from Reserves</b>						
	Company has not drawn any amount from reserves.						
27.3	<b>Concentration of Public Deposits, Advances, Exposures and NPAs</b>						
27.3.1	<b>Concentration of Public Deposits (for Public Deposit taking/holding HFCs)</b>						
	<i>(Amount in Rupees)</i>						



	Particulars	For the year ended on 31st March 2020	For the year ended on 31st March 2019	For the year ended on 1st April 2018
	Total deposits of twenty largest depositors	Not Applicable	Not Applicable	Not Applicable
	Percentage of deposits of twenty largest depositors to total deposits of the HFC	Not Applicable	Not Applicable	Not Applicable
<b>27.3.2</b>	<b>Concentration of Loans &amp; Advances</b> <span style="float: right;"><i>(Amount in Rupees)</i></span>			
	Particulars	For the year ended on 31st March 2020	For the year ended on 31st March 2019	For the year ended on 1st April 2018
	Total loans & advances to twenty largest borrowers	98,649,479	126,721,954	45,800,921
	Percentage of loans & advances of twenty largest borrowers to total advances of the HFC	12.48%	18.07%	44.91%
<b>27.3.3</b>	<b>Concentration of all Exposure (including off-balance sheet exposure)</b> <span style="float: right;"><i>(Amount in Rupees)</i></span>			
	Particulars	For the year ended on 31st March 2020	For the year ended on 31st March 2019	For the year ended on 1st April 2018
	Total exposure to twenty largest borrowers/customers	98,649,479	126,721,954	45,800,921
	Percentage of exposures of twenty largest borrowers / customers to total exposure of the HFC on borrowers / customers	12.48%	18.07%	44.91%
<b>27.3.4</b>	<b>Concentration of NPAs</b> <span style="float: right;"><i>(Amount in Rupees)</i></span>			
	Particulars	For the year ended on 31st March 2020	For the year ended on 31st March 2019	For the year ended on 1st April 2018
	Total exposure to top ten NPA accounts	8,491,699	Nil	Nil
<b>27.3.5</b>	<b>Sector-wise NPAs</b> <span style="float: right;"><i>(Amount in Rupees)</i></span>			
	Sector			Percentage of NPAs to Total Advances in that sector



<b>A. Housing Loans:</b>				
	1. Individuals			1.26%
	2. Builders/Project Loans			Nil
	3. Corporates			Nil
	4. Others (specify)			Nil
<b>B. Non-Housing Loans:</b>				
	1. Individuals			Nil
	2. Builders/Project Loans			Nil
	3. Corporates			Nil
	4. Others (specify)			Nil
27.4	<b>Movement of NPAs</b> <span style="float: right;"><i>(Amount in Rupees)</i></span>			
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	(I) Net NPAs to Net Advances (%)	0.87%	-	-
	(II) Movement of NPAs (Gross)			
	a) Opening balance	-	-	-
	b) Additions during the year	15,233,381.00	-	-
	c) Reductions during the year	6,741,682.00	-	-
	d) Closing balance	8,491,699.00	-	-
	(III) Movement of Net NPAs			
	a) Opening balance	-	-	-
	b) Additions during the year	12,910,892.90	-	-
	c) Reductions during the year	6,068,136.20	-	-
	d) Closing balance	6,842,756.70	-	-
	(IV) Movement of provisions for NPAs (excluding provisions on standard assets)			
	a) Opening balance	-	-	-
	b) Provisions made during the year	2,322,488.10	-	-
	c) Write-off/write-back of excess provisions	673,545.80	-	-
	d) Closing balance	1,648,942.30	-	-
27.5	<b>Overseas Assets</b> <span style="float: right;"><i>(Amount in Rupees)</i></span>			
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	Overseas Assets	-	-	-



27.6	<b>Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)</b>			
	<b>Name of the SPV sponsored</b>			
	<b>Domestic</b>	<b>Overseas</b>		
	Not Applicable	Not Applicable		
28	<b>Disclosure of Complaints</b>			
	<b>26.1) Customers Complaints</b>			
	<b>Particulars</b>	<b>For the year ended on 31st March 2020</b>	<b>For the year ended on 31st March 2019</b>	<b>For the year ended on 1st April 2018</b>
	a) No. of complaints pending at the beginning of the year	-	-	-
	b) No. of complaints received during the year	-	1	-
	c) No. of complaints redressed during the year	-	1	-
	d) No. of complaints pending at the end of the year	-	-	-
29	Pursuant to the refinancing arrangement with NHB, the Company has provided a non-disposal undertaking from the Promoter Entity with respect to their shareholdings in the Company, personal guarantee from Managing Director of the Company Mr. Gopal Bansal and corporate guarantee from India Finsec Limited (promoter entity ).			
30	The Company has received a letter dated May 27, 2020, from the National Housing Bank containing observations emanating from the inspection carried out by NHB, for the purpose of refinance under LIT and Regular Scheme, as per the provisions of the National Housing Bank Act, 1987. NHB has directed the Company to provide a specific response to all the observations within a period of 7 days. The management partially concur with the observation of the NHB and provided an appropriate response within the stipulated time. In view of these financial statements being prepared using Indian Accounting Standards (Ind AS) while the NHB observations relate to numbers compiled on the basis of regulatory guidelines, the Management believes that the aforesaid observations may not have any implications on the financial statements.			
31	Appointment of Ms. Gunjan Jain as the Principal Officer of the Company under NHB Regulations, 1987 and Financial Intelligence Unit (FIU) IND.			

<b>32. Particulars</b>	<b>31/03/2020 (Rs.)</b>	<b>31/03/2019 (Rs.)</b>
Foreign currency earnings, expenditures and outgo	Nil	Nil
<b>33. Particulars</b>	<b>31/03/2020 (Rs.)</b>	<b>31/03/2019 (Rs.)</b>
Contingent liabilities not provided for	Nil	Nil
34.	The Ind AS financial statements were approved for issue by the Board of Directors on 23 <sup>rd</sup> day of June, 2020.	



35. Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.

36. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

**FOR AJAY RATTAN& CO.,  
CHARTERED ACCOUNTANTS  
FRN. 012063N**

**For and on behalf of Board of Directors of  
IFL Housing Finance Limited**

**CA AJAY AGGARWAL  
Partner  
Membership No. 090975**

**Gopal Bansal  
Managing Director  
DIN: 01246420**

**Sunita Bansal  
Director  
DIN: 02801660**

**New Delhi, the 23<sup>rd</sup> day of June,2020**

**Prerna Matta Arora  
CFO  
PAN: BAMPM7263C**



## **ADDENDUM TO NOTES TO ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS**

After signing of the audited financials, it has been observed that some of the disclosures have not been given in the notes to the accounts for the year ended 31<sup>st</sup> March 2020, which should have been done in terms of various circulars or notifications issued by the National Housing Bank. It has been also observed that some provisions have been made by lesser amount or had not been made in accordance with the National Housing Bank guidelines. The Board hereby attaches an “Addendum to Notes to accounts forming part of Financial statements” along with Notice of Annual general Meeting to be held on 20<sup>th</sup> November, 2020 for the financial year 2019-20 to disclose all the facts to the shareholders, lenders, regulators & all other stake holders of the company so that they can understand the actual impact of all those disclosures & provisions on the company.

### **1. DISCLOSURE IN FINANCIALS REGARDING PERCENTAGE OF LOAN MORTGAGED FOR GOLD BY OUTSTANDING TOTAL ASSETS**

The Company has not given any Gold Loan / loan against deposition of gold during the year.

### **2. DISCLOSURE IN FINANCIALS REGARDING DIRECT AND INDIRECT EXPOSURE TO REAL ESTATE SECTOR**

Breakup of exposure to Real Estate Sector is as under:-

Particulars	For the year ended on 31st March 2020	For the year ended on 31st March 2019	For the year ended on 1st April 2018
<b>Category</b>			
<b>A) Direct Exposure</b>			
<b>(i) Residential Mortgages -</b>			
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	783,789,212	689,714,652	103,921,358
Out of Above Individual housing loans up to 15 lakh	395,850,702	300,218,477	36,415,362
<b>(ii) Commercial Real Estate -</b>			
Lending secured by mortgages on commercial real estates (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 construction, etc.). Exposure would also include non-fund based (NFB) limits;	28,192,986	27,024,949	-
<b>(iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -</b>			
a) Residential	-	-	-
b) Commercial Real Estate	-	-	-
<b>B) Indirect Exposure</b>			
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-	-



\*Real Estate Exposure is being calculated on the basis of actual amount receivable along with Interest accrued but not due as on 31.03.2020, and not on the basis of IND AS Value.

**3. DISCLOSURE ON ASSETS LIABILITY MANAGEMENT (MATURITY PATTERN OF CERTAIN ITEMS OF ASSETS AND LIABILITIES)**

ALM Reporting is not applicable on the HFC for the year ended 31 March 2020

Particulars	Up to 30/31 days (one month)	Over 1 month & up to 2 months	Over 2 months & up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years & up to 7 years	Over 7 years & up to 10 years	Over 10 Years	Total
<b>Liabilities</b>											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	0.33	0.33	0.33	0.98	1.96	7.86	7.21	5.39	0.38	-	24.77
Market Borrowing	0.28	0.28	0.28	0.84	1.68	6.71	0.96	-	-	-	11.03
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	0.14	0.16	0.20	0.77	1.89	9.14	10.78	9.31	15.48	31.19	79.04
Investments	-	3.09	-	-	-	-	-	-	-	-	3.09
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

**4. REVISION IN COMPANY'S OUTSTANDING LOAN BOOK**

The Company has first time adopted IND AS in the Financial Year 2019-20. Based upon the letter of Clarification issued by the Statutory Auditor's which states as under:

“As per IND AS provisions, processing fee and other upfront charges are recognised alongside loan over its repayment period. Hence, the amortised cost/ closing balance of loan shall include the unrecognized portion of processing fees and other upfront charges.

Thus, the closing balance of loans of Rs. 79,03,58,093/- as on 31<sup>st</sup> March 2020 consist of 1,134 cases out of which 72 loans were pre-closed during the year but having unrecognized portion of processing fees under IND AS, thereby depicting negative closing balance of Rs. 28,00,447 in the amortised cost.”

But, after due discussion with stakeholders regarding the treatment of aforesaid loans with negative balance, the company reached at the opinion that the same should have been treated as income during the FY 2019-20.

Considering the fact that the books are being closed and duly audited for the Financial Year ended 31.03.2020, the company recognized the Rs. 28,00,447 as an income in the month of July 2020.

Copy of letter issued by Statutory Auditor is attached as Annexure- 1

**5. RESERVE UNDER SECTION 29C OF NATION HOUSING BANK ACT, 1987**



The Company was required to create a reserve fund under Section 29C of NHB Act, 1987 and transfer therein a sum not less than twenty percent of its net profit every year. Any special reserve in terms of Section 36(1)(viii) of the Income Tax Act, 1961 may be taken into account.

The Company on the basis of letter of clarification being issued by Statutory Auditor created the special reserve u/s 36(1)(viii) of Rs. 76,78,396/- and considered the same to be proper compliance under section 29C.

Based upon the clarification received by the company from National Housing Bank during their Regulatory Inspection conducted in September 2020, Board of the company reached at the opinion that the provision u/s 29C of NHB Act, 1987 is created by lesser amount by Rs. 7,92,231 during the Financial Year 2019-20.

The company has created the differential reserve as on 30th September 2020.

Copy of letter issued by Statutory Auditor is attached as Annexure- 2

#### **6. PROVISION AS PER RBI CIRCULAR DATED APRIL 17, 2020**

In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and the Board approved policy in this regard, the Company has offered moratorium to all its customers who were Standard as on 29<sup>th</sup> February 2020. Out of which only 104 loans availed the benefit of Moratorium.

Circular requires creation of provision in respect of accounts in default but standard and to whom asset classification benefit was extended as per the aforesaid circular. The Company found 6 parties out of 104 Parties to whom Asset Classification Benefit is being provided due to grant of Moratorium in the month of March 2020.

An additional impairment provision of Rs 3,45,469 was to be created as at March 31, 2020.

The Company has taken into account the abovementioned impairment provision as on 30<sup>th</sup> September 2020.

#### **7. DISCLOSURE AND PROVISIONING OF INSURANCE PREMIUM BEING FINANCED AS A PART OF HOUSING LOANS**

Provisions of asset classification stipulated under the HFCs (NHB) Directions and Policy Circular No. 41 dated September 26, 2011 requires part of the housing loan financed in respect of Insurance Premium to be classified as Non- Housing Loan.

Considering the practical difficulty to bifurcate the loan and EMI into 2 parts i.e. one part as Housing Loan and another part as Non-Housing Loan and then identifying the balance outstanding in respect of both, company was following the practice of classifying the entire amount as Housing Loan.

On the receipt of opinion from National Housing Bank during Regulatory Inspection, the company in its Board Meeting held on 28<sup>th</sup> September 2020, passed the resolution to get the software Omnifin customized in such a way to bifurcate the loan amount and EMI into Housing loan and Non-Housing Loan respectively, thereby calculating the provision accordingly.

If the classification would have been as per the NHB Circular in the FY 2019-20, Rs. 3.00 Cr approx. would have been classified as Non-Housing Loan with additional provisioning requirement under Standard Non-Housing Loan @ 0.15% amounting to Rs. 45,000 approx.



## **8. DISCLOSURE OF CRAR**

The CRAR of the company will be effected due to the following reasons:-

1. Provision u/s 29C was created by lesser amount effecting Tier I Capital- Credit Balance in Profit & Loss Account.
2. Provision for Moratorium was not created effecting the Tier I Capital- Credit Balance in Profit & Loss Account.
3. Classification of Insurance, Processing Fees and other charges, being part of Housing Loan, into Non-Housing Loan, will lead to increase in provision @ 0.15%
4. No Risk weight was to be assigned to the assets with negative balance as discussed in point no 4 above.
5. Off-balance sheet items on account of non-consideration of undistributed amount of Housing Loans/Non-Housing Loans as on 31.03.2020.

It is worthwhile to mention that the above factors will have impact on financial health of the company very minutely.

It will lead to minor decrease in CRAR of the company from the current calculated at 124.38%, which will still be much higher than the minimum CRAR as stipulated by National Housing Bank at 13%.

The Company will make sure to calculate CRAR in subsequent months, considering the provisions of all the Circulars which will be issued by National Housing Bank from time to time.

## **9. REDUCTION IN PAT BUT NOT IMPACT ON NET WORTH**

The company has disclosed Provision on Assets (Assets being Loan given by company) as appropriation to Reserve & Surplus instead of charging it to the Statement of Profit & Loss Account by an amount of Rs. 0.19 Cr during the Financial Year 2019-20.

If the same would have been charged to the Statement of Profit and Loss Account, then PAT stands at Rs. 4.05 cr instead of Rs. 4.24 Cr. However, the same will have no impact on taxability and Net Worth.

## **10. DISCLOSURE OF NET WORTH**

The Company is having very sound financial position with Tangible Net Worth as per the Financials of Rs. Rs. 54.58 Crores.

Considering the impact of all above issues discussed in point 4 to 9, the Net Worth of the Company would have been increased to Rs. 54.86 Crores approx. as on 31.03.2020

**For Ajay Rattan & Co.,  
Chartered Accountants,  
(FRN: 012063N)**

**(CA. Ajay Aggarwal)  
Partner  
Membership No.: 090975  
UDIN: 20090975AAAACY5213**

**Place: New Delhi  
Date: 19.10.2020**



**AJAY RATTAN & CO.**

**CHARTERED ACCOUNTANTS**

Dated: 23/06/2020

To,  
Board of Directors,  
IFL Housing Finance Limited,  
D-16, 1<sup>st</sup> Floor, Above ICICI Bank,  
Sector-14, Prashant Vihar,  
New Delhi- 110085

**Sub: Loans & Advances Balances as on 31.03.2020**

Dear Sir,

This is to inform you that the company has first time adopted the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2016 as amended from time to time with effect from 1<sup>st</sup> April 2019 having retrospective impact on the Company's financial statements as on 1<sup>st</sup> April 2018.

As a result, the loans stated in the Balance Sheet at historical cost until now, the Company now has to recognize them at the amortised cost using "Effective Interest Method" in line with the transitional provisions of Ind- AS 32, 107 and 109 on "Financial Instruments" to the extent applicable.

Hitherto, the Company recognises all the processing and other upfront charges towards the income of the year in which loan has been granted. Now, as per Ind AS provisions, such processing and other upfront fees shall be recognised alongside loan over its repayment period. Hence, the amortised cost/ closing balance of loan shall include the unrecognised portion of processing fees and other upfront charges.

The closing balance of loans as on 31<sup>st</sup> March 2020 consist of 1,134 cases out of which 72 loans were pre-closed during the year but having unrecognised portion of processing fees under Ind AS, thereby depicting negative closing balance in the amortised cost. The same shall be recognised as an income of the company in subsequent financial year.

Hope you have been clarified in respect of above matter.

Thanking You  
Yours Faithfully

For AJAY RATTAN & CO.,  
CHARTERED ACCOUNTANTS,  
FRN: 012063N

(CA. AJAY AGGARWAL)  
PARTNER  
MEMBERSHIP NO: 090975



1113, 11th Floor, Arunachal Building  
Barakhamba Road, New Delhi- 110001  
Phone : 011-41511851-53  
e-mail : ajay@ajayrattanco.com

Mcb-Z4-01716, Bhatti Road  
Bathinda-151001  
Phone.: 9023637000  
email : varun@ajayrattanco.com

Branches at - Gurugram, Panchkula, Ghaziabad, email : arc@ajayrattanco.com



Dated: 23/06/2020

To,  
Board of Directors,  
IFL Housing Finance Limited,  
D-16, 1<sup>st</sup> Floor, Above ICICI Bank,  
Sector-14, Prashant Vihar,  
New Delhi- 110085

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

Dear Sir,

This is to inform you that the company has created reserve fund as per section 36 (1) (viii) of the Income-tax Act, 1961. The requirement to create Special fund is under section 29 C of National Housing Bank Act, 1987. Section 29 C states –

(1) Every housing finance institution which is a company shall create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

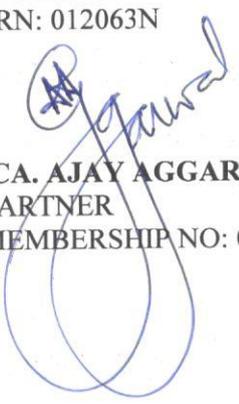
Explanation.- A housing finance institution creating and maintaining any special reserve in terms of clause (viii) of sub-section (1) of section 36 of the Income-tax Act, 1961, may take into account any sum transferred by it for the year to such special reserve for the purposes of this sub-section.

Therefore, considering above, we have created reserve fund as per section 36 (1) (viii) of the Income-tax Act, 1961.

Hope you have been clarified in respect of above matter.

Thanking You  
Yours Faithfully

**For AJAY RATTAN & CO.,**  
CHARTERED ACCOUNTANTS,  
FRN: 012063N

  
**(CA. AJAY AGGARWAL)**  
PARTNER  
MEMBERSHIP NO: 090975





**IFL HOUSING FINANCE LIMITED**

**CIN- U65910DL2015PLC285284**

**Regd. Office- D-16, 1stFloor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085**

**E-mail Id- [info@iflhousingfinance.com](mailto:info@iflhousingfinance.com) Website- [www.iflhousingfinance.com](http://www.iflhousingfinance.com) Contact No. 01147096097**

**Form No. MGT-11**

**PROXY FORM**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

**CIN: U65910DL2015PLC285284**

**Name of the Company: IFL Housing Finance Limited**

**Registered Office: D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi 110085.**

<p><b>Name of the member(s):</b></p> <p><b>Registered Address :</b></p> <p><b>Email ID:</b></p> <p><b>Folio No./Client ID :</b></p> <p><b>DP ID :</b></p>
---

I/ We being the member(s) holding \_\_\_\_\_ shares of the above named Company hereby appoint:

1. Name : \_\_\_\_\_

Address : \_\_\_\_\_

Email ID : \_\_\_\_\_  
Or failing him

2. Name : \_\_\_\_\_

Address : \_\_\_\_\_

Email ID : \_\_\_\_\_  
Or failing him



3. Name : \_\_\_\_\_

Address : \_\_\_\_\_

Email ID : \_\_\_\_\_  
Or failing him

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ behalf at the Fifth Annual General Meeting of the Company to be held on Friday, 20th November, 2020 at 12:30 p.m. at **D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi 110085** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business</b>	
<b>1.</b>	To receive, consider and adopt the financial statements of the company for the financial year ended March 31, 2020 including Audited Balance Sheet as on March 31, 2020, Cash Flow Statement and the Statement of Profit and Loss, for the financial year ended on March 31, 2020, along with the reports of the Board of Directors('the Board') and the Auditors thereon.
<b>2.</b>	To appoint a Director in place of Mrs. Sunita Bansal (DIN: 02801660), who retires by rotation and, being eligible, offers himself for re-appointment.

Signed this.....Day of.....2020

Affix  
Rs. 1/-  
Revenue  
Stamp

Signature of the member.....

Signature of the Proxy holder(s) (1).....(2).....(3).....

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**



**IFL HOUSING FINANCE LIMITED**

**CIN- U65910DL2015PLC285284**

**Regd. Office- D-16, 1stFloor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085**

**E-mail Id- [info@iflhousingfinance.com](mailto:info@iflhousingfinance.com) Website- [www.iflhousingfinance.com](http://www.iflhousingfinance.com) Contact: No. 01147096097**

**ATTENDANCE SLIP**

Full name and address of the Shareholder/Proxy Holder (in block letters)	
Joint Holder 1(in block letters)	
Joint Holder 2(in block letters)	
Folio No./DP ID*/Client ID*:	
No. of Shares Held	
<p>I hereby certify that I am a member/proxy for the member of the Company.</p> <p><b>Signature of Shareholder/Proxy</b></p>	

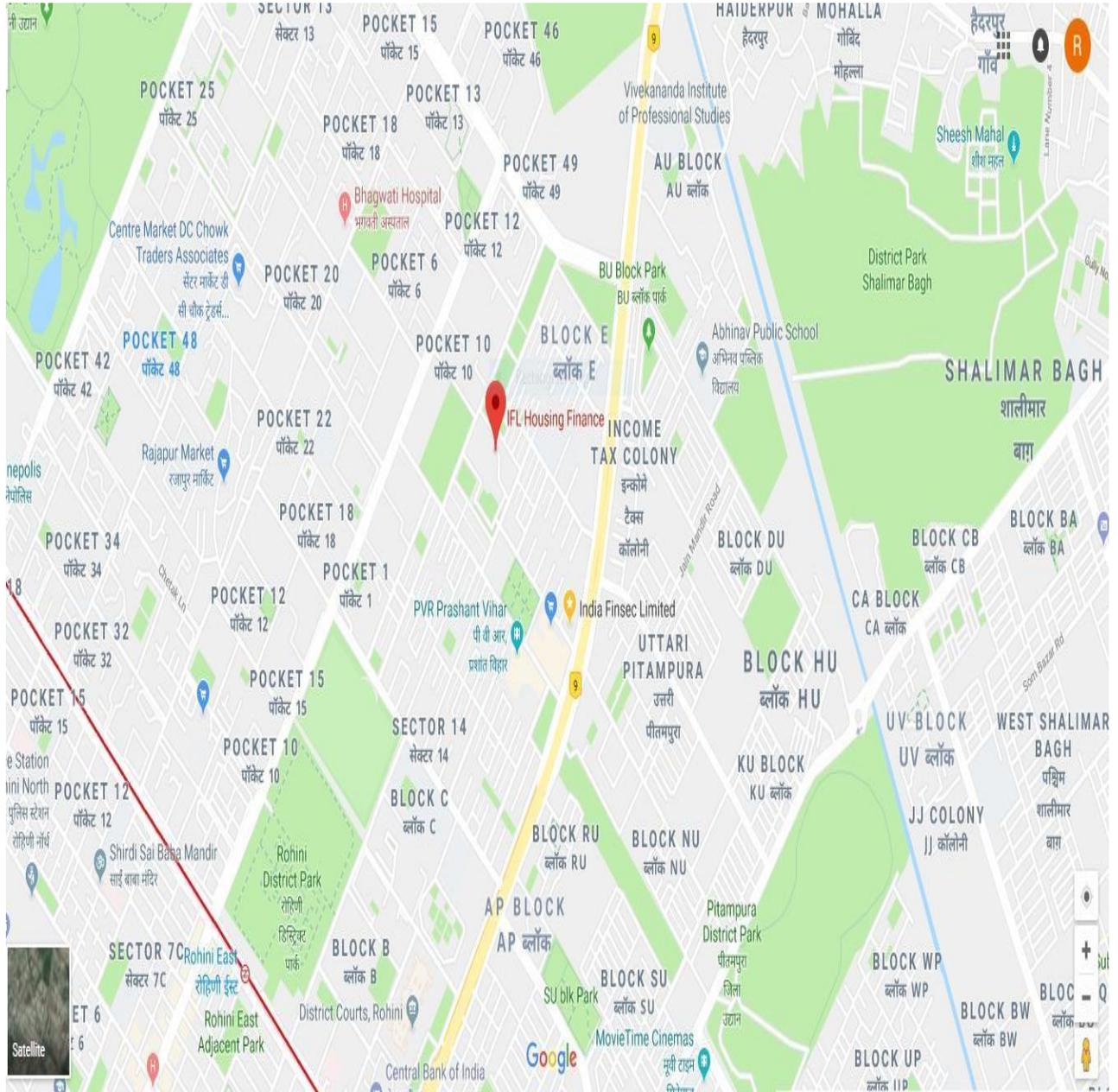
I/we hereby record my presence at the Fifth Annual General Meeting of the Shareholders of IFL Housing Finance Limited held on Friday, 20<sup>th</sup> November, 2020 at 12:30 p.m. at **D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085.**

**Note:** Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the premise. Shareholders are also requested to bring their copy of annual report. As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting.

\*Applicable for shareholders holding shares in electronic form.

### ROUTE MAP TO THE VENUE OF AGM

**Name of the Company:** IFL Housing Finance Limited  
**Registered Office:** D-16, First Floor, Above ICICI bank,  
Prashant Vihar, Sector-14, Rohini, New Delhi-110085







**IFL HOUSING FINANCE LIMITED**

**Regd. Office: D-16, 1<sup>st</sup> Floor, Above ICICI Bank,  
Sector 14, Prashant Vihar, New Delhi- 110085**

**Ph: 011-47096097**

**[www.iflhousingfinance.com](http://www.iflhousingfinance.com)**