CAPRI GLOBAL HOUSING FINANCE LIMITED

ANNUAL REPORT 2019-20

CAPRI GLOBAL HOUSING FINANCE LIMITED

CIN No.: U65990MH2006PLC161153
Regd. Office: 502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai 400 013
Website: www.caprihomeloans.com
Tel. No.: +91 22 40888100 Fax No.: +91 22 40888160

NOTICE OF THE 14TH ANNUAL GENERAL MEETING

NOTICE is hereby given that Fourteenth Annual General Meeting ('**AGM**') of the Members of Capri Global Housing Finance Limited ('the **Company**') will be held on Thursday, June 18, 2020 at 4.00 P.M., at the Registered Office of the Company at 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. Maharashtra (India) to transact the following businesses:

ORDINARY BUSINESS:

1. **To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Directors' and Auditors' thereon.**

2. **To appoint a Director in place of Mr. Rajesh Sharma (DIN: 00020037), who retires by rotation, and being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS:

3. **Re-appointment of Mr. Tilak Raj Bajalia (DIN : 02291892) as an Independent Director of the Company.**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act, Mr. Tilak Raj Bajalia (DIN 02291892), Independent Director of the Company, whose period of office expired on March 31, 2020 on completion of the first Five (5) consecutive years of appointment within the meaning of Section 149(10) of the Act and who has been appointed as an Additional Director of the Company with effect from April 1, 2020 by the Board of Directors of the Company and who holds office upto the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act, as amended from time to time and who is eligible for re-appointment for a second term and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of his performance evaluation for the year 2019-20, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of Five (5) consecutive years commencing from April 1, 2020 upto March 31, 2025 and whose office shall not be liable to retire by rotation.

   RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings with the appropriate authorities and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

4. **Re-appointment of Ms. Bhagyam Ramani (DIN 00107097) as an Independent Director of the Company**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution, as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act, Ms. Bhagyam Ramani (DIN 00107097), Independent Director of the Company, whose period of office expired on March 31, 2020 on completion of the first Five (5) consecutive years of appointment within the meaning of Section 149(10) of the Act and who has been appointed as an Additional Director of the Company with effect from April 1, 2020 by the Board of Directors of the Company and who holds office upto the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria of independence as provided in Section 149(6) of the Act, as amended from time to time and who is eligible for re-appointment for a second term and in respect of whom a notice in writing pursuant to section 160 of the Act has been received in the prescribed manner and considering the report of her performance evaluation for the year 2019-20, be and is hereby re-appointed as an Independent Director of the Company to hold office for a second term of Five (5) consecutive years commencing from April 1, 2020 upto March 31, 2025 and whose office shall not be liable to retire by rotation.

   RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings with the appropriate authorities and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto."

5. **Conversion of Loan into Equity**

   To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "**RESOLVED THAT** pursuant to Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the applicable Rules made there under ("Act"), and the enabling provisions of the Memorandum of Association and Articles of Association of the Company, Foreign Exchange Management Act, 1999, ('FEMA') as amended and rules and regulations framed there under as in force and in accordance with other applicable policies, rules, regulation, circulars, notifications, clarifications and guidelines thereon issued from time to time by the Government of India, The National Housing Bank (NHB), the Reserve Bank of India ('RBI') and the Registrar of Companies ('ROC') and subject to requisite approvals, consents, permissions, and/or sanctions, from NHB, RBI and any other appropriate authorities to the extent applicable and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting any such approvals, consents, permission, and / or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred hereunder), and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board in its absolute discretion, the consent of the Company be and is hereby accorded to the Board, in respect of financial assistance availed and/or to be availed and/or continued to be availed from various banks and financial institutions (hereinafter collectively referred to as the "Lenders") on the terms and conditions contained in the financing documents, such terms and conditions to provide, inter alia, to convert the whole or part of the outstanding loans of the Company (whether disbursed on or prior to or after the date of this resolution and whether then due or payable or not), with various Lenders , at the option of the Lenders, the loans or any other financial assistance categorized as loans (hereinafter referred to as the "Financial Assistance"), in Foreign Currency or Indian Rupees, which have already been availed or as may be availed from the Lenders, from time to time, not exceeding ₹ 2,000 Crore (Rupees Two Thousand Crore) and consistent with the borrowing powers of the Company under Section 180(1)(c) of the Act , into fully paid- up equity shares of the Company on such terms and conditions as may be stipulated in the financing documents and subject to the provisions of the applicable laws and in the manner specified in a notice in writing to be given by the Lenders (or their agents or trustees) to the Company (hereinafter referred to as the "Notice of Conversion") and specifically in accordance with the conditions given below:

(i) the conversion right reserved as aforesaid may be exercised by the Lenders on one or more occasions during the currency of the Financial Assistance;

(ii) on receipt of the Notice of Conversion, the Company shall, subject to the provisions of the financing documents, allot and issue the requisite number of fully paid-up equity shares to the Lenders or any other person identified by the Lenders as from the date of conversion and the Lenders may accept the same in complete satisfaction of the part of the loans so converted;

(iii) the part of the loan so converted shall cease to carry interest as from the date of conversion and the loan shall stand correspondingly reduced, upon such conversion, the repayment instalments of the loan payable after the date of conversion as per the financing documents shall stand reduced proportionately by the amounts of the loan so converted. The equity shares so allotted and issued to the Lenders or such other person identified by the Lenders shall carry, from the date of conversion, the right to receive proportionately the dividends and other distributions declared or to be declared in respect of the equity capital of the Company;

(iv) in the event that the Lenders exercise the conversion right as aforesaid, the Company shall at its cost get the equity shares issued to the Lenders or such other person identified by the Lenders as a result of the conversion ;

(v) the loans shall be converted into equity shares at a price to be determined in accordance with the NHB, RBI , FEMA and / or any other regulations/ guidelines, at the time of such conversion.

RESOLVED FURTHER THAT the equity shares to be allotted and issued to such Lenders pursuant to its exercising the right of conversion shall rank pari passu in all respects with the then existing equity shares in the Company;

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalise the terms and conditions to convert the Financial Assistance into equity shares of the Company anytime during the currency of the Financial Assistances, on the terms specified in the financing documents, including upon happening of an event of default by the Company in terms of the loan arrangements with the Lenders.

RESOLVED FURTHER THAT on receipt of the Notice of Conversion, the Board be and is hereby authorized to do all such acts, deeds and things as may be necessary and shall allot and issue requisite number of fully paid-up equity shares in the Company to such Lenders or such other person identified by the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolutions, the Board, be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the regulatory authorities and execution of any documents on, behalf of the Company and to represent the Company before any governmental authorities and to appoint any Merchant Bankers or other Professional Advisors, Consultants and Legal Advisors to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board and its Committee in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are approved, ratified and confirmed in all respects."

By Order of the Board
For Capri Global Housing Finance Limited

Sd/-
Abhishekh Kanoi
Company Secretary

Place: Mumbai
Dated: May 9, 2020

REGISTERED OFFICE
502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel,
Mumbai 400 013

NOTE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE TIME OF THE MEETING.

2. An Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 ('the **Act**'), in respect of the special business as set out in the Notice is annexed hereto.

3. The Statutory Registers and other document required to be kept open for inspection under the Act read with rules made thereunder at the AGM, will be available for inspection by the members at the AGM of the Company.

4. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during the business hours up to and including the date and time of the AGM of the Company.

5. Members / Proxies should fill in the attendance slip for attending the Meeting. Proxies form as prescribed under the Act is enclosed herewith.

6. Corporate Members intending to send their authorized representative to attend the meeting are requested to send a duly certified copy of the board resolution authorizing their representative to attend and vote at the AGM.

7. The Members may note that the Notice of the AGM of the Company along with the Annual Report will be available on the Company's website at www.capriglobalhomes.com.

8. The landmark of the venue of the meetings and the Route map is enclosed with the Notice and same has also been posted on the website of the Company.

EXPLANATORY STATEMENT
(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

As required by Section 102 of the Companies Act, 2013 ('the **Act**'), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3, Item No.4 and Item No. 5 of the accompanying Notice dated May 9, 2020:

ITEM NO. 3

Mr. Tilak Raj Bajalia (DIN: 02291892) was appointed as an Independent Director of the Company pursuant to the Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the Annual General Meeting of the Company held on July 18, 2015 to hold office upto March 31, 2020 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act).

The extent provisions of the Act provides for maximum of two terms for all Independent Directors. An Independent Director is eligible for re-appointment for the second term of five consecutive years, on passing of a Special Resolution by the Company and disclosure of such appointment in the Board Report.

The Nomination & Remuneration Committee at its Meeting held on February 17, 2020 after taking into account the performance of Mr. Tilak Raj Bajalia during his first term of five years, the report of his performance evaluation for the year 2018-19 and considering the knowledge, acumen, expertise and experience in his field and the substantial contribution made by Mr. Tilak Raj Bajalia during his first term as an Independent Director, has recommended to the Board that continued association of Mr. Tilak Raj Bajalia as an Independent Director would be in the interest of the Company.

Based on the above, the Nomination & Remuneration Committee and the Board of Directors has recommended the re-appointment of Mr. Tilak Raj Bajalia as an Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from April 1, 2020 upto March 31, 2025 and not liable to retire by rotation. In the interim, Mr. Tilak Raj Bajalia was appointed as an Additional Director (Independent) with effect from April 1, 2020 till the conclusion of the ensuing AGM where the shareholders are requested to consider and approve his re-appointment.

Brief profile of Mr. Tilak Raj Bajalia covering the details of his qualification, experience etc. as required in terms of Secretarial Standards on General Meeting, are mentioned herein below:

Mr. Tilak Raj Bajalia retired as Deputy Managing Director of the SIDBI, before joining Board of the Company as Independent Director. Before being appointed as a Managing Director of SIDBI in October 2012, he was the Executive Director with IDBI Bank Limited.

During his 39-year stint in banking industry, he has handled various portfolio including Corporate Banking, Project Appraisal, NPA management and resolution, MSME Funding, Human Resource Management/Development, Training, Legal, Management of facilities and infrastructure.

He played a significant role in the formation of the Micro Small and Medium Enterprises (MSME) vertical in IDBI in 2008. He had been an IDBI nominee on the SIDBI Board since 2009, before being appointed its Deputy Managing Director.

He served as a Member of the Committee constituted by Reserve Bank of India for restructuring of SME and other concerns. He was member of committees relating to MSME sector constituted by chambers of commerce including Maharashtra Chamber of Commerce, FICCI and CII. Mr. Tilak Raj Bajalia has completed BA (Economics), CAIIB, ICWAI.

Mr. Tilak Raj Bajalia has been associated with the Company since September 2014. He is a member of Audit Committee and Nomination and Remuneration Committee.

Mr. Tilak Raj Bajalia has complied with the "Fit & Proper" criteria to continue on the Board of the Company, as prescribed by Regulation 4 of the Housing Finance Companies – Corporate Governance (NHB) Directions, 2016 and has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr. Tilak Raj Bajalia fulfils the conditions specified in the Act for his re-appointment as an Independent Director and is Independent of the Management.

The Company has also received the following from Mr. Tilak Raj Bajalia:

a. Consent in writing to act as a Director;
b. Intimation that he is not disqualified under Section 164(2) of the Companies Act, 2013;
c. A declaration to the effect that he is not debarred from holding the office of a Director.

A copy of draft letter for appointment of Mr. Tilak Raj Bajalia as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day and the same has also been put up on the Company website: www.caprihomeloans.com.

The Company has also received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Tilak Raj Bajalia for the office of Independent Director of the Company

The other details of the Director whose re-appointment is proposed at Item o.3 of the accompanying Notice, have been given in the attached annexure.

The Board recommends the Resolution for re-appointment of Mr. Tilak Raj Bajalia at Item No. 3 of this Notice as Special Resolution, for your approval.

Except Mr. Tilak Raj Bajalia being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item No. 3, except to the extent of their shareholding, if any, in the Company.

ITEM NO. 4

Ms. Bhagyam Ramani (DIN: 00107097) was appointed as an Independent Director of the Company pursuant to the Section 149 of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the Shareholders at the AGM of the Company held on July 18, 2015 to hold office upto March 31, 2020 ("first term" as per the explanation to Section 149(10) and 149(11) of the Act).

The extent provisions of the Act provides for maximum of two terms for all Independent Directors. An Independent Director is eligible for re-appointment for the second term of five consecutive years, on passing of a Special Resolution by the Company and disclosure of such appointment in the Board Report.

The Nomination & Remuneration Committee at its Meeting held on February 17, 2020, after taking into account the performance of Ms. Bhagyam Ramani during her first term of five years, the report of her performance evaluation for the year 2018-19 and considering the knowledge, acumen, expertise and experience in her respective field and the substantial contribution made by Ms. Bhagyam Ramani during her tenure as an Independent Director since her appointment, has recommended to the Board that continued association of Ms. Ramani as an Independent Director would be in the interest of the Company.

Based on the above, the Nomination & Remuneration Committee and the Board of Directors has recommended the re-appointment of Ms. Bhagyam Ramani as an Independent Director on the Board of the Company, to hold office for the second term of five consecutive years commencing from April 1, 2020 upto March 31, 2025 and not liable to retire by rotation. In the interim, Ms. Ramani was appointed as an Additional Director (Independent) with effect from April 1, 2020 till the conclusion of the ensuing AGM where the shareholders are requested to consider and approve her re-appointment.

Brief profile of Ms. Bhagyam Ramani covering the details of her qualification, experience etc. as required in terms of Secretarial Standards on General Meeting, are mentioned herein below:

Ms. Bhagyam Ramani is a master's in economics from University of Mumbai with specialization in Industrial and Monetary Economics. She was a Director of General Insurance Corporation of India from 2009 till her retirement in 2012.

Ms. Ramani is currently serving as Independent Director on the Boards of prominent companies including Saurashtra Cement Ltd., Gujarat Sidhee Cement Ltd., Lloyds Metals and Energy Ltd., Tata AIG General Insurance Company Limited, IDBI Federal, Life Insurance Company Ltd., L&T Special Steels and Heavy Forgings Private Ltd. and NSE Clearing Limited.

She has more than 40 years of experience in the field of treasury operations and portfolio management which is very vital for the Company's business operations.

Ms. Ramani has been associated with the Company since September 2014. She is a Chairperson of Nomination and Remuneration Committee and member of the Audit and Risk Management Committee.

Ms. Ramani has complied with the "Fit & Proper" criteria to continue on the Board of the Company, as prescribed by Regulation 4 of the Housing Finance Companies – Corporate Governance (NHB) Directions, 2016 and has given a declaration to the Board that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013.

In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Ms. Bhagyam Ramani fulfils the conditions specified in the Act for her re-appointment as an Independent Director and is Independent of the Management.

The Company has also received the following from Ms. Ramani:

a. Consent in writing to act as a Director;
b. Intimation that she is not disqualified under Section 164(2) of the Companies Act, 2013;
c. A declaration to the effect that she is not debarred from holding the office of a Director.

A copy of draft letter for appointment of Ms. Bhagyam Ramani as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day and the same has also been put up on the Company website: www.caprihomeloans.com.

The Company has also received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Tilak Raj Bajalia for the office of Independent Director of the Company

The other details of the Director whose re-appointment is proposed at Item no.4 of the accompanying Notice, have been given in the attached annexure.

The Board recommends the Resolution for re-appointment of Ms. Bhagyam Ramani at Item no. 4 of this Notice as Special Resolution, for your approval.

Except Ms. Bhagyam Ramani being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at item no. 4, except to the extent of their shareholding, if any, in the Company.

ITEM NO.5

Pursuant to the provisions of Section 180(1)(c) of the Act, the shareholders of the Company at the 13th Annual General Meeting held on June 24, 2019, in supersession of their earlier resolution, enhanced the borrowing limit of the Company from erstwhile ₹ 1,000 Crores (Rupees One Thousand Crores) to ₹ 2,000 Crore (Rupees Two Thousand Crore) through a Special Resolution and authorized therein to the Board of Directors of the Company to borrow money/ moneys exceeding the aggregate of the paid-up capital and the free reserves of the Company upto an amount of ₹ 2,000 Crore (Rupees Two Thousand Crore) from various banks and financial institutions ("Lenders").

Accordingly, pursuant to the provisions of Section 62(3) of the Act and Rules made there-under, the Company is required to pass an enabling Special Resolution, to enable the Lenders to convert the outstanding Financial Assistance, in foreign currency or Indian Rupee, already availed from the Lenders or as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable provisions of Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Foreign Exchange Management Act, 1999, National Housing Bank of India and /or Reserve Bank of India and all other applicable regulations / guidelines, at the time of such conversion.

Pursuant to provisions of Section 62(3) of the Act, this resolution requires approval of the members by way of passing of a Special Resolution.

Accordingly, the Board recommends the resolution as set out in Item No. 5, to enable the Lenders, in terms of the lending arrangements, entered / to be entered, and as may be specified by Lenders under the financing documents already executed or to be executed in respect of the Financial Assistance availed and/or to be availed and/or continued to be availed, at their option, to convert the whole or part of their respective outstanding Financial Assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board.

Since time is of essence for making the decisions regarding raising the financial assistance or agreeing to terms and conditions for raising the financial assistance (including option to convert loan into equity), especially keeping in view the interest of the Company, it may not be feasible for the Company to seek shareholders consent each and every time, in view of the timings and the expenses involved, hence, proposes this resolution for approval.

None of the Directors / Key Managerial Personnel of the Company or their relatives are in anyway, concerned or interested, either directly or indirectly and financially or otherwise, in the Special Resolution, save and except to the extent of their respective interest as shareholders of the Company.

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AS REQUIRED UNDER SECRETARIAL STANDARD- 2 ON GENERAL MEETING

Mr. Rajesh Sharma

Mr. Sharma is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He is the Managing Director, with over 25 years of experience in Capital Market and Financial Advisory Services. A forward thinker, a first generation entrepreneur and a thought leader, Mr. Sharma has diverse experience in the domain of corporate finance, investment banking, merchant banking and asset financing domains. He has expertise in innovating financial products, designing investment strategies for clients and financial risk management.

He is an astute businessman and his deep insights in the debt markets are reflected in his ability to strategize the entire stakeholder value creation. Building a business on the principles of ethics, economic empowerment and equitable growth, he envisions the Company to rise as one of India's premier financial institutions.

He is not related to any of the Directors and Key Managerial Personnel of the Company. The Board of Directors recommend passing of the resolution set out in item No. 2 of the accompanying Notice.

Except Mr. Rajesh Sharma, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in Item No.2.

Mr. Tilak Raj Bajalia

For details pertaining to qualification, experience of Mr. Tilak Raj Bajalia, please refer to the Explanatory Statement in respect of the Special Business set out at Item No. 3 of the Notice of the AGM pursuant to Section 102 of the Companies Act, 2013.

Ms. Bhagyam Ramani

For details pertaining to qualification, experience of Ms. Bhagyam Ramani, please refer to the Explanatory Statement in respect of the Special Business set out at Item No. 4 of the Notice of the AGM pursuant to Section 102 of the Companies Act, 2013.

Other Details:

Name of the Director	Mr. Rajesh Sharma	Mr. Tilak Raj Bajalia	Ms. Bhagyam Ramani
Date of Birth	February 28, 1970	December 25, 1953	January 09, 1952
Age	50	66	67
Nationality	Indian	Indian	Indian
Date of appointment on the board	April 17, 2006	September 25, 2014	September 25, 2014
Terms and conditions of Re-appointment	**Retire by rotation:** Liable to retire by rotation **Code of Conduct:** Abide by the Code of Conduct devised by the Company	**Appointment :** Second term for Five (5) years w.e.f. April 1, 2020 to March 31, 2025. **Retire by rotation:** Not-Liable to retire by rotation	**Appointment :** Second term for Five (5) years w.e.f. April 1, 2020 to March 31, 2025. **Retire by rotation:** Not-Liable to retire by rotation

		Duties: As provided under Section 166 of the Act in addition to duties mandated under Schedule IV of the Act.	**Duties:** As provided under Section 166 of the Act in addition to duties mandated under Schedule IV of the Act.
Number of shares held in the company	100	Nil	Nil
Relationship with other Directors, Manager and other KMP	None	None	None
Number of Meetings of the Board attended / held	4/6	6/6	5/6
Directorships held in other companies (excluding foreign companies and Government Bodies)	1. Capri Global Capital Limited 2. Capri Global Advisory Services Private Limited 3. Parshwanath Buildcon Private Limited 4. Gagandeep Infrastructures Private Limited 5. Sukumar Properties Private Limited 6. Dnyaneshwar Trading and Investment Private Limited 7. Capri Global Asset Reconstruction Pivate Limited 8. Capri Global Holdings Private Limited 9. Parijat Properties Private Limited 10. Shri Rangji Realties Private Limited 11. Stroll Properties Private Limited 12. Sweet Memories Property Private Limited 13. Sitilite Properties Private Limited 14. Vishwamukha Developers Private Limited 15. Sarvasiddhanta Properties Private	1. India Steel Works Limited 2. Isinox Limited 3. Indinox Steels Private Limited 4. Moneyplus Financial Services Private Limited 5. Kanchansobha Finance Private Limited 6. Pen India Limited	1. Gujarat Sidhee Cement Limited 2. Saurashtra Cement Limited 3. Lloyds Metals and Energy Limited 4. L&T Special Steels and Heavy Forgings Private Limited 5. Capri Global Capital Limited 6. IDBI Federal Life Insurance Company Limited 7. NSE Clearing Limited 8. Tata AIG General Insurance Company Limited

	Limited 16. Budhinath Advisory Services Private Limited 17. Realty Check Properties Private Limited 18. Terrain Properties Private Limited 19. Money Matters Properties Private Limited		
Membership / Chairmanship of Committees of other companies	**Audit Committee** Nil **Stakeholders' Relationship Committee** Capri Global Capital Limited – Member **Corporate Social Responsibility Committee** Capri Global Capital Limited – Member **Risk Management Committee** Capri Global Capital Limited – Chairperson	**Audit Committee** 1. India Steel Works Limited- Member 2. Pen India Limited- Member	**Audit Committee** 1. Capri Global Capital Limited- Member 2. L & T Special Steels and Heavy Forgings Private Limited- Member 3. Saurashtra Cement Limited **Stakeholders' Relationship Committee** Capri Global Capital Limited- Member **Corporate Social Responsibility** Capri Global Capital Limited – Chairperson **Nomination & Remuneration Committee** Capri Global Capital Limited – Chairperson **Risk Management Committee** Capri Global Capital Limited – Member

By Order of the Board
For Capri Global Housing Finance Limited

Sd/-
Abhishekh Kanoi
Company Secretary

Place: Mumbai
Dated: May 9, 2020

REGISTERED OFFICE:
502, Tower A, Peninsula Business Park,
Senapati Bapat Marg,
Lower Parel, Mumbai 400 013

CAPRI GLOBAL HOUSING FINANCE LIMITED

CIN No.: U65990MH2006PLC161153
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Website: www.caprihomeloans.com
Tel. No.: +91 22 40888100 Fax No.: +91 22 40888160

ATTENDANCE SLIP

(To be presented at the entrance of the meeting hall)

Regd. Folio No./Client ID No.____
DP ID No. ____
No. of shares held____

I/We hereby record my/our presence at **FOURTEENTH ANNUAL GENERAL MEETING** of Capri Global Housing Finance Limited, held on Thursday, June 18, 2020 at 4.00 P.M. at the Registered Office of the Company at 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai-400 013, Maharashtra (India).

Member's/ Proxy's name in BLOCK Letters   Signature of Member/Proxy

NOTE: Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting. Members are requested to bring their copies of the Annual Report to the meeting.

CAPRI GLOBAL HOUSING FINANCE LIMITED

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Senapati Bapat Marg, Lower Parel, Mumbai 400 013
Website: www.caprihomeloans.com
Tel. No.: +91 22 40888100 Fax No.: +91 22 40888160

PROXY FORM

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

Name of the member(s):____
Registered address:____
E-mail Id:____
Folio No/ Client Id:____
DP ID:____

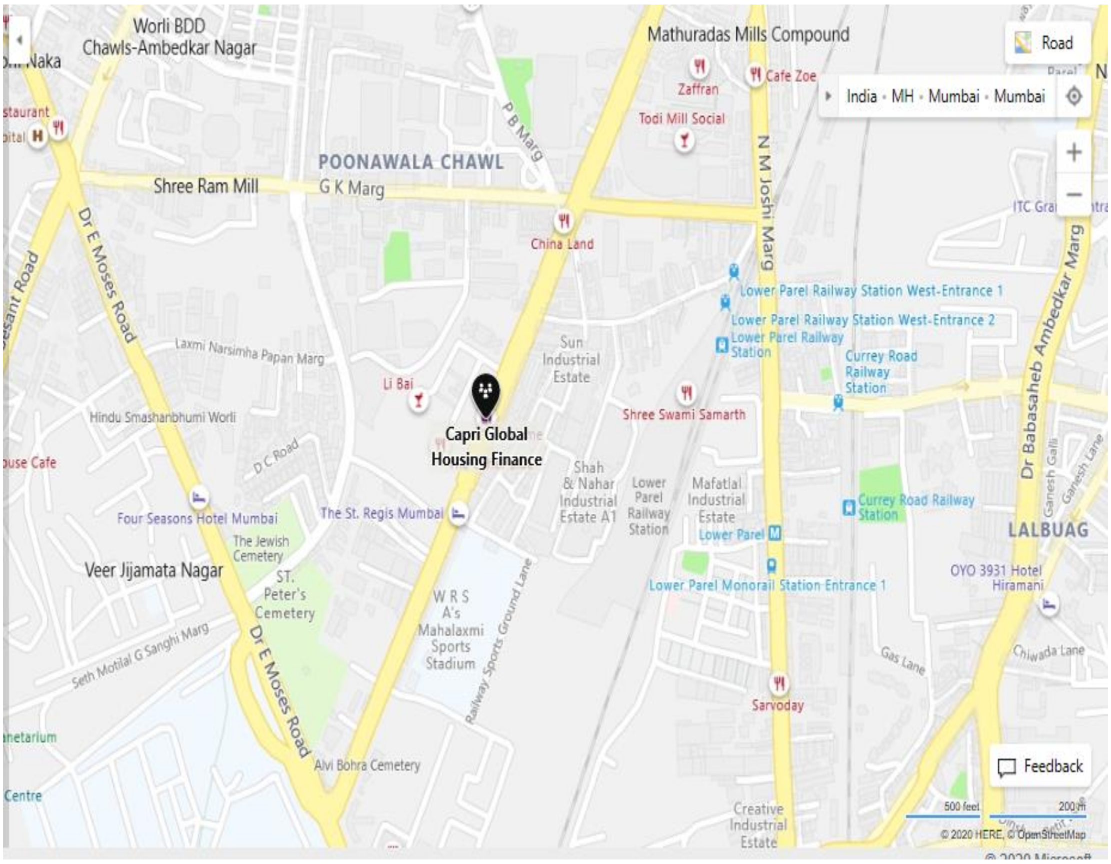
I/We, being the member (s) of________________ shares of the above named company, hereby appoint:

1.________________________of_____________having E-mail ID______________________ or failing him,

2. .______________________of_____________ having E-mail ID_____________________ or failing him,
3. ______________________of_____________ having E-mail ID_____________________ .

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fourteenth Annual General Meeting of the Company, to be held on Thursday, June 18, 2020 at 4.00 P.M. at the Registered Office of the Company at 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. Maharashtra (India) and at any adjournment thereof in respect of such resolutions as are indicated below:

Route Map for AGM Venue



*I wish my above Proxy to vote in the manner as indicated below:

Sl. No.	Resolutions	For	Against
1.	To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 together with the Report of the Directors' and Auditors' thereon.		
2.	To appoint a Director in place of Mr. Rajesh Sharma (DIN: 00020037), who retires by rotation, and being eligible, offers himself for re-appointment.		
3.	Re-appointment of Mr. Tilak Raj Bajalia (DIN : 02291892) as an Independent Director of the Company.		
4.	Re-appointment of Ms. Bhagyam Ramani (DIN 00107097) as an Independent Director of the Company		
5.	Conversion of Loan into Equity		

Signed this_______________ day of ________2020

Signature of shareholder(s):

Signature of Proxy holder(s):

____

(First proxy holder)	**(Second proxy holder)**	**(Third proxy holder)**

Notes:

1. This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a Member of the Company.

* This is only optional. Please put 'x' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

DIRECTORS' REPORT

Dear Members,
Capri Global Housing Finance Limited

The Directors of the Company are pleased to present their Fourteenth Annual Report together with the Annual Audited Financial Statements for the financial year ended March 31, 2020.

FINANCIAL PERFORMANCE

The summary of the Company's Financial Performance for the Financial year ended March 31, 2020 as compared to the previous Financial year ended March 31, 2019 is given below:

(₹ in Lakh)

Particulars	**2019-20**	**2018-19**
Total Revenue	13,946.96	8,889.58
Less: Operating Expenses	3,465.39	3,819.09
Less: Impairment on financial instruments (Expected Credit Loss)	451.06	245.88
Profit before Interest, Depreciation & Taxes (PBIDT)	**10,030.51**	**4,824.61**
Less: Depreciation	231.15	176.38
Less: Interest & Finance Charges	6,682.95	3,721.14
Profit Before Tax	**3,116.41**	**927.09**
Less: Provisions for taxation	683.15	228.84
Profit After Tax (PAT)	**2,433.26**	**698.24**
Profit After Tax (PAT) including Other Comprehensive Income	2,432.28	695.62
Statutory Reserve (Under Section 29C of the National Housing Bank Act, 1987)	490.00	140.00
Earnings per Share (EPS) (Rs.)	4.01	1.88
Net Worth	23,153.19	20,720.91
Borrowings from Bank/ Financial Institutions	77,431.19	67,637.42
Loan Book / Assets Under Management (AUM)	89,825	79,265

OPERATIONAL PERFORMANCE/STATE OF AFFAIRS

A. OPERATIONAL PERFORMANCE

Your Company's focus continued to provide loan to first time home buyers belonging to middle and lower income earning families. This was the Company's third full year of operations and the Company achieved a loan book of ₹89,825 Lakh for the year ended March 31, 2020 as compared to ₹79,265 Lakh representing an increase of 13.30%.The Company expanded its reach to 78 branches spread over 6 states i.e. Maharashtra, Gujarat, Madhya Pradesh, Delhi NCR, Rajasthan and Uttar Pradesh during the year as compared to 75 Branches spread over 6 states of the previous year.

The Company's total revenue from operations for the year ended March 31, 2020 was ₹13,946.96 Lakh as compared to revenue from operations of ₹8,889.58 Lakh in the previous year, an increase of 57% and reported a Profit After Tax of ₹2,433.26 Lakh for the year ended March 31, 2020 as compared to profit of ₹698.24 Lakh of the previous year, an increase of 248%.

The Gross NPA of the Company stood at 1.21% and the Net NPA was at 0.39% as of March 31, 2020, which is well below the industry averages.

B. STATE OF AFFAIRS

Home Loan segment has shown an impressive growth of 13.30% at ₹89,825 Lakh during the Financial Year 2019-20 as against ₹79,265 Lakh in the Financial Year 2018-19 and increasing its reach to 10,207 customers from 8,637 customers in previous year. During the year, the Company has disbursed home loans amounting to ₹25,300 Lakh as compared to ₹57,300 Lakh in the previous year.

The Company Net worth has increased from ₹20,720.91 Lakh to ₹23,153.91 Lakh in FY 2019-20 on account of 248% jump in PAT to ₹2,433.26 Lakh during the current financial year.

C. Covid-19 Pandemic Impact

The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as standard, even if overdue as on February 29, 2020, excluding the collections already made in the month of March 2020. For all such accounts where the moratorium is granted, the asset classification will remain at a standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Company's policy).

Further, the Company has, based on current available information and based on the policy approved by the board, determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial Statement. Accordingly, the Company has made provision for expected credit loss on financial assets as at March 31, 2020. As part of the management overlays, as per the approved ECL policy, the management has increased the underlying PD and LGD as computed by ECL Model by 15-25% and 15-25% respectively depending on the nature of the portfolio/borrower, the management's estimate of the future stress and risk and available market information. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will impact the Company's Financial Statement will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial Statement and the Company will continue to closely monitor any material changes to future economic conditions.

D. RESOURCE MOBILIZATION

The Company has strengthened its relationships with banks /financial institution and got sanctions of ₹ 39,000 Lakh. As of March 31, 2020, borrowings from Public sector, private sector banks and financial institutions in term loans (tenure of 7-8 years)/ CC limits were ₹77,431.19 Lakh as against ₹67,637.42 Lakh in the Financial Year 2018-19. The Company has raised fresh resources from term loans and other facilities from banks of ₹27,500 Lakh and refinance from National Housing Bank of ₹11,500 Lakh. The un-availed limits from banks and FI's as at March 31, 2020 is ₹20,000 Lakh. During the year under review, your Company has banking relationships with 11 banks. The Company has cash and bank balance of ₹ 1962.80 Lakh and liquid mutual fund investment of ₹11,208.99 Lakh as at March 31, 2020.

The Debt Equity ratio of the Company as at March 31, 2020 was 3.34 times. The Company has been regular in repayment of its debt obligations to the banks and financial institutions during the year.

DIVIDEND

To conserve resources for business growth of the Company, your Directors do not recommend payment of any dividend on equity shares for the Financial Year ended March 31, 2020.

TRANSFER TO RESERVES

Pursuant to Section 29C (i) of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of the net profits every year to Statutory Reserve. Accordingly, the Company has transferred ₹490 Lakh (previous year ₹140 Lakh) to a Reserve created for the purpose.

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 Companies Act, 2013 **("the Act")** read with the Companies (Acceptance of Deposits) Rules, 2014.

AWARDS AND RECOGNITION

During the year under review, Mr. Rajesh Sharma, the Managing Director of the Company has won India's Most Inspirational Leader by White Page India.

SHARE CAPITAL

As on March 31, 2020, the Authorized Share Capital of the Company stood at ₹6,500 Lakh (6,50,00,000 Shares of ₹ 10/- each and the Issued, Subscribed and Paid-up Equity Share Capital of the Company stands at ₹6,071.43 Lakh (comprising of 6,07,14,280 Equity Shares of ₹10/- each). During the Financial Year 2019-20, the Company has not issued any Equity Shares.

STATUTORY AND REGULATORY COMPLIANCE

The Company has complied with applicable statutory provisions, including those of Companies Act, 2013 and Income Tax 1961.

The Company is registered with the NHB as a Non–Deposit accepting Housing Finance Company. The Company has complied with and continues to comply with all applicable provisions of the National Housing Bank Act, 1987, NHB Directions 2010 and other applicable rules/regulations/guidelines, issued from time to time.

CAPITAL ADEQUACY RATIO

As on March 31, 2020, the Company's Capital Adequacy Ratio (CAR), stood at 40.35%, compared to 50.83% for the previous year, which is well above the regulatory minimum, providing much needed headroom for fund raising for business operations of the Company.

EMPLOYEES' STOCK OPTION SCHEME

In accordance with the Employees Stock Options Scheme 2009 of the Holding Company, Capri Global Capital Limited and based on the approval of the Nomination and Remuneration Committee, 23,000 (Twenty Three Thousand Only) Stock Options was granted to the eligible employees of the Company.

CREDIT RATING

During the year, Credit Analysis and Research Ltd. ("CARE") has reaffirmed rating with respect to the long-term bank facilities availed by the Company, as follows:

Nature of Borrowing	Amount	Rating
Long-term Bank Facilities	Rs. 1,100 crores	CARE A-' Stable

Furthermore, Acuité Ratings & Research Limited (erstwhile SMERA Ratings Limited) has reaffirmed rating with respect to the bank facilities availed by the Company, as follows:

Nature of Borrowing	Amount	Rating
Total Bank Facilities Long Term Rating	Rs. 1200 crores (enhanced from Rs. 600 crores)	ACUITE A+ (Read as ACUITE A plus) Outlook: Stable

INTERNAL FINANCIAL CONTROL SYSTEMS AND ITS ADEQUACY

The Financial Statements of the Company comply with the Ind AS specified under Section 133 of the Act.

The Company has put in place adequate internal controls with reference to accuracy and completeness of the accounting records and timely preparation of reliable financial information, commensurate with the size, scale and complexity of operations and ensures compliance with various policies and statutes in keeping with the organization's pace of growth, increasing complexity of operations, prevention and detection of frauds and errors. The design and effectiveness of key controls were tested and no material weaknesses were observed.
The Audit Committee reviews and evaluates the adequacy of internal financial control and risk management systems, periodically. Efficacy of Internal control systems are tested periodically by Internal Auditors with and Internal Control over financial reporting is tested and certified by Statutory Auditors.

The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by external auditors.

During the year under review, no material or serious observation has been highlighted for inefficiency or inadequacy of such controls.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Act read with Companies (Management & Administration) Rules, 2014 and Articles of Association of the Company, Mr. Rajesh Sharma (DIN:00020037), Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Your Board of Directors recommend his appointment.

During the year under review, pursuant to the provisions of Section 161 of the Act and based on the recommendation of the Nomination and Remuneration Committee, Mr. Beni Prasad Rauka (00295213) was re-appointed as an Independent Additional Director of the Company with effect from April 1, 2019 by the Board of Directors. Further, Members of the Company at the 13th Annual General Meeting of the Company held on June 24, 2019 approved his re-appointment as a Non-Executive Independent Director, not liable to retire by rotation, for a second term of 5 (Five) years with effect from April 1, 2019.

Further, subject to approval of Shareholders, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on February 17, 2020 has approved the re-appointment of Mr. Tilak Raj Bajalia (DIN 02291892) and Ms. Bhagyam Ramani (DIN 00107097) as an Additional Directors (Independent) on the Board of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years, commencing from April 1, 2020 to March 31, 2025.

The resolution seeking re-appointment of Mr. Rajesh Sharma (DIN: 00020037), as Director of the Company and Special Resolutions for the re-appointments of Mr. Tilak Raj Bajalia (DIN 02291892) and Ms. Bhagyam

Ramani (DIN 00107097) as an Independent Directors for the second term of 5 (five) years have been included in the Notice of the ensuing AGM. Your Directors commend the Resolutions for your approval for the aforesaid re-appointment.

The brief details of the Directors proposed to be re-appointed as required under Secretarial Standard 2 issued by the Institute of Company Secretaries of India is provided in the Notice convening Annual General Meeting of the Company.

All the Directors of the Company have confirmed that they are not disqualified to act as Director in terms of Section 164 of the Act.

As at March 31, 2020, the Company had three Independent Directors including one Woman Director.

In compliance of Section 203 of the Act Mr. Ashish Gupta was appointed as a Chief Financial Officer and Whole Time Key Managerial Personnel of the Company w.e.f. August 1, 2019. Further, Mr. Abhishekh Kanoi was appointed as Company Secretary and Compliance Officer and Whole Time Key Managerial Personnel of the Company w.e.f. November 7, 2019. Ms. Kajal Jakharia has been relieved as a Company Secretary at the close of business hours on September 20, 2019.

As on the date of this Report, Mr. Rajesh Sharma, Managing Director, Mr. Ashish Gupta, Chief Financial Officer and Mr. Abhishekh Kanoi, Company Secretary are the Key Managerial Personnel of your Company in accordance with the provisions of Section 2(51) read with Section 203 of the Act.

Declaration of Independence by Independent Directors & adherence to the Company’s Code of Conduct for Independent Directors

All the Independent Directors have confirmed to the Board that they meet the criteria of independence as specified under Section 149(6) of the Act and that they qualify to be independent directors pursuant to the Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, all the Independent Directors have affirmed that they have adhered and complied with the Company’s Code of Conduct for Independent Directors which is framed in accordance with Schedule IV of the Act. All the Directors meet the ‘Fit and Proper’ criteria as per the policy of the Company and as stipulated by NHB.

Opinion of the Board regarding Independent Directors re-appointed during the year

Mr. Beni Prasad Rauka (00295213) was re-appointed as an Independent Additional Director of the Company with effect from April 1, 2019. The Board of Directors acknowledge and confirm with regard to integrity, expertise and experience of Mr. Beni Prasad Rauka being eligible for discharging his functions and providing requisite contribution to the Board as an Independent Director of the Company.

Board Meetings

The Board of the Directors of the Company met 6 (Six) times during the year 2019-20 to deliberate on various matters. The meetings were held on April 27, 2019, August 1, 2019, November 7, 2019, November 26, 2019, February 8, 2020 and February 17, 2020. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

Audit Committee

The Audit Committee comprises of Independent Directors namely Mr. Beni Prasad Rauka (Chairman), Ms. Bhagyam Ramani, and Mr. T. R. Bajalia as other members. Four meetings of the Audit Committee were held during the year on April 27, 2019, August 1, 2019, November 7, 2019, and February 8, 2020.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee comprises of Ms. Bhagyam Ramani (Chairman), Mr. Beni Prasad Rauka and Mr. T. R. Bajalia as other members. Four meetings of the Nomination & Remuneration were held during the year on April 27, 2019, August 1, 2019, November 7, 2019 and February 17, 2020. The Company has received the 'Fit and Proper' declarations from all the Directors of the Company, which have been taken on record by the NRC.

Nomination and Remuneration Policy

The Board of Directors of the Company has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection of Directors, determining Directors independence and payment of remuneration to Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Policy is enclosed as **Annexure I.**

Corporate Social Responsibility Committee

In accordance with the requirements of the provisions of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility ('CSR') Committee. The Committee comprises of Mr. Beni Prasad Rauka (Chairman), Ms. Bhagyam Ramani and Mr. Rajesh Sharma as other members. The Company has also formulated a CSR Policy. Two meetings of the CSR Committee were held on April 27, 2019 and August 1, 2019.

The CSR Policy of the Company, inter alia, lists the activities that can be undertaken or supported by the Company for CSR as envisaged in Schedule VII of the Act, composition and meetings of CSR Committee, annual allocation for CSR activities, areas of CSR projects, criteria for selection of CSR projects, modalities of execution/implementation of CSR activities and the monitoring mechanism of CSR activities/projects. The details of CSR Policy of the Company are available on the website of the Company at www.caprihomeloans.com .

In terms of Section 135 of the Act, the details of the CSR spent during the year under review is provided in the Annual Report on CSR activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 and attached to this Report as **Annexure II.**

Risk Management Committee

The Risk Management Committee comprises of Mr. Rajesh Sharma(Chairman), Mr. Beni Prasad Rauka and Ms. Bhagyam Ramani as other members. Three meetings of the Risk Management Committee were held during the year on August 1, 2019, November 7, 2019 and February 8, 2020. The recommendations of the Risk Management Committee have been accepted by the Board.

The Company follows a proactive risk management policy, aimed at protecting its assets and employees while at the same time ensuring growth and continuity of its business. Regular updates on the development in the business environment and the risk mitigation initiatives are provided to Board at its meeting.

ANNUAL EVALUATION OF BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Company has devised a Policy for performance evaluation of the Board, its Committees, and other individual Directors (including Independent Directors) which includes criteria for Performance Evaluation of the Non-Executive Directors and Executive Directors. The evaluation process inter alia considers attendance of Directors at Board and Committee Meetings, acquaintance with business, communicating inter se Board Members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers, etc., which is in compliance with applicable laws, regulations and guidelines

The Board carried out annual evaluation of the performance of the Board, its Committees and Individual Directors and Chairperson. The Chairman of the respective Board Committees shared the report on evaluation with the respective Committee Members. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees. The reports on performance evaluation of the Individual Directors were reviewed by the Chairman of the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act with respect to Directors' Responsibility Statement, the Directors hereby confirm that:

(a) in preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departure;
(b) they have selected appropriate accounting policies and applied them consistently and made judgements 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 maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds 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 are operating effectively; and
(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.

AUDITORS

A. STATUTORY AUDITORS

In terms of Section 139 of the Act, Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai (Firm Registration Number: 117366W /W-100018), were appointed as statutory auditors of the Company for a period of five years from the conclusion of the 11th Annual General Meeting until the conclusion of the 16th Annual General Meeting of the Company.

Auditors' Report

There are no qualifications, reservations, adverse remarks or disclaimers made by the Statutory Auditors, in their Audit Report for the financial year 2019-20.

B. SECRETARIAL AUDIT

Pursuant to the requirements of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Maks & Co., Company Secretaries in Practice (ICSI Registration Number FRN: P2018UP067700), for conducting Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2020 is appended to this Report as Annexure III. There are no qualifications, reservations, adverse remarks or disclaimers made by Secretarial Auditors, in their Audit Report for the financial year 2019-20, however, the Secretarial Audit Report for the Financial Year 2018-19 was not annexed with Directors Report and filed with the Registrar of Companies in compliance with the provisions of the Companies Act, 2013. The Company has subsequently obtained Secretarial Audit Report from M/s D M & Associates for the Financial Year 2018-19 and approved by the Board of directors on August 1,2019. Further, there was no Chief Financial Officer ("CFO") as on 31st March 2019.The Company has appointed CFO as required under Section 203(1) of the Companies Act, 2013 with effect from August 1, 2019.

C. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor of the Company have reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act and therefore, no detail is required to be disclosed under Section 134(3)(ca) of the Act.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD

During the year under review, the Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

RISK MANAGEMENT FRAMEWORK

The Board of Directors of the Company has formed a Risk Management Committee to frame, implement, review and monitor the risk management plan for the Company and ensuring its effectiveness in addition to Asset Liability Management Committee monitors and manages the liquidity and interest rate risks. The Company have a risk management framework and the Committee on timely basis informs the Board Members about risk assessment and minimization procedures which in the opinion of the Committee may threaten the existence of the Company, if any. The Audit Committee has additional oversight in the area of credit & liquidity risks, interest rate risk, and operational risk. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

The Company follows a proactive risk management policy, aimed at protecting its assets and employees while at the same time ensuring growth and continuity of its business. Regular updates on the development in the business environment and the risk mitigation initiatives are provided to Board at its meeting.

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this Report.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

There are no employees drawing remuneration in excess of amount prescribed as per the provisions of section 197(12) of the Companies Act, 2013 read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Board of Directors of the Company has formulated a policy on dealing with Related Party Transactions, pursuant to the applicable provisions of the Act. The same is displayed on the website of the Company at www.caprihomeloans.com and is enclosed herewith as **Annexure IV**. This policy deals with the review and approval of related party transactions. All related party transactions are placed before the Audit Committee for review and approval.

During the year under review, all the related party transactions were entered in the ordinary course of business and on arm's length basis. All related party transactions as required under Indian Accounting Standards - 24 (Ind AS-24) are reported in Note 44 of the Financial Statements of the Company.

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.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and subsection (3) of Section 92 of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as at

March 31, 2020 in Form No. MGT-9, can be accessed on the Company's website at www.caprihomeloans.com

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis report for the year under review as required under Housing Finance Companies – Corporate Governance (NHB) Directions, 2016 is forming part of the Directors Report as Annexure V.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has adopted zero tolerance for sexual harassment at workplace and has formulated a Policy for on Prevention, Prohibition and Redressal of Sexual Harassment at Work Place in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013 ("POSH Act") and the Rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace. Your Company has complied with provisions relating to the constitution of Internal Committee under the POSH Act.

During the year under review, no complaints were received from any of the employees.

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

The Company being engaged in the financial services activities, its operations are not energy intensive nor does it require adoption of specific technology and hence information in terms of Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not applicable to the Company. Nevertheless, the Company is vigilant on the need for conservation of energy.

There was no inflow or outflow of foreign exchange during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS IN SECURITIES

The Company being a housing finance company, the provisions of Section 186 of the Act pertaining to granting of loans to any persons or bodies corporate and giving of guarantees or providing security in connection with loans to any other bodies corporate or persons are not applicable to the Company.

As regards investments made by the Company, the details of the same are provided under Notes in the Financial Statements of the Company for the year ended March 31, 2020, forming part of this Annual Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

SIGNIFICANT AND MATERIAL ORDERS

During the financial year 2019-20, there were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future. Further, no penalties have been levied by the NHB or any other regulator during the year under review, however, NHB has levied a penalty of Rs, 65,000 vide letter dated May 1, 2020 wherein the Loan to Value (LTV) exceeded the prescribed NHB norms in few cases. The Penalty has since been paid and the Management has taken corrective action by setting up system control, wherein system itself calculates LTV considering multiple loan exposure on the same property.

MAINTENANCE OF COST RECORDS

The maintenance of cost records, for the services rendered by the Company, is not required pursuant to Section 148 (1) of the Act read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014.

ACKNOWLEDGEMENT

Your Directors acknowledge the support extended by Reserve Bank of India, National Housing Bank, Ministry of Corporate Affairs, Registrar of Companies and all other governmental and regulatory authorities for the guidance and support received from them including officials there at from time to time.

Your Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders in large including investors, customers, banks, financial institutions, rating agencies, and well-wishers for their continued support during the year. Your Directors place on record their appreciation of the contribution made by the employees of your Company at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of Board of Directors

Rajesh Sharma	Beni Prasad Rauka
Managing Director	Independent Director
(DIN: 00020037)	(DIN: 00295213)

Date: May 9, 2020
Place: Mumbai

CAPRI GLOBAL HOUSING FINANCE LIMITED

NOMINATION AND REMUNERATION POLICY

(Approved by Board of Directors at the meeting held on September 25, 2014 and further amended on October 28, 2017)

Capri Global Housing Finance Limited
Nomination and Remuneration Policy

This Policy has been laid down on the recommendations of the Nomination and Remuneration Committee of the Board and is in compliance with the requirements of the Section 178 Companies Act, 2013.

1.1 Objectives

The Policy lays down the:

(i) Criteria for determining *inter-alia* qualification, positive attributes and independence of Directors for their appointment on the Board of the Company;

(ii) Criteria for payment of remuneration to Directors, Key Managerial Personnel and other Employees.

1.2 Definitions

i. "Board" means Board of Directors of the Company.

ii. "Company" means "Capri Global Housing Finance Limited."

iii. "Employees' Stock Option" means the option given to the Directors, Officers or Employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, Officers or Employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.

iv. A. 'fit and proper 'shall mean an individual who is:
   a. more than thirty years in age;
   b. a graduate;
   c. has minimum five years experience;
   d. a person of integrity, reputation and character in the opinion of the Committee;

v. "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

vi. "Key Managerial Personnel" (KMP) means

   a) Chief Executive Officer or the Managing / Executive Director or the Manager,
   b) Company Secretary,
   c) Whole-time Director,
   d) Chief Financial Officer and
   e) Such other officer as may be prescribed.

vii. "Committee" shall mean the Nomination & Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

viii. "Policy or This Policy" means, "Nomination and Remuneration Policy."

ix. "Managerial Person" means the Managing Director, Whole-time Director and/or Manager.

x. "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

xi. "Senior Management" means, personnel of the Company who are members of its core management team excluding Board of Directors and who may be qualified to become directors.

1.3 Interpretation

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, SEBI Act, 1992, as notified by the Securities and Exchange Board of India from time to time.

1.4 Appointment and Removal of Managerial Person, Director, Key Management Personnel and Senior Management Personnel

i. Appointment criteria and qualifications:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Person, Director, KMP or Senior Management Personnel who may be qualified to become directors and recommend to the Board his / her appointment.

b) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the designated position.

c) With respect to appointment of a Senior Management Personnel other than the one mentioned above, the Human Resource Department with the consultation/advice/recommendations of the respective Functional Heads/Promoter Director of the Company, as the case may be, can decide on their appointments and the same need not be recommended to the Committee/Board as the case may be.

ii. Term / Tenure:

a) The Company shall appoint or re-appoint a person as its Managerial Person by passing of a resolution and disclosure of such appointment in the Directors Report forming part of the Annual Report.

b) No Independent Director shall hold office for more than two consecutive Terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

c) Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. Term can be for a maximum period of five years.

d) the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of the Company.

iii. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013 ('Act'), rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Person, Director, subject to the provisions and compliance of the Act, rules and regulations.

iv. Retirement:

The Managerial Person, Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Managerial Person, Director, and KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

1.5 Disqualifications for Appointment of Directors

i. A person shall not be eligible for appointment as director of the company if:

a) he is of unsound mind and stands so declared by a competent court;
b) he is undischarged insolvent;
c) he has applied to be adjudicated as an insolvent and his application is pending;

d) He has been convicted by a court of any offence, weather involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company:

1) An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order in force;
2) He has not paid any calls in respect of any shares of the company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call;
3) He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
4) He has not complied with sub-section (3) of section 152 of the Companies Act, 2013.

ii. A person who has been a Director of the company which:

a) has not filed financial statements or annual returns for any continuous period of three financial years; or

b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay dividend declared and such failure to pay or redeem continues for one year of more,

shall be ineligible to be appointed as a director of the Company for a period of five years from the date on which the other company fails to do so.

iii. A person shall not be eligible for appointment and continuance as a Director, if he / she is not found 'fit and proper' by the Committee.

1.6 Remuneration Policy

Remuneration Policy of Company is designed to attract, motivate, and retain manpower in a competitive environment considering qualification, positive attribute, integrity and independence, and is guided by the common reward framework and set of principles and objectives. The Remuneration Policy applies to the Company's Senior Management Personnel, including its Key Managerial Person and the Board of Directors.

The policy captures remuneration strategies, policies and practices of Company, including compensation, variable-compensation, equity-based plans and the process for the measurement and assessment of employee and executive performance. The remuneration / compensation / commission etc. to the Managerial Person, Director, KMP and Senior Management Personnel (who may be qualified to become directors) will be determined by the Committee and recommended to the Board for approval.

1.6.1 Remuneration Strategy for Employees at Company

The Company adopts a total compensation philosophy in rewarding employees. The Total compensation package for the employees comprises of Fixed and Variable Component. Fixed pay consists of the base salary and any recurring, regular allowances payable in the specific location. Variable pay includes performance bonuses and ESOP's for eligible employees.

The level of Total compensation is designed to be appropriate to attract, retain and motivate employees to contribute their best. In determining the Total compensation of employees, the Company takes into account the role and its responsibilities, the individuals' and teams' performance, and the Company's performance, as well as market factors. The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent.

Factors such as profitability and achievement of key performance indicators are taken into consideration, in determining the bonus pool for the Company and its business units. Individual bonus allocation is based on performance against various set of pre-defined objectives.

The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

1.6.2 Remuneration of Key Management Personnel

The Company shall review, at least annually, the Key Management personnel's remuneration arrangements in light of current market benchmarks and expert advice on remuneration levels and, with due consideration to law and corporate governance principles.

Remuneration of the Key Management Personnel consists of a fixed component and a variable performance incentive. The annual appraisal of the Key Management personnel is based on a detailed performance evaluation of their Key Performance Indicators (KPI's)

i. Fixed Component: Consists of Basic Pay (Usually 40%-60% of the gross Fixed Salary).

ii. Perquisites: In the form of house rent allowance/ accommodation, reimbursement of medical expenses, conveyance, children education, telephone, communication equipments like Ipad's etc.

iii. Retirement Benefits: Pension contributions, Gratuity payments are made in accordance with applicable laws and employment agreements.

iv. Severance payments: In accordance with termination clauses in employment agreements, the severance payment is in accordance with applicable local legal framework.

v. Personal benefits: Based on employment agreements and Company policy, Company Car and Driver is provided to specific grade.

vi. Medical Insurance – Coverage of Rs. 5 Lacs every year to the personnel, his/her spouse, two children and parents (In case of female employees they can choose the option for including their in-laws in lieu of her parents).

vii. Term Insurance – Coverage between Rs. 50 Lacs to Rs. 1 Cr. based on the grade.

viii. Variable pay is linked to the below three factors:

   a) the financial results of the company;
   b) targets achieved;
   c) the individual performance and that of the department/team

ix. Annual Performance Linked Bonus: Individual bonus allocation takes performance ratings and performance against various set of objectives mentioned below into consideration:

a) In the beginning of the year the Board sets the organization performance objectives based on qualitative and quantitative measures.

b) These objectives are reviewed periodically to ensure they remain consistent with the Company's priorities and the changing nature of the Company's business.

c) These objectives form part of the performance targets for the Managerial Personnel.

d) Performance against these objectives is reviewed annually by the Board and is reflected in the Managerial Personnel's remuneration review.

1.6.3 Remuneration of Non-executive Directors including Independent Directors

The Non-Executive Directors of the Company (who are not in the employment of the Company and/or its subsidiaries/associates) shall be paid sitting fees as per the limits prescribed under the Companies Act, 2013.

Commission, if any, payable to NEDs shall be approved by the Board of the Company based on the recommendation of the Committee.

An independent Director shall not be entitled to any Stock Options of the Company.

1.7 Deviations from the Policy

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

1.8 Amendments

The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board.

Annexure-II

CAPRI GLOBAL HOUSING FINANCE LIMITED
ANNUAL REPORT ON CORORATE SOCIAL RESPONSIBILTY (CSR) ACTIVITIES

1. **A brief outline of the Company's Corporate Social Responsibility ("CSR") Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes.**

   The Company's CSR Policy is based on the firm belief that there can be nothing better than enriching the human capital of the society which can provide a sustainable socio-economic impact. The Company is on a mission of creating a social impact through diverse CSR activities and firmly believes that the mandate of the Company does not end with multiplying returns for our shareholders but must fulfil larger responsibility towards the society. Company strives to have a positive impact on the communities in which we live and operate. The Company's CSR initiative has been directed to provide to the most economically and socially marginalized people, particularly children, women and the differently abled, an easy access to better education and vocational training. For more information please refer CSR policy on https://www.caprihomeloans.com/assets/pdf/CGHFL_CSR_POLICY.pdf

   The activities and projects undertaken are within the broad framework of schedule VII of the Companies Act, 2013

2. **The Composition of the CSR Committee:** The Company has a CSR Committee of directors comprising Mr. Beni Prasad Rauka, Chairperson of the Committee, Ms. Bhagyam Ramani and Mr. Rajesh Sharma.

3. **Average Net Profit of the Company for last three financial years for the purpose of computation of CSR:** ₹727.52 Lakh

4. **Prescribed CSR Expenditure (two percent of the amount as in item 3 above):** ₹14.55 Lakh

5. **Details of CSR spend for the Financial Year:**
   a) Total amount spent during the Financial Year: ₹14.55 Lakh
   b) Amount Unspent: NIL
   c) Manner in which the amount spent during the Financial Year is detailed below:

Annexure-II

Sl. No	CSR project or activity identified	Sector in which the project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount Outlay (Budget) project or program wise (Amount in ₹ Lakhs)	Amount spent on the projects or programs Sub-heads (Amount ₹ in Lakhs) 1) Direct expenditure on projects or programs 2) Overheads	Cumulative expenditure up to the reporting period (Amount ₹ in Lakhs)	Amount spent: Direct or through implementing agency
1	Contribution to the Corpus of Capri Foundation towards CSR activities as per the focus areas and program areas listed in CSR Policy of CGHFL	Areas specified under Schedule VII of the Companies Act, 2013	NA	NA	Direct – NIL Overheads - NIL	NA	Direct – NIL
2	Capri Health Initiative – Project on Combating Malnutrition Supported Candidates (2000 Children)	Clause (i) of Schedule VII Health Care	Jodhpur, Rajasthan (Local Area)	14.55	Direct – 14.55 Overheads - NIL	14.55	Direct – NIL Through Implementing Agency – 14.55 (Akshaya Patra)
	Total			**14.55**	**14.55**	**14.55**	

*Capri Foundation is an implementing organization, for creating positive social impact through implementing innovative CSR activities and development programs. Capri Foundation is registered under Bombay Public Trust Act 1950.

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board's Report:** Not Applicable

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:** The CSR Committee confirms that the implementation and monitoring of CSR Policy are in compliance with the CSR objective and Policy of the Company

Annexure-II

(Rajesh Sharma)
Managing Director
DIN: 00020037

(Beni Prasad Rauka)
Chairperson of the CSR Committee
DIN: 00295213

MR-3
Secretarial Audit Report
For the financial period ended March 31, 2020
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Capri Global Housing Finance Limited
502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400013, Maharashtra, India
CIN: U65990MH2006PLC161153

We have conducted secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by M/s. **Capri Global Housing Finance Limited** (hereinafter referred as 'the **Company**'). The 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 Capri Global Housing Finance Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial period ended on March 31, 2020 (commencing from April 1, 2019 to March 31, 2020), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent based on the management representation letter/ confirmation received from the management, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with our letter dated May 9, 2020 annexed to this report as **Annexure – A.**

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial period ended on March 31, 2020 according to the applicable provisions of:

   i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
   ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
   iii) The Depositories Act, 1996 and the regulations and bye–laws framed thereunder;
   iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*Not applicable to the Company during the audit period*); and
   v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

      a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (*Not applicable to the Company during the audit period*);

      b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (*Not applicable to the Company during the audit period*);

MAKS & CO. FRN: P2018UP067700 NOIDA Company Secretaries

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E: services@forecoreprofessionals.com
D: +120 120 413 2722

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (*Not applicable to the Company during the Audit period*);

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (*Not applicable to the Company during the audit period*);

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*Not applicable to the Company during the audit period*);

f) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with clients to the extent of securities issued;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (*Not applicable to the Company during the audit period*);

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (*Not applicable to the Company during the audit period*); and

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(*Not applicable to the Company during the audit period*).

2. We, based upon the Management Representation, 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 the following pertinent laws, rules, regulations and guidelines as specifically applicable to the Company and the Company is *generally* regular in compliance with these laws, rules, regulations and guidelines, during the financial year commencing from April 01, 2019 to March 31, 2020:

a. The National Housing Bank Act, 1987;
b. The Housing Finance Companies(NHB) Directions, 2010;
c. Master Circular on Fair Practice Code for Housing Finance Companies;
d. Master Circular-Housing Finance Companies- Corporate Governance (NHB) Directions, 2016;
e. Master Circular – Miscellaneous Instructions to all Housing Finance Companies; and
f. The Prevention of Money Laundering Act, 2002 read with the rules made thereunder.

3. We have also relied upon compliance reports from the management, the representation made by the Company and its officers for systems and mechanism framed by the Company to ensure the compliance with general laws like Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, as applicable to the Company.

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

MAKS & CO. FRN: P2018UP067700 NOIDA Company Secretaries

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E: services@forecoreprofessionals.com
D: +120 120 413 2722

i) Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings (hereinafter referred as '**Secretarial Standards**'). We noted that the Company is generally regular in complying with the Secretarial Standards; and

ii) The Listing Agreements entered with Stock Exchanges read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015. (*Not applicable to the Company during the Audit period*)

5. During the period under review, to the best of our knowledge and belief and according to the information and explanations given to us, the Company has been generally regular in compliance with the provisions of the Acts, Rules, Regulations, Secretarial Standards as mentioned above *except to the extent that Secretarial Audit Report for the Financial Year 2018-19 was not annexed with Directors Report and filed with the Registrar of Companies in compliance with the provisions of the Companies Act, 2013. However, subsequently the Company has obtained Secretarial Audit Report from M/s D M & Associates for the Financial Year 2018-19.*

   We further report that there was no Chief Financial Officer ("CFO") as on 31st March 2019.The Company has appointed CFO as required under Section 203(1) of the Companies Act, 2013 with effect from August 01, 2019.

6. We further report that compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

7. We further report that:

   i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non–Executive Directors and Independent Directors. The Board also has a woman director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

   ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings was sent at least seven days in advance and where any Board Meeting was held on shorter notice the same was conducted in compliance with the Act and system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Decisions of Board/Committee were carried through majority. We are informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.

   iii) 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.

   iv) We further report that during the audit period the Company had following specific actions having bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.:

MAKS & CO.
FRN: P2018UP067700
NOIDA
Company Secretaries

a) The approval of the Shareholders has been obtained at the 13th Annual General Meeting of the Company held on June 24, 2019 for the following:

- To borrow in excess of the paid up Capital and free reserves of the Company not exceeding ₹2000 Crore pursuant to Section 180(1) (c) of the Act;

- To create security on the assets of the Company pursuant to Section 180(1) (a) of the Act; and

- To issue non–convertible Debentures for an amount not exceeding ₹500 Crore pursuant to the provisions of Section 23, 42 and 71 of the Act.

Note: Due to COVID-19 outbreak worldwide and lockdown imposed by Government of India and respective State Governments since March 24, 2020 till date of this report, we have not been able to do process audit and physical verification of certain books, papers, minute books, forms and returns filed and other records maintained by the Company and same have been verified electronically either on emails or virtual data room.

For **MAKS & Co.,**
Company Secretaries
[FRN P2018UP067700]

MAKS & CO. FRN: P2018UP067700 NOIDA Company Secretaries

Mohit Maheshwari
Partner
Membership No.: F9565
COP No.: 19946
UDIN: F009565B000219038

Date: May 9, 2020
Place: Noida

ANNEXURE –A TO SECRETARIAL AUDIT REPORT DATED MAY 9, 2020

To,

The Members,
Capri Global Housing Finance Limited
502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel,
Mumbai, Maharasthra - 400013, India
CIN: L72900DL2009PLC341980

Our Secretarial Audit Report dated May 9, 2020 is to be read with this letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to Capri Global Housing Finance Limited ('the **Company**') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for the purpose of issue of the Secretarial Audit Report.

4. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.

5. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **MAKS & Co.,**
Company Secretaries
[FRN P2018UP067700]

MAKS & CO. FRN: P2018UP067700 NOIDA Company Secretaries

Mohit Maheshwari
Partner
Membership No.: F9565
COP No.: 19946
UDIN: F009565B000219038

Date: May 9, 2020
Place: Noida

Annexure - IV

RELATED PARTY TRANSACTIONS POLICY

(Approved by the Board of Directors at its meeting held on October 28, 2017 and further amended on August 1, 2019)

CAPRI GLOBAL HOUSING FINANCE LIMITED
CIN: U65990MH2006PLC161153
Regd. & Corporate Off: 502, Tower A, Peninsula Business Park,
Senapati Bapat Marg, Lower Parel, Mumbai – 400013, Maharashtra, (India).
Tel: +91-22-40888100; Fax: +91-22-40888160
Email: compliance@caprihomeloans.com

Capri Global Housing Finance Limited

POLICY ON RELATED PARTY TRANSACTIONS

1. INTRODUCTION

The Board of Directors (the "Board") of Capri Global Housing Finance Limited (the "Company" or "CGHFL"), has adopted the following policy and procedures with regard to Related Party Transactions as defined below.

This policy is to regulate transactions between the Company and its Related Parties based on the laws and regulations as applicable to the Company.

2. POLICY OBJECTIVES

The Companies Act, 2013 (the Act) and the rules framed thereunder contain detailed provisions relating to Related Party Transactions. This Policy is framed as per the requirement of Section 188 of the Companies Act, 2013 and the rules framed thereunder and "Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016" issued by the National Housing Bank (NHB) vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 09, 2017.

The objective of this policy and procedure is to ensure that transactions between the Company and its related parties are based on principles of transparency and arm's length pricing as provided under the Section 188 of the Companies Act 2013. Likewise, this policy aims at preventing and providing guidance in situations of potential conflict of interests in the implementation of transactions involving such related parties.

3. DEFINITIONS

'**Applicable Law**' includes (a) the Companies Act, 2013 (the Act) including Companies (Amendment) Act, 2017 and rules made thereunder; (b) Indian Accounting Standards; (c) "Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016" issued by the National Housing Bank (NHB) vide Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 09, 2017 and (d) any other statute, law, standards, regulations or other governmental instruction relating to Related Party Transactions.

"Audit Committee or Committee" means Committee of Board of Directors of the Company constituted under Section 177 of the Companies Act, 2013.

"**Arm's Length Transaction**" means a transaction between two Related Parties that is conducted as if they were unrelated, so that there is no conflict of interest (as provided under the Section 188 of the Companies Act 2013).

"Board" means Board of Directors of the Company.

"Key Managerial Personnel" means key managerial personnel as defined under the Companies Act, 2013 and includes:

i. Managing Director, or Executive Director or Chief Executive Officer or manager and in their absence, a whole- time director;
ii. Company Secretary;

iii. Chief Financial Officer; and
iv. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
v. such other officer as may be prescribed.

"Material Related Party Transaction" mean such Related Party Transaction(s) to be entered into individually or taken together with previous Related Party Transaction(s) during a financial year, which exceeds the threshold limits as specified under Rule 15 (3) of Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time.

"Policy" means this Policy on Related Party Transactions.

"Related Party" means any person who is
i. a related party under Section 2(76) of the Companies Act, 2013 read with rules issued thereunder;
ii. a related party under the applicable accounting standards; or
iii. any other person or entity covered under Applicable Laws.

"**Related Party Transaction**" shall mean all transactions as defined under Section 188 of the Companies Act, 2013 and any transaction between the Company and any Related Party which includes transfer of resources, services or obligations between the Company and related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

"Relative" means Relative as defined under the Companies Act, 2013 and means anyone who is related to another, if –
i. they are members of a Hindu Undivided Family ;
ii. they are husband and wife ; or
iii. one person is related to the other in the following manner;
   a) Father (including step-father);
   b) Mother (including step-mother);
   c) Son (including step-son);
   d) Son's wife;
   e) Daughter;
   f) Daughter's husband;
   g) Brother (including step-brother);
   h) Sister (including step-sister).

4. POLICY

All Related Party Transactions must be reported to the Audit Committee and referred for approval by the Committee in accordance with this Policy.

4.1 Identification of Related Party and Potential Related Party Transactions

Each Director and Key Managerial Personnel is responsible for providing notice to the Board or Audit Committee of any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/Audit Committee may reasonably request. Board/Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this Policy.

4.2 Prohibitions related to Related Party Transactions

a. All Related Party Transactions shall require prior approval of Audit Committee.

b. All Material Related Party Transactions shall require approval of the shareholders and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Provided that sub-clauses 4.2(a) and 4.2(b) shall not be applicable to the following Related Party Transactions and shall not require approval of Audit Committee or Shareholders:

i. transaction that involves paying compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business;
ii. transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro-rata as the Related Party;
iii. transactions entered into between the Company and any of its wholly owned subsidiaries whose accounts are consolidated with the Company and placed before the shareholders at the general meeting for their approval.

4.3 Review and Approval of Related Party Transactions

Related Party Transactions will be referred to the next regularly scheduled meeting of Audit Committee for review and approval. Any member of the Committee falling under the definition of Related Party shall not vote to approve the relevant transactions irrespective of whether the entity is a party to the particular transaction or not.

To review a Related Party Transaction, the Committee will be provided with all relevant material information of the Related Party Transaction, including name of the related party and nature of transaction, period of transaction, the material terms of the transaction including the value, if any, any advance paid or received for the contract or arrangement, the business purpose of the transaction, the benefits to the Company and to the Related Party, and any other information relevant or important for the Committee to take a decision on the proposed transaction. . In determining whether to approve a Related Party Transaction, the Committee will consider the following factors, among others, to the extent relevant to the Related Party Transaction:

a) Whether the terms of the Related Party Transaction are fair and on arms length basis to the Company and would apply on the same basis if the transaction did not involve a Related Party;
b) Whether there are any compelling business reasons for the Company to enter into the Related Party Transaction and the nature of alternative transactions, if any;
c) Whether the Related Party Transaction would affect the independence of an independent director;
d) Whether the Company was notified about the Related Party Transaction before its commencement and if not, why pre-approval was not sought and whether subsequent ratification if allowed would be detrimental to the Company; and
e) Whether the Related Party Transaction would present an improper conflict of interest for any director or Key Managerial Personnel of the Company, taking into account the size of the transaction, the overall financial position of the director, executive officer or other Related Party, the direct or indirect nature of the director's, Key Managerial Personnel's or other Related Party's interest in the transaction and the ongoing nature of any proposed relationship and any other factors the Board/Committee deems relevant.

If the Committee determines that a Related Party Transaction should be brought before the Board, or if the Board elects to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances. If the related party transaction needs to be approved at a general meeting of the shareholders by way of a resolution pursuant to the applicable laws, the Board shall ensure that the same be put up for approval by the shareholders of the Company.

Approval Policy framework is summarized herein below:

Audit Committee Approval	Board Approval	Shareholder's Approval
All Related Party Transactions	a) Related Party Transactions referred by Audit Committee for approval of the Board; b) Related Party Transactions as required under the statute applicable to the Company.	Approval by resolution for: Related Party Transactions not in Ordinary Course of Business or not on arm's length basis and crosses threshold limit as prescribed under the Companies Act, 2013 applicable to the Company.

5. DECISION REGARDING TRANSACTIONS IN ORDINARY COURSE OF BUSINESS AND AT ARM'S LENGTH

The Audit Committee and the Board shall after considering the material placed before them will judge if the transaction is in the ordinary course of business and meets the arm's length requirements.

6. OMNIBUS APPROVAL BY AUDIT COMMITTEE FOR RELATED PARTY TRANSACTIONS

In case of certain frequent / repetitive / regular / transactions / with Related Parties which are in the ordinary course of business of the Company, the Audit Committee may grant an omnibus approval for such Related Party Transactions proposed to be entered into by the Company. The approval shall be valid for a period of one year, however the same needs to be ratified by the Board at the next Board Meeting.

7. RELATED PARTY TRANSACTIONS NOT APPROVED UNDER THIS POLICY

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

In any case, where the Board / Shareholders decides not to ratify a Related Party Transaction that has been commenced without its approval, the Committee or Board or shareholders, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction or modification of the transaction to make it acceptable for ratification.. While reviewing any Related Party Transaction, the Committee has authority to modify or waive any procedural requirements of this Policy.

Where any related party transaction is entered into, without obtaining the consent of the Board / shareholders and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such related party transaction was entered into, such related party transaction shall be voidable at the option of the Board or, as the case may be, of the shareholders.

8. DISSEMINATION

This Policy and any amendment thereto shall be posted on the website of the Company and shall be disclosed in the Annual Report.

9. POLICY REVIEW

This Policy is established based on the provisions of the Companies Act, 2013 and as per requirement of the NHB Notification No. NHB. HFC. CG-DIR.1/MD & CEO/2016 dated 9th February, 2017.

In case of any subsequent changes in the provisions of the Act and the Rules framed thereunder, the Act and its Rules would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law. The Board shall have the right to amend the Policy from time to time, based on recommendations of Audit Committee.

The Policy shall be reviewed every year along with the other policies of the company. However, it shall be reviewed earlier if need arises for the same and/ or under special circumstances, in case of a change in law.

Annexure - V

MANAGEMENT DISCUSSION & ANALYSIS REPORT

i. Overview

Capri Global Housing Limited **("CGHFL")** is a Housing finance Company registered with National Housing Bank. It is a wholly owned subsidiary of Capri Global Capital Limited and is engaged in the business of providing home finance to "unbanked, underserved and unserved". Housing Finance Industry is being viewed as an engine of economic growth with a major role to play in the country's development. Favorable structural factors, such as under penetration of the mortgage market, the large gap between housing demand and supply, improved affordability as a result of tax incentives, the encouraging regulatory environment and positive demographic trends, are expected to fuel continued growth in the housing finance market.

ii. Industry Structure and Developments

Affordable Housing Finance

India is the world's second most populous nation, with over 1.3 billion people, over 70% of which encompasses the rural market. There is a huge shortage of housing in rural areas (around 43.6 million homes). Similarly, the opportunity in urban areas is of ~18.8 million homes. According to the RBI, India's mortgage penetration hovers around 10%, which presents a huge potential to grow, as compared to other countries. For instance, China's mortgage-to-GDP hovers around 18% and developed nations like US, UK and Denmark have a high ratio of 56%, 67% and 88%, respectively.

Mortgage Penetration

Mortgage-to-GDP Ratio				(%)
India	*China*	*USA*	*UK*	*Denmark*
10	18	56	67	88

(Source: RBI)

India has however witnessed a steady growth in mortgage-to-GDP ratio from 8.7% in 2017 to 9.6% (estimated) in 2019 and expected to grow to 10.9% (estimated) in 2021.

India Mortgage Penetration Growth

Mortgage-to-GDP Ratio Growth				(%)
2017	*2018*	*2019 (E)*	*2020 (E)*	*2021 (E)*
8.7	9.1	9.6	10.2	10.9

(Source: RBI, September 2019)

Credit by NBFCs

Housing Loans		(₹ in Crore)
FY 2017-18	*FY 2018-19*	*Apr – Sep, 2019*
13,263	15,491	17,862

(Source: RBI)

The credit deployment for Housing Loans by NBFCs witnessed a growth from Rs. 13,263 crore in FY 2017-18 to Rs. 17,862 for 2Q FY 2019-20.

With urbanisation and nuclearisation taking place at a rapid pace, it is expected that by 2030, nearly half of India will be residing in urban areas. Existing cities will have to grow beyond their boundaries and many new cities will come up. The demand for urban affordable housing will grow to 25 million units.

(Source: RBI, September 2019; IBEF, December 2019)

The Affordable Housing Finance industry received a much-needed growth impetus from the 'Housing for All by 2022' Scheme of the Government of India. With its launch in FY 2015, the total housing shortage, envisaged to be addressed through the Pradhan Mantri Awas Yojana – Urban was 20 Mn people. In a bid to promote the affordable housing segment, the Government of India launched the Credit-Linked Subsidy Scheme (CLSS). Under this scheme, easy institutional credit is provided to Economically Weaker Sections (EWS), Low Income Groups (LIG) and Middle Income Groups (MIG) households for purchase of homes with interest subsidy credited upfront to the borrower's account through primary lending institutions, effectively reducing housing loans and EMIs. Finally, in FY 2015, the Government defined affordable housing loans as eligible under priority sector lending & in FY 2018, granted infrastructure status to affordable housing. The sustained support from the Government has allowed the affordable housing industry to thrive in India. According to ICRA, India's mortgage market has been steadily growing at a CAGR of ~15% over the past 8 years. In FY 2019 the mortgage market touched ` 19.9 Tn. Despite the steady growth in the formal mortgage market, India's mortgage to GDP ratio remains lowest amongst the key G20 countries, at just about 10%. Naturally, this has translated into phenomenal growth in affordable housing finance in India. The home loan portfolio of housing finance companies grew at an accelerating pace of 18% Y-o-Y till September 30, 2018. Average loan ticket sizes was around ₹25 lakh, with more than 80% of the home loan portfolio ranging between ₹10 lakh - ₹100 lakh bracket, with better asset quality performance compared to lower and higher ticket sizes. The growth in housing finance companies' AUMs can be attributed to two key factors: First is the ability of HFCs to tap the massive opportunity in affordable housing, and second is the slower credit growth at banks providing HFCs the room to ramp up faster and continue gaining market share. The ability of HFCs to implement timely collection and recovery efforts in respect of the delinquent loans – repossessing the property wherever necessary and selling the same in a timely manner ensures controlled NPA. Gross nonperforming assets (GNPAs) ratio as on September 30, 2018 was 1.3% (higher than 1.1% as on March 31, 2018).

The Government of India has addressed this gap with massive impetus to the housing sector, especially in the affordable housing space with 'Housing for All'. Under this scheme, 60 million houses are to be built—40 million in rural areas and 20 million in urban areas by 2022—creating a holistic demand for the housing industry. In 2018, the National Urban Housing Fund was launched with an outlay of Rs. 60,000 crore. Simultaneously, the National Housing Bank (NHB) has introduced stricter norms around capitalisation and borrowing limits for housing finance companies (HFCs). In addition to the existing norms for ECB for affordable housing, the government has announced ₹ 10,000 crore special window to provide last-mile funding for housing projects that are not NPAs or facing bankruptcy proceedings under NCLT.

During FY15-FY19, the growth momentum of HFCs sustained on account of government policies on 'Housing for All'. Though the housing market has been affected by stagnant prices and rising inventory levels in residential real estate, yet the rising income level in the economy has partly sustained the demand for housing. However, in the year 2018-19, the HFCs witnessed moderation in growth on account of liquidity squeeze and the consequent securitisation of their retail assets.

As per Crisil Report for September 2019, the outstanding balances on low cost home loans have grown from ₹ 154 billion (estimated) in FY 2014-15 to ₹ 517 billion (estimated) in FY 2018-19.

Home loan metrics

Particulars	Q3 FY20	Change YoY (%)
Outstanding balance (₹ in billion)	19,073	10.0%
Number of accounts (in million)	14.20	3.8%
Account-level delinquency rate (90+ DPD)	3.36%	-7 (bps)

(Source: CIBIL)

Home loan balances grew **10**% in Q3 FY20, compared with **20.3**% in Q3FY19. Balance growth slowed down for housing finance companies to **7.9%** from **23.2**% a year earlier.

With more than 62.4 Million units housing shortage and a market size of more than INR 21 Trillion, housing finance industry is filled with ideas of tremendous market potential. About 95% of the housing shortage in India is in the low-income segment which comprises of the Low-Income Group and Economically Weaker Sections. Continuous government initiatives to provide 'Housing for All by 2022' under PMAY, credit-linked subsidy and tax benefits have further spurt the demand and supply in the industry and is aimed to provide housing facilities for the low and mid-income segments at affordable rates.

iii. Opportunities and Threats

According to consulting firm FSG, low-income housing finance is expected to grow at 30-40% over the next five years. Two-thirds of India's population is below 35 years of age with the average age of a first-time homebuyer in India is about 37-38 years. Thus, over the long term, structural demand for housing in India will always remain strong. The expanding urbanization, increase in supply of affordable homes, rising disposable incomes, reasonable interest rates and improved affordability on home loans will drive the demand in this sector. Further, Government initiatives to drive affordable housing under 'Housing for All by 2022', will be a major growth driver for the small and mid-size HFCs.

COVID 19 Impact: Slower than expected recovery of macro economy, domestic as well as globally or a elongated COVID-19 pandemic going forward will impact financial sector.

iv. Business and Operational Overview

Performance Highlights			
			(₹ in lakh)
Particulars	Standalone		
	FY 2019-20	FY 2018-19	Growth %
Total Revenue	13,946.96	8,889.58	56.89
Total Expenses	10,830.55	7,962.49	36.02
Profit Before Tax	3,116.41	927.09	236.15
Profit After Tax	2,433.26	698.24	248.48
Assets Under Management (AUM)	89,825	79,265	13.32
Earnings per share (₹)	4.01	1.88	-
Net Worth	23,153.19	20,720.91	11.74
Net Interest Income (NII)	5,970	3,070	94.46
Net Interest Margin (%)	7.1	5.9	-
Interest Coverage Ratio	1.57	1.36	-
Debt Equity Ratio	3.34	3.26	-
ROA (%)	2.51	1.18	-
ROE (%)	11.09	4.54	-
GNPA (%)	1.21	0.53	-
NNPA (%)	0.39	0.16	-
Book Value per share (₹)	38.13	34.13	-

The Gross Income of the Company has registered a growth of 56.89% at ₹13,946.96 Lakh for FY 2019-20 as against ₹8,889.58 Lakh in FY 2018-19. Net Profit grow by 248.48% at ₹2,433.26 Lakh for the FY 2019-20 as compared to the Net Profit of ₹698.24 Lakh in the FY 2018-19 due to better realizations, cost optimization and better operational controls. The Gross NPA of the Company stood at 1.21% and the Net NPA was at 0.39% as of March 31, 2020, which is well below the industry averages.

Based on the current indicators of COVID-19 pandemic and future economic conditions, the Company has prudently considered additional provision for expected credit loss on financial assets as at March 31, 2020.
The Company has been gradually expanding its reach within the affordable housing segment since its launch in 2016. Branch network within this segment was expanded to 78 branches spread across 6 states. Accordingly, FY20 AUM within housing finance stood at ₹89,825 Lakh, up 13.32% from last year.

In line with the industry averages, GNPA is contained at 1.21% due to Company's strict risk mitigation framework & prudent post-sanction monitoring of loans. The company only lends to the affordable housing segment & only to those customers that are using the house for self-stay. Average ticket size in this segment stood at ₹10 Lakh for FY20. The company continues to maintain a loan-to-value of 68% on the housing finance book.

The Company Net worth has increased from ₹20,720.91 Lakh to ₹23,153.91 Lakh in FY 2019-20 on account of 248% jump in PAT to ₹2,433.26 Lakh during the current financial year.

Liquidity Position and Borrowings

The Company has comfortable liquidity cushion in terms of Cash & bank balances of ₹1598.73 Lakh and ₹364.07 Lakh respectively besides having un-availed bank limits of ₹20,000 Lakh as at end of FY 2019-20. The Company has DSCR of 1.62 and Interest Coverage ratio 1.57. The Company is well positioned in meeting its short term and medium term obligations.

The Company has strengthened its relationships with banks /financial institution and got sanctions of ₹39,000 Lakh. As of March 31, 2020, borrowings from Public sector, private sector banks and financial institutions in term loans (tenure of 7-8 years)/ CC limits were ₹77,431.19 Lakh as against ₹67,637.42 Lakh in FY 2018-19. The Company has raised fresh resources from term loans and other facilities from banks of ₹ 27,500 Lakh and refinance from National Housing Bank of ₹11,500 Lakh. During the year under review, your Company maintained banking relationships with 11 banks. The gearing of Company as at March 31, 2020 is 3.34 times.

Product Performance

The Company had continued with strategy of going granular and focused on sourcing small ticket size loans in its vertical, spread over wider geographical area resulting into de-risking the loan portfolio, better control over delinquencies and better risk spread in the medium to long term. The average yield on the Home loan portfolio is 14.07%.

v. Outlook

Low cost housing finance NBFC players focused on low cost housing finance are expected to witness a CAGR of 8-9% from ₹ 517 billion (Estimated) in FY 2018-19 to ~₹ 600 billion in FY 2021-22.

(Source: CRISIL)

According to consulting firm FSG, low-income housing finance is expected to grow at 30-40% over the next five years. Two-thirds of India's population is below 35 years of age with the average age of a first-time homebuyer in India is about 37-38 years. Thus, over the long term, structural demand for housing in India will always remain strong. Overall, HFCs are expected to continue doing well with home loan AUM likely to grow at 18-20% per annum, according to CRISIL. The growth will be driven by Housing shortage in the affordable segment, regulatory facilitation, entry of a large number of HFCs with sharp focus on the affordable segment, among other factors.

Due to COVID Impact, home loan segment to witness lower credit growth driven by near term shutdown and a gradual recovery subsequently. According to the CRISIL Research, in base case scenario, has assumed containment of Covid-19 outbreak by end of June 2020 and return of business-as-usual scenario by end of September 2020. The negative impact on credit profile of Housing Finance Companies would be more profound in case the pandemic prevails for extended periods. Home loan outstanding of HFC to grow at a relatively slower pace of ~6% in fiscal 2021, as compared with ~8% in fiscal 2020. For 9 months ended December 2019, the growth was ~8 % on year compared to ~12% during the corresponding period in the previous year. The 3-month moratorium on payment of EMI announced by RBI on March 27, 2020, will reduce repayment pressure on the borrowers; the self-employed segment is particularly expected to benefit out of it. Asset quality in home loan segment to deteriorate by 20-25 bps by March 2021, asset quality in self-employed borrower segment to remain monitorable. The Profitability would remain largely stable in base case scenario.

However, the Company aims to become most relevant player in its chosen customer segment. Its product offerings and distribution network will significantly contribute to take the Company to the next level. The Company is well-equipped to seize opportunities in the housing finance sector.

vi. Risks and Concerns

Being in the lending business, Risk Management forms a vital element of our business. The Company has a well-defined Risk Management framework, approved by the Board of Directors. It provides the mechanism for identifying, assessing and mitigating risks.

The company has a Risk Management Committee (RMC) and an Asset Liability Management (ALM) Policy approved by the Board. The Board has constituted the Asset Liability Committee (ALCO) to assess the risk arising out of the liquidity gap and interest rate sensitivity.

During the year, the RMC reviewed the risk associated with the business, its root cause and the efficacy of the measures taken to mitigate the same. ALCO also reviewed the risks arising from the liquidity gap and interest rate sensitivity and took decisions to mitigate the risk by ensuring adequate liquidity through the maturity profile of the Company's assets and liabilities.

Steps to strengthen the risk management

Safe Lending

Credit assessment of a customer's profile is an important precursor to safe lending. The right selection of customers ensures better asset quality and higher profitability. To strengthen our customer onboarding process, the Company has taken initiatives that include:

- Deeply engaging with CICs to access proven data, strengthening customer mapping
- Regular learning and development programmes to impart functional trainings at branch, regional and national levels
- Make the onboarding process stronger by segregation of duties and stronger maker and checker approach.
- Introduced legal and technical vetting at regional level
- Implementing a process of dual property visit by technical team and credit team, ensuring the right selection of assets for financing

Major risks and their mitigation measures:

Sl. No.	Risk	Impact	Mitigation measures
1	**Credit risk** The most common risk faced by any lending institution is the inability on the part of the borrower to repay the loan.	The delinquencies may result in monetary losses, higher NPAs and deterioration of asset quality and ultimately capital adequacy. This is followed by a thorough assessment of the potential customers' soundness of business and long-term viability by analysing cash flows.	**Origination and appraisal** CGHFL has stipulated prudent lending policies for each of the business vertical, considering the risk involved with different products and customer profiles. The Company has designed a robust and dynamic credit appraisal system to minimise the probability of default. Its credit appraisal system conducts customer meetings (business and residence) and field investigations, credit information bureaus checks, in-house technical and legal verification, adequate loan to value ratio and term cover for insurance. There is thorough reference checks of the borrower's overall goodwill and integrity in the market. This is followed by a thorough business assessment and long-term viability by analysing cash flows of the potential customers. All loans are fully secured by way of mortgages and CGHFL has first and exclusive charge on collateral properties. Company has put in place an inhouse Fraud Control Unit, having expert knowledge in fraud detection and forensic analysis of documents, as to detect and eliminate potential frauds being committed on the Company.
2	**Operational risk** Operational Risk is the risk of possible losses, arising due to lack of proper flow and inadequate controls over the internal processes, people, systems and operations of the Company.	Operational lapses could lead to adverse impact on the sustainability of the business in the long-term and loss of profitability.	CGHFL has a state-of-the-art technology driven process flow and operational control system and a responsive customer portal for enhanced efficiency and deeper engagement with the customers. The Company's internal control infrastructure is well-aligned with its underwriting and collection processes, which are managed by a highly

			competent and trained team.
3	Liquidity risk Liquidity risks emanate from the gaps in financing activity.	A skewed asset-liability profile can potentially initiate a liquidity shortfall and result in significantly higher costs of funds.	CGHFL has dedicated treasury team to manage liquidity and monitor fund availability and deployment on daily basis. Reports are submitted to ALCO members, and are used to make relevant liquidity forecasts on quarterly basis for the next 6 months. Company's has exposure to all long term funds with repayment tenure of 5-8 years and are sourced from banks and FI's. There is nil exposure to commercial papers. CGHFL's is in strong position to mobilise funds for its growth having higher capital adequacy ratio of 40.35%.
4	Strategic and business risk It is the risk to earnings and capital arising from volatile macro-economic conditions, sudden changes in the business environment or adverse business decisions.	Lack of timely response to such unforeseen conditions can lead to major tremors in the business. Entry of new competitors leading to loss of market share, higher costs of funding resulting in contraction of available spreads, slow-down in certain customer segments are some of the potential business risks faced by the Company.	The CGHFL's strategy, business and risk teams keep a track of key economic trends, sector developments and market competition, which allows us to take well-informed and in-time strategic decisions. CGHFL's customised and tailor-made lending solutions are designed keeping in mind the needs of individuals for a faster market penetration. Business issues which are of strategic importance are referred to the Board members, who are experts with rich experience in their respective fields. Intense brainstorming sessions are conducted to evaluate and design the relevant strategies, which help us in tackling the business uncertainties and circumventing business disruptions.
5	Interest rate risks	Volatility in interest rates can have a negative impact on the borrowing costs of the Company, decline in interest income and net interest margins. This can cause a mismatch on the Company's asset–liability position and could lead to lower profitability and lower returns.	Interest rate movements are tracked and reviewed by ALCO on a quarterly basis and the allowing base lending rate i.e. LTRR is fixed. Most of our portfolio is built on floating interest rates. Interest rates are primarily market driven and CGHFL's interest risk strategy is well adept at managing the changing market dynamics.
6	Regulatory and Compliance risk CGHFL is registered with	Non-compliance of the rules, regulations and statutes leads to stringent actions and	CGHFL has a separate compliance department, headed by a Senior Personnel. The Company keeps

	the National Housing Bank as a Housing Finance Company	penalties from the Regulator or Statutory Authorities.	itself abreast with all recent developments and changes in the regulatory framework/ guidelines to ensure a timely, effective and proper implementation and compliance. CGHFL diligently complies with Capital Adequacy Norms, Fair Practice Code, Asset Classification, KYC/PMLA Guidelines, Provisioning Norms, Corporate Governance framework, Timely Reporting with NHB/RBI/SEBI /Ministry of Corporate Affairs, etc. among others to ensure a comprehensive Compliance framework. This is continuously reviewed and monitored by a robust Internal Audit and control framework.
7	Information Technology risk (including Cyber Security) Company deploys Information Technology systems including ERP, loan management applications, Data Historian and Mobile Solutions to support its business processes, communications and customer details and loan records.	Data integrity and physical safeguarding of assets. Risks could primarily arise from the unavailability of systems and / or loss or manipulation of information or Information data security.	To mitigate risks, the Company uses back up procedures, restricted access to applications and other security restrictions. Systems are upgraded regularly with the latest security standards. For critical applications, security policies and procedures are updated on a periodic basis and users are educated on adherence to the policies so as to eliminate data leakages.

vii. Internal control systems and their adequacy

Company has in place adequate internal control systems commensurate with the size and nature of its operations. Internal control systems comprising of policies and procedures and well defined risk and control matrix are designed to ensure orderly and efficient conduct of business operations, safeguard company's assets, prevention and detection of errors and frauds, ensure strict compliance with applicable laws and assure reliability of financial statements and financial reporting.

An extensive program of internal audits, and regular reviews by the Audit Committee is carried out to ensure compliance with the best practices. The efficacy of internal control systems is tested periodically by Internal Auditors and internal control over financial reporting is tested and certified by Statutory Auditors.

viii. Human Resource Development

We at CGHFL value our relationship with all our employees and ensure that each of our team members feel connected with us and share the broader vision of making a positive social impact by bridging the credit gap.

Our people's team, guided by the top management, relentlessly undertakes various people-centric activities to keep all our employees engaged and provide them with suitable opportunities.

The year 2019-20 has witnessed many changes in the global economy and to adapt to the changing environment the Company has made rigorous efforts. The Company has also ensured that the employees' skills are uplifted so that employees can handle challenges while staying abreast with the functional domain knowledge of the Non-Banking Financial Services Industry. We strongly believe that the employees would able to contribute more only when there is a healthy work life balance. We understand and value the efforts of our employees, hence to engage their families, we at CGHFL had invited the employee families to our offices which provided us with an opportunity to engage better with our employees & also helped us to build a strong relationship with our employees. We believe that growth of the Company is not only a contribution made by its employee alone, but a joint effort made by their family as well. We have taken initiative to thanks our employee's families for contributing towards the growth of the Company. Employee recognition has always been an essential element for the Company in motivating, retaining and fully engaging the employees which leads to achieving the organizational goals and in turns helps to create a positive environment at workplace. The Company has quarterly as well as yearly rewards for exceptional performers and our performance appraisal systems have been designed to recognize and reward exceptional performers. There are contests for employees to boost up their performance with rewarding them. Employees who have completed 5 year & 10 years have been recognized for their loyalty in their services.

It also focuses on providing opportunities to each employee to grow and utilise their complete potential. Some key focus areas in 2019-20 were:

Recruitment: There is nothing as powerful as the unanimous voice of a brand which lies in the collective strength of its employees, who at CGHFL work as the brand ambassadors. CGHFL has 258 employees with a large spread of their own social and professional network, further growing the CGHFL network of influence. With the employees trust in the brand, we are able to attract and retain talent.

The most important detail we look at is the quality-of-hire. A referred candidate is a preferred candidate because of their well-proven performance track record. A successful referral assures an employee about their prospects with the future company they are applying for, and not only do they tend to stay longer after the referral, but they are more engaged as well. It's the most cost-effective method of hiring a strong candidate. Not to forget that referral systems save a lot of time in on – boarding formalities.

Training and Development:

Employees decide the narrative of a brand. The ones running our business goals are the most valuable asset to our organization. In the Financial year 2020, we continually invested in continuous learning and competency development for our human capital. Training being an ongoing process at CGHFL, our training team has been instrumental in creating a culture of learning throughout the year. We have incessantly invested in developing the talent onboard, so that they enhance functional and behavioural competency. We aim to develop a disciplined constructive environment in which all employees understand their responsibilities to undertake higher roles in the growth journey of CGHFL. During the Financial Year 2019-20, we have engaged 4196 participants with 8624 manhours spend in 569 training sessions through internal and external sources.

We are working on various aspects of the training sessions emphasizing on a blend of on job training which is a highly scalable platform, exposing our employees to upgrade their technical, regional and professional skills. We ensure that the employees are educated on our organization's internal policies and external regulations at regular intervals. The regional policies pertaining to specific region is being lectured by our regional leaders, which is further preached to our business and frontline team. The key focus areas this year was to strengthen the knowledge base of our frontline business and credit team and promote sharing of ideal practices in the region. This was achieved through interactive classroom based sessions conducted in each region for our branch manager and above employees. These sessions covered functional topics like product, fraud control, legal and technical valuations through interactive formats of role plays and quizzes. It was also crucial to focus on our credit executives and front line sales employees for whom customized modules were developed this year. These sessions were conducted through interactive formats like role play & quizzes and covered functional topics like product, fraud control, legal & technical valuations. The goal of this learning is to bring employees to a classroom for collaboration and networking, thereby offering thoroughly engaged training session

The training programs are synchronised in a way to strengthen the skillset of employees. We have collaboration with few trainers. The competency development of our employees continues to be a key area of strategic focus for us. Several training have been planned and organised by various external agencies, offering certification programs on Compliance, Law, AML, KYC, POSH and other elements related to our industry practises.

Being in an era of digitalization and e-learning, we are looking forward to enhance our technology led training efforts in multiple areas. We plan to take mobile platform to make learning content available to employees to access anywhere, from their mobile devices at any time convenient to them. Through the mobile app our learning program would be accessible across geographies, which would lead to enhanced employees' participation in learning. The objective of these app-based modules is to enhance their knowledge on company's product & policies so that they were well equipped while dealing with customers.

Employee Engagement Initiatives:

CGHFL believes that Engagement relates to the level of an employee's commitment and connection with the organization. Employee engagement has emerged as a critical drive of business success in today's competitive marketplace. High level of engagement promotes retention of talent, foster customer loyalty and improves organizational performance. Our focus lies in nurturing our talent and recognizing their efforts contributing towards meeting the organizational goal. Employees are giving opportunities to take up challenging role, this helps us to keep employees engaged & reduces boredom.

We have also engaged employees in cultural and festive activities. In the Financial Year 2019-20, we witnessed an array of engagement activities on the occasions like Diwali, Independence Day, Navratri, Holi, World Food Day, Christmas Celebration and Women's Day. Navratri week was marked with the Garba dance across the branches and celebrating each day with the "Color of the Day". To salute the efforts of each woman working with CGHFL we celebrated International Women's day across the branches where female staff were gifted a personalized diary to pen down their thoughts. To inculcate the spirit of Sharing and Caring within co-workers, CGHFL celebrated World's Food day where Potluck was organized & employees were asked to get homemade food & share with the fellow colleagues. This helped them to connect more with their colleagues. Diwali was witnessed with arrays of fun filled games which inculcated team spirit amongst all.

Fine balance between People & Technology:

While the advancement in HR technology is accelerating, the ongoing pace of progress of these technologies is transforming how people carry out their work, and how HR supports their employees. Technology makes it easier to gather and break down data on employees to get an overall picture. A collaboration between people and technology has becomes an essence in today's world and it becomes important at building a collaborative workforce by bringing people and technology in one frame. Collaboration has always been known that it can make things work more effectively. We at CGHFL with the help of our inhouse technology team have evolved our HR process which, has reduced our manual intervention and has automated our routine administrative tasks. This has helped us to focus on strategic aspects of HR functions. In order to facilitate the process, we adopted tools like self-service employee portals, onboarding, exits, performance reviews and an interface is created for prospective candidates to complete their process during the offer stage. With the help of technology our data management is simplified, and the data is available with a click of a button. The technology has enabled us to gather, collect, and deliver information, as well as communicate with employees more easily and efficiently.

Gender equality among organization:

In today's dynamic business environment, achieving gender equality is the factor for competitiveness and growth of any organization. To create an inclusive and dynamic economy, we ensure that everyone receives an equal opportunity to succeed. Gender equality in the workplace refer to a variety of culture, practices and attitude that promotes or subvert attempts to create a gender equal workplace. We at CGHFL ensures that equal opportunity is given to all employees without gender discrimination. It also includes providing equal chances of promotion, pay-rises, and inclusion in decision making process. We also prioritized on work life balance, strict and effective policies are created against harassment at workplace. An open-minded culture is created which gives the employees an opportunity to exchange ideas & nurture their career in the organization which leads to long term success for the organization as well as the employee's.

Deloitte Haskins & Sells LLP

Chartered Accountants
Indiabulls Finance Centre,
27th – 32nd Floor, Tower 3,
Senapati Bapat Marg,
Elphinstone Mill Compound,
Elphinstone (W), Mumbai – 400 013, Maharashtra, India.

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INDEPENDENT AUDITORS' REPORT

To The Members of Capri Global Housing Finance Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Capri Global Housing Finance Limited (the "Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 34 of the financial statements, which describes that the extent to which the Covid-19 Pandemic will impact the Company's results will depend on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

Information other than the Financial Statements and Auditor's Report thereon

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

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

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

- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

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

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

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

   c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

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

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company has disclosed the impact of pending litigations on its financial position in Note 46 to its financial statements as at 31st March 2020;
   ii. The Company did not have any long-term contracts including derivative contracts as at year-end for which there were any material foreseeable losses; and
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Mumbai: 9th May 2020

Deloitte
Haskins & Sells LLP

Report on Internal Financial Controls Over Financial Reporting

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 Capri Global Housing Finance Limited (the "Company") as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). 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 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 information, as required under the Act.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Mumbai: 9th May 2020

Deloitte
Haskins & Sells LLP

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme 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) According to the information and explanations given to us and the records examined by us, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirement under paragraph 3(i)(c) of the Order is not applicable.

(ii) To the best of our knowledge and according to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause 3(ii) of the Order is not applicable.

(iii) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.

(iv) The Company has not granted any loans, made investments or provided guarantees under the provisions of Sections 185 and 186 of the Act and hence reporting under clause 3(iv) of the Order is not applicable.

(v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any public deposit during the year and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals.

(vi) To the best our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company.

(vii) To the best of our knowledge and according to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax and cess to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax and cess as at 31^{st} March 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax as on 31st March 2020 on account of disputes are given below:-

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount (Rs.)
Income Tax Act, 1961	Regular Assessment u/s 143(3) of the Act	Assessing officer	AY 2008-09	1,95,454
Income Tax Act, 1961	Interest u/s 220(2) of the Act	Assessing officer	AY 2010-11	16,875

There are no dues of Provident Fund, Employees' state insurance, and Goods and Service Tax as on 31st March 2020 on account of disputes.

(viii) To the best of our knowledge and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and government. The Company has not taken any loan from financial institutions. The Company has not issued any debentures.

(ix) To the best of our knowledge and according to the information and explanations given to us, the money raised by way of the term loans have been applied by the Company during the year for the purposes for which they were raised other than temporary deployment pending application of proceeds. The Company has not raised moneys by way of initial public offer/ further public offer including debt instruments.

(x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

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

(xiii) To the best of our knowledge and according to the information and explanations given to us, the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

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(xv) To the best of our knowledge and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Act are not applicable.

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Mumbai, 9th May, 2020

CAPRI GLOBAL HOUSING FINANCE LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

(Amount in Rs.)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
	ASSETS			
(1)	**Financial assets**			
(a)	Cash and cash equivalents	3	159,873,521	1,236,080,945
(b)	Bank Balances other than (a) above	4	36,406,915	77,996,078
(c)	Trade Receivables	5	1,369,679	42,876,480
(d)	Loans	6	8,776,124,255	7,764,793,851
(e)	Investments	7	1,120,899,432	-
(f)	Other financial assets	8	6,876,106	6,652,361
	Total Financial Assets		**10,101,549,908**	**9,128,399,715**
(2)	**Non-Financial assets**			
(a)	Current Tax Assets (Net)	9	5,926,157	6,665,447
(b)	Deferred tax assets (Net)	10	31,719,032	42,064,553
(c)	Investment properties	11	8,822,838	10,973,681
(d)	Property, plant and equipment	12	14,509,023	22,670,597
(e)	Other intangible assets		9,181,162	1,925,013
(f)	Intagible Assets under development		1,667,700	588,600
(g)	Other non-financial assets	13	5,574,865	5,533,764
	Total Non-Financial Assets		**77,400,777**	**90,421,655**
	Total Assets		**10,176,950,685**	**9,218,821,370**
	EQUITY AND LIABILITIES			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Payables			
	Trade Payables	14		
	(i) total outstanding dues of micro enterprises and small enterprises			-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		38,122,777	41,310,567
(b)	Borrowings (Other than Debt Securities)	15	7,743,119,754	6,763,742,756
(c)	Other financial liabilities	16	33,504,641	286,959,771
	Total Financial Liabilities		**7,814,747,172**	**7,092,013,094**
(2)	**Non-Financial Liabilities**			
(a)	Current Tax Liabilities (Net)	17	166,137	5,472,849
(b)	Provisions	18	13,066,746	9,256,366
(c)	Other non-financial liabilities	19	35,651,357	39,988,043
	Total Non-Financial Liabilities		**48,884,240**	**54,717,258**
	Total liabilities		**7,863,631,412**	**7,146,730,352**
(3)	**EQUITY**			
(a)	Equity	20	607,142,800	607,142,800
(b)	Other equity	21	1,708,176,473	1,464,948,218
	Total equity		**2,315,319,273**	**2,072,091,018**
	Total equity and liabilities		**10,176,950,685**	**9,218,821,370**

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

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Place: MUMBAI
Date: 9th MAY 2020

For and on behalf of the Board of Directors

(Rajesh Sharma)
Managing Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(T.R.Bajalia)
Independent Director
DIN 02291892

(Ashish Gupta)
Chief Financial Officer

(Abhishekh Kanoi)
Company Secretary
FCS - 9530

Place: Mumbai
Date: May 9, 2020

CAPRI GLOBAL HOUSING FINANCE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in Rs.)

	Particulars	Note	Year ended March 31, 2020	Year ended March 31, 2019
	Revenue from Operations			
(i)	Interest Income	22	1,264,839,930	678,806,399
(ii)	Fees Income	23	21,442,772	37,589,721
(iii)	Net Gain on fair value changes	24	28,646,705	21,667,424
(iv)	Other operating income	25	63,736,909	150,667,732
(I)	**Total Revenue from Operations**		**1,378,666,316**	**888,731,277**
(II)	**Other Income**	26	16,029,097	226,717
(III)	**Total Income (I+II)**		**1,394,695,413**	**888,957,993**
	Expenses			
(i)	Finance costs	27	668,294,731	372,114,138
(ii)	Impairment on financial instruments	28	45,106,136	24,588,468
(iii)	Net Loss on fair value changes	29	-	-
(iv)	Employee benefit expense	30	212,247,503	200,964,349
(v)	Depreciation and amortisation expense		23,114,881	17,637,511
(vi)	Other expenses	31	134,290,836	180,945,329
(IV)	**Total expenses**		**1,083,054,087**	**796,249,795**
(V)	**Profit/(Loss) before Tax (III - IV)**		**311,641,326**	**92,708,198**
	Tax expense			
	- Current tax		79,449,327	45,893,217
	- Deferred tax		(10,151,087)	(23,008,970)
	- Income Tax Pertaining to earlier year		(983,097)	-
(VI)	**Total tax expense**		**68,315,143**	**22,884,247**
(VII)	**Net Profit / (Loss) After Tax (V - VI)**		**243,326,183**	**69,823,951**
(VIII)	**Other comprehensive income**	32		
	(i) Items that will not be reclassified to profit or loss Remeasurement of defined benefit plans		(138,160)	(362,983)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		40,232	100,982
	Other Comprehensive Income		**(97,928)**	**(262,001)**
(IX)	**Total comprehensive income (VII + VIII)**		**243,228,255**	**69,561,950**
(X)	**Earnings per equity share**			
	Basic (₹)		4.01	1.88
	Diluted (₹)		4.01	1.88

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

In terms of our report attached
For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Place: MUMBAI
Date: 9th MAY 2020

For and on behalf of the Board of Directors

(Rajesh Sharma)
Managing Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(T.R Bajalia)
Independent Director
DIN 02291892

(Ashish Gupta)
Chief Financial Officer

(Abhishekh Kanoi)
Company Secretary
FCS - 9530

Place: Mumbai
Date: May 9, 2020

CAPRI GLOBAL HOUSING FINANCE LIMITED

Cash Flow Statement for the year ended March 31, 2020

(Amount in Rs.)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Operating activities		
Profit before tax from continuing operations	311,641,326	92,708,198
Profit before tax	311,641,326	92,708,198
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation & amortisation	23,114,881	17,637,511
Impairment on financial instruments	45,106,136	24,588,468
Net Gain on financial asset designated at FVPL	(10,222,454)	-
Share Based Payments to employees		(2,777,783)
Interest on Leased Assets	1,224,486	-
(Profit)/Loss On Sale Of Fixed Assets	148,819	-
Operating Profit before working capital changes and adjustments for Interest received, Interest paid and Dividend received	**371,013,194**	**132,156,394**
Working capital changes		
Loans	(1,055,373,255)	(5,409,689,225)
Trade receivables	41,283,056	(39,516,246)
Other Non-financial Assets	(41,101)	5,912,783
Trade payables	(3,187,790)	44,002,887
Other financial liability	(265,414,210)	(160,191,729)
Provisions	2,608,930	4,056,678
Cash flows used in operating activities	**(909,111,176)**	**(5,423,268,457)**
Income tax paid	(62,496,812)	(23,713,700)
Net cash flows from/(used in) operating activities	**(971,607,988)**	**(5,446,982,158)**
Investing activities		
Purchase of fixed and intangible assets	(5,145,715)	(17,130,022)
Proceeds from sale of property and equipment	100,003	844,004
Intangible Assets Under Development	(1,079,100)	(588,600)
Proceeds from sale of Investment Properties	2,150,843	-
Proceeds from Maturity of Fixed Deposits	41,589,163	19,008,705
Purchase of investment	(1,110,676,977)	-
Net cash flows from/(used in) investing activities	**(1,073,061,783)**	**2,134,086**
Financing activities		
Increase in Share Capital	-	238,095,200
Payments for the principal portion of the lease liability	(9,690,166)	
Payments for the interest portion of the lease liability	(1,224,486)	
Increase in Securities Premium	0	761,904,639
Borrowings other than debt securities issued	979,376,998	5,677,395,502
Net cash flows from financing activities	**968,462,347**	**6,677,395,341**
Net increase/ (decrease) in cash and cash equivalents	(1,076,207,424)	1,232,547,270
Cash and cash equivalents at 1st April 2019	1,236,080,945	3,533,675
Cash and cash equivalents at 31st March 2020	**159,873,521**	**1,236,080,945**
Components of cash and cash equivalents		
Cash on hand	709,936	730,794
Balances with banks		
In current accounts	159,163,585	565,350,151
In Deposit accounts with original maturity of 3 months or less	-	670,000,000
Total cash and cash equivalents	**159,873,521**	**1,236,080,945**

1. Operational cash flows from interest and dividends		
Interest paid	668,196,089	372,359,058
Interest received	1,254,268,382	629,298,412
Dividend received	-	-

2. Cash flows arising on account of taxes on Income are not specifically bifurcated with respect to investing & financing activities.
3. Previous Years figures have been regrouped, wherever necessary to confirm to current year's classification.
4. Figures in brackets represent outflows.

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Place: Mumbai
Date: 9th May 2020

For and on behalf of the Board of Directors

(Rajesh Sharma)
Managing Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(T.R Bajalia)
Independent Director
DIN 02291892

(Ashish Gupta)
Chief Financial Officer

(Abhishekh Kanoi)
Company Secretary
FCS - 9530

Place: Mumbai
Date: May 9, 2020

CAPRI GLOBAL HOUSING FINANCE LIMITED
STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

(Amount in Rs.)

As at April 01, 2018	Changes in equity share capital during the year 2018-19	As at March 31, 2019	Changes in equity share capital during the year 2019-20	As at March 31, 2020
369,047,600	238,095,200	607,142,800	-	607,142,800

B. OTHER EQUITY

(Amount in Rs.)

	Reserves and Surplus				Other Comprehensive Income	Total
	Securities Premium	Retained Earnings	Employee Share Option Outstanding	Statutory Reserve under Section 29C of the National Housing Bank Act, 1987	Employee Benefit Expenses (Gratuity - OCI)	
Balance as at April 1, 2018	**380,952,321**	**224,374,696**	**2,777,783**	**28,100,000**	**54,612**	**636,259,412**
Received during the year	761,904,640	69,823,951		14,000,000	(262,001)	845,466,590
Utilised during the year		(14,000,000)	(2,777,783)			(16,777,783)
Balance as at April 1, 2019	**1,142,856,961**	**280,198,647**	**-**	**42,100,000**	**(207,389)**	**1,464,948,218**
Received during the year		243,326,183	-	49,000,000	(97,928)	292,228,255
Utilised during the year		(49,000,000)				(49,000,000)
Balance as at March 31, 2020	**1,142,856,961**	**474,524,830**	**-**	**91,100,000**	**(305,317)**	**1,708,176,473**

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No.117366W/W-100018)

G. K. Subramaniam
Partner
(Membership No. 109839)

Place: MUMBAI
Date: 9th MAY 2020

For and on behalf of the Board of Directors

(Rajesh Sharma)
Managing Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
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(T.R Bajalia)
Independent Director
DIN 02291892

Ashish
(Ashish Gupta)
Chief Financial Officer

(Abhishekh Kanoi)
Company Secretary
FCS - 9530

Place: Mumbai
Date: May 9, 2020

Capri Global Housing Finance Limited
Notes forming part of Financial Statements

1. Corporate Information

Capri Global Housing Finance Limited (the Company) having principal place of business at Registered office, 502, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai - 400013 is engaged in the business of providing loans primarily to customers for purchase / construction / repair and renovation of residential property. The Company holds registration certificate No. 07.0139.16 with National Housing Bank under section 29A of the National Housing Bank Act, 1987 dated 18th July 2016

The financial statements for the year ended March 31, 2020 were authorised for issue in accordance with a resolution of the board of directors on May 9, 2020.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The financial statements have been prepared under the historical cost convention, as modified by the application of fair value measurements required or allowed by relevant Accounting Standards. Accounting policies have been consistently applied to all periods presented, unless otherwise stated.

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 2.15- Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest Rupee, except when otherwise indicated.

2.2. Presentation of financial statement

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013, as notified by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

i. The normal course of business
ii. The event of default
iii. The event of insolvency or bankruptcy of the Company and/or its counterparties

2.3. Statement of compliance

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 and the relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2.4 Financial instruments

(i) Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets which are explained below:

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Company's 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:

- 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
- The risks that affect the performance of the business model (and the financial assets held within that business model) and the way those risks are managed
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- The expected frequency, value and timing of sales are also important aspects of the Company's assessment. The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

The Solely Payments of Principal and Interest (SPPI) test

As a second step of its classification process the Company assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

(ii) Financial assets measured at amortised cost

Debt instruments
These financial assets comprise bank balances, receivables, investments and other financial assets.

Debt instruments are measured at amortised cost where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
b) are held within a business model whose objective is achieved by holding to collect contractual cash flows.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost.

(iii) Financial assets measured at fair value through other comprehensive income (FVTOCI)

Debt instruments
Investments in debt instruments are measured at fair value through other comprehensive income where they have:

a) contractual terms that give rise to cash flows on specified dates, that represent solely payments of principal and interest on the principal amount outstanding; and
b) are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

These debt instruments are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are included in other comprehensive income within a separate component of equity. Impairment losses or reversals, interest revenue and foreign exchange gains and losses are recognised in Profit and Loss. Upon disposal,

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the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to the statement of profit and loss.

Equity instruments
Investment in equity instruments that are neither held for trading nor contingent consideration recognised by the Company in a business combination to which Ind AS 103 'Business Combination' applies, are measured at fair value through other comprehensive income, where an irrevocable election has been made by management and when such instruments meet the definition of definition of Equity under Ind AS 32 *Financial Instruments: Presentation.* Such classification is determined on an instrument-by-instrument basis. As at reporting date, there are no equity instruments measured at FVTOCI.

Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. Dividends on such investments are recognised in Profit or Loss.

(iv) Items at fair value through profit or loss (FVTPL)

Items at fair value through profit or loss comprise:
- Investments (including equity shares) held for trading;
- Items specifically designated as FVTPL on initial recognition; and
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at FVTPL are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading
A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.
No Trading derivatives were undertaken until the year ended March 31, 2020.

Financial instruments designated as measured at FVTPL
Upon initial recognition, financial instruments may be designated FVTPL. A financial asset may only be designated at FVTPL if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at FVTPL if it eliminates or significantly reduces an accounting mismatch or:
- if a host contract contains one or more embedded derivatives; or

• if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at FVTPL, the movement in fair value attributable to changes in the Company's own credit quality is calculated by determining the changes in credit spreads above observable market interest rates and is presented separately in other comprehensive income. As at the reporting date, the Company has not designated any financial instruments as measured at fair value through profit or loss.

(v) Debt securities and other borrowed funds

After initial measurement, debt issued, and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the EIR.

(vi) Reclassification

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described below.

(vii) Recognition and Derecognition of financial assets and liabilities

Recognition:

a) Loans and Advances are initially recognised when the Financial Instruments are transferred to the customers.
b) Investments are initially recognised on the settlement date.
c) Debt securities, deposits and borrowings are initially recognised when funds reach the Company.
d) Other Financial assets and liabilities are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. This includes regular way trades: purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Derecognition of financial assets due to substantial modification of terms and conditions:

The Company derecognises a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognised loans are classified as Stage 1 for ECL measurement purposes, unless the new loan is deemed to be Purchased or Originated as Credit Impaired (POCI).

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Company records a modification gain or loss, to the extent that an impairment loss has not already been recorded.

Derecognition of financial assets other than due to substantial modification

a) Financial assets:

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

The Company has transferred the financial asset if, the Company has transferred its contractual rights to receive cash flows from the financial asset

A transfer only qualifies for derecognition if either:

i. The Company has transferred substantially all the risks and rewards of the asset, or
ii. The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

b) 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.

(viii) Impairment of financial assets

Overview of the ECL principles

The Company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with financial guarantee contracts, in this section all referred to as 'financial instruments. Equity instruments are not subject to impairment under Ind AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis.
The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.
The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower.
Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1
All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The Company classifies all standard advances and advances up to 0-29 days default under this category. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.

Stage 2
All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. Financial assets past due for 30-89 days are classified under this stage. Stage 2 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 3.

Stage 3
All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

Credit-impaired financial assets:
At each reporting date, the company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit-impaired includes the following observable data:

a) Significant financial difficulty of the borrower or issuer;
b) A breach of contract such as a default or past due event;
c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise;
d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e) The disappearance of an active market for a security because of financial difficulties.

ECL on Debt instruments measured at fair value through OCI
The ECLs for debt instruments measured at FVTOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognised in OCI is recycled to the statement of Profit and Loss upon derecognition of the assets.

The mechanics of ECL:
The Company calculates ECLs based on probability-weighted scenarios to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to the Company in accordance with the contract and the cash flows that the Company expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

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

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure including interest accrued thereon at a future default date and also including the undrawn commitments.

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

Forward looking information
While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, unemployment rates, benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays, if any, are embedded in the methodology to reflect such macro-economic trends reasonably.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as the underlying asset financed, cash, securities, letters of credit/guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models.

Collateral repossessed

In its normal course of business, the Company does not physically repossess properties or other assets in its retail portfolio, but engages its employees to recover funds, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

(ix) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the Statement of Profit and Loss.

(x) Determination of fair value

On initial recognition, all the financial instruments are measured at fair value. For subsequent measurement, the Company measures certain categories of financial instruments (as explained in note. at fair value on each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i. In the principal market for the asset or liability, or

ii. In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument. However, if such adjustments are based on unobservable inputs which are significant to the entire measurement, the Company will classify the instruments as Level 3.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Difference between transaction price and fair value at initial recognition
The best evidence of the fair value of a financial instrument at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Company recognises the difference between the transaction price and the fair value in profit or loss on initial recognition (i.e. on day one).

When the transaction price of the instrument differs from the fair value at origination and the fair value is based on a valuation technique using only inputs observable in market transactions, the Company recognises the difference between the transaction price and fair value in net gain on fair value changes. In those cases where fair value is based on models for which some of the inputs are not observable, the difference between the transaction price and the fair value is not recognised at the initial recognition stage.

2.5 Revenue from operations

(i) Interest Income
Interest income is recognised by applying (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL, taking into account the amount outstanding and the applicable interest rate. Interest income is recognised on non-performing assets at net of ECL.

The EIR is computed

a. As the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset
b. By considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) in estimating the cash flows
c. Including 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.

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

(ii) Dividend Income
Dividend income is recognised when the right to receive the payment is established.

(iii) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable.

(iv) Net gain on Fair value changes
Any differences between the fair values of financial assets classified as FVTPL held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed as "Net loss on fair value changes" under Expenses in the Statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

However, Net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

(V) Loan Processing Fees
Loan processing fees on loans is collected towards processing of loan, this is amortised on EIR basis over the contractual life of the loan.

2.6 Expenses

(i) Finance costs

Finance costs on borrowings is paid towards availing of loan, is amortised on EIR basis over the contractual life of loan.

The EIR in case of a financial liability is computed

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

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

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, Rating Fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the eligible employees of the Company who have opted to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each Balance Sheet date, using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

Net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, attrition rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The Company fully contributes all ascertained liabilities to The Trustees – "Money Matters Securities Private Limited Employee Group Gratuity Assurance Scheme". Trustees administer contributions made to the trust and contributions are invested in a scheme of insurance with the IRDA approved Insurance Companies.

Re-measurement, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit and loss in subsequent periods.

Other long-term employee benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

The Company presents the Provision for compensated absences under provisions in the Balance Sheet.

(iii) Leases Rent

The Company leases most of its office facilities under operating lease agreements that are renewable on a periodic basis at the option of the lessor and the lessee. The lease agreements contain rent free periods and rent escalation clauses.

The Company assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves the use of an identified asset, (ii) the company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (iii) the company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a ROU asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. ROU assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. For short-term leases and low value leases, the Company recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

The lease arrangements include options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment as to whether it will exercise an extension or a termination option.

Adoption of Ind AS 116

Effective April 1, 2019, the Company has adopted Ind AS 116, "Leases" ("Ind AS 116"). As a result, the Company has changed its accounting policy for accounting of leasing arrangements, which has been detailed below.

The Company applied the "Modified Retrospective Approach" on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. The Company has elected the available practical expedients which allows the Company not to reassess under the new standard its prior conclusions about lease identification, lease classification and initial direct costs. The Company has also elected the practical expedient to not separate lease and non-lease components for all of its leases, non-capitalization of short-term leases (leases with a term of twelve months or less) and low value leases (leases for which the underlying asset is of low value).

The most significant effects of this new standard on the Company relate to the recognition of new right-of-use ("ROU") assets and lease liabilities on its financial position for various real estate operating leases. Lease liability and ROU assets have been separately presented in the financial position and the payment of principal portion of lease liabilities has been classified as financing cash flows.

The difference between the lease obligation disclosed as at March 31, 2019 under Ind AS 17 "Leases" disclosed under Note 44 of the Company's financial statements included in the Company's annual report for the year ended March 31, 2019, and the value of the lease liabilities as at April 1, 2019 is primarily on account of the inclusion of extension and termination options reasonably certain to be exercised, the practical expedient to not separate lease and non-lease components in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

(iv) Other income and expenses
All Other income and expense are recognized in the period they occur.

(v) Impairment of non-financial assets
The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(vi) Taxes

Current Tax
Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity.

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Goods and services tax /service tax/value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/service tax/value added taxes paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

ii. When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.7 Foreign currency translation

(i) Functional and presentational currency

The standalone financial statements are presented in Indian Rupees which is also functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Transactions and balances

Initial recognition:

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Conversion:

Monetary assets and liabilities denominated in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of Profit and Loss.

Non–monetary items that are measured at historical cost in a foreign currency are translated using the spot exchange rates as at the date of recognition.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short- term deposits, as defined above.

2.9 Property, plant and equipment

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation

Depreciation is calculated using the written down value method to write down the cost of property and equipment to their residual values over their estimated useful lives which is in line with the estimated useful life as specified in Schedule II of the Act. The estimated useful lives are as prescribed by Schedule II of the Act. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

2.10 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably, and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight–line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 3 years, unless it has a shorter useful life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

ROU assets are depreciated from the date of commencement of the lease on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset.

2.11 Investment Property

Properties, held to earn rentals and/or capital appreciation are classified as investment property and measured and reported at cost, including transaction costs. For transition to Ind AS, the company has elected to adopt as deemed cost, the carrying value of investment property as per Indian GAAP less accumulated depreciation and cumulative impairment (if any) as on the transition date of April 1, 2017.

Depreciation is recognised using straight line method so as to write off the cost of the investment property 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 the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/residual value is accounted on prospective basis.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of property is recognised in the Statement of Profit and Loss in the same period.

2.12 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the Statement of Profit and Loss net of any reimbursement.

2.13 Contingent Liabilities

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

2.14 Earning Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.15. Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

(i) Defined employee benefit assets and liabilities

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

(ii) Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust as and when necessary.

(iii) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to Company's base rate and other fee income/expense that are integral parts of the instrument

(iv) Lease accounting

The Company determines the lease term as the non-cancellable period of a lease including any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to operations, taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The Company has applied an incremental borrowing rate for the purpose of computing lease liabilities based on the rate prevailing in respective geographies.

2.16 Operating Cycle

Based on the nature of products/activities of the company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the company has determined its operating cycle as 12 months.

Note-3 CASH AND CASH EQUIVALENTS

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Cash on hand	709,936	730,794
(ii) Balances with banks:		
- In Current Accounts	159,163,585	565,350,151
- In Deposit accounts with original maturity of 3 months or less	-	670,000,000
Total	**159,873,521**	**1,236,080,945**

Note-4 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2020	As at March 31, 2019
In other Deposit accounts		
- original Maturity more than 3 months (Refer note below)	36,406,915	77,996,078
Total	**36,406,915**	**77,996,078**

The Fixed deposits have been kept as lien with banks against term loan facility availed by company.

Note-5 TRADE RECEIVABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured, Considered good		
-Outstanding for a period exceeding six months from the due date of payment		-
-Outstanding for a period less than six months	1,369,679	42,876,480
Total	**1,369,679**	**42,876,480**

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. The Company has assessed that, the impact of impairment of trade receivables is immaterial and hence no impairment loss has been provided.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Note-6 LOANS

(Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amortised cost	Total	Amortised cost	Total
A				
Housing Loans	8,845,741,849	8,845,741,849	7,789,135,013	7,789,135,013
Others				
Loan to employees	159,911	159,911	1,393,457	1,393,457
Total – Gross (A)	**8,845,901,760**	**8,845,901,760**	**7,790,528,470**	**7,790,528,470**
Less: Expected Credit Loss	(69,777,505)	(69,777,505)	(25,734,619)	(25,734,619)
Total – Net (A)	**8,776,124,255**	**8,776,124,255**	**7,764,793,851**	**7,764,793,851**
(a) Secured by tangible assets	8,845,741,849.10	8,845,741,849.10	7,789,135,013	7,789,135,013
(b) Unsecured	159,911	159,911	1,393,457	1,393,457
Total – Gross (B)	**8,845,901,760**	**8,845,901,760**	**7,790,528,470**	**7,790,528,470**
Less: Expected Credit Loss	(69,777,505)	(69,777,505)	(25,734,619)	(25,734,619)
Total – Net (B)	**8,776,124,255**	**8,776,124,255**	**7,764,793,851**	**7,764,793,851**
(I) Loans in India				
(i) Public Sector	-		-	-
(ii) Others	8,845,901,760	8,845,901,760	7,790,528,470	7,790,528,470
Total (C)- Gross	**8,845,901,760**	**8,845,901,760**	**7,790,528,470**	**7,790,528,470**
Less: Expected Credit Loss	(69,777,505)	(69,777,505)	(25,734,619)	(25,734,619)
Total (C) - Net	**8,776,124,255**	**8,776,124,255**	**7,764,793,851**	**7,764,793,851**

Note 1 - The Company's business model is hold contractual cash flows, being the payment of Principal and Interest, till maturity and accordingly the loans are measured at amortised cost.

Note 2 - Term loans are secured against tangible assets kept as collateral of immovable property.

Note-7 INVESTMENTS

(Amount in Rs.)

Investments	As at March 31, 2020 At fair value through profit or loss	As at March 31, 2019 At fair value through profit or loss
Mutual funds	1,120,899,432	-
Equity Shares	-	-
Total	**1,120,899,432**	-
(i) Investments outside India	-	-
(ii) Investments in India	1,120,899,432	-
Total	**1,120,899,432**	-

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
	Numbers/Units	**Numbers/Units**
1. HDFC Liquid Fund	5123.172	
2. ABSL Liquid Fund	219141.716	
3. SBI Liquid Fund	22523.13	
4. ICICI Prudential Liquid Fund - Direct Plan	1584116.027	
5. ICICI Prudential Ultra Short Fund - Direct Plan	23072613.14	

Note- 8 OTHER FINANCIAL ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	6,876,106	6,652,361
Total	**6,876,106**	**6,652,361**

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Note-9 CURRENT TAX ASSETS (Net)

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Advance Tax (net of provision for tax)	5,926,157	6,665,447
Total	**5,926,157**	**6,665,447**

Note-10 DEFERRED TAX ASSETS (Net)

The major components of deferred tax assets and liabilities are :

(Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Assets	Liabilities	Assets	Liabilities
a) Depreciation	3,354,722	-	2,707,099	-
b) Provisions for Loans	16,238,056	-	3,848,541	-
c) Provision for Employee Benefits	1,996,287	-	1,207,260	-
d) Amortised Finance Cost	-	2,582,109	-	10,491,644
e) Amortised Fees Income	4,482,603	-	41,035,617	-
f) Others	148,674	-	132,528	-
g) MAT Credit Entitlement	8,080,799	-	3,625,150	-
Total	34,301,140	2,582,109	52,556,196	10,491,644
Net Deferred Tax Asset		**31,719,032**		**42,064,553**

Note 11- INVESTMENT PROPERTIES

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Investment Properties*	8,822,838	10,973,681
Total	**8,822,838**	**10,973,681**

Cost of Deemed cost	As at March 31, 2020	As at March 31, 2019
Balance at the beging of the year	10,973,681	10,973,681
Addition during the year		
Disposals	2,150,843	-
Balance at the end of the year		
Total	**8,822,838**	**10,973,681**

* Investment Properties are in the nature of freehold properties and fair value of the properties is Rs. 2,51,18,920

Note-12 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment

(Amount in Rs.)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2019	Additions	Deductions	As at March 31, 2020	As at April 01,2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31,2019
Computer Hardware	25,913,622	237,459	377,385	25,773,696	15,499,224	6,707,945	358,515	21,848,654	3,925,042	10,414,398
Furniture and Fixtures	8,363,930	125,841	288,059	8,201,712	2,612,902	1,476,712	96,104	3,993,511	4,208,202	5,751,027
Office Equipments	8,525,212	783,915	109,981	9,199,146	3,750,065	2,420,152	71,984	6,098,233	3,100,913	4,775,146
Vehicles	2,013,288	2,666,729	-	4,680,017	470,912	1,073,304	-	1,544,216	3,135,801	1,542,376
Electrical Installation	302,300	-	-	302,300	114,651	48,584	-	163,235	139,065	187,649
Total	45,118,352	3,813,944	775,425	48,156,871	22,447,754	11,726,697	526,603	33,647,848	14,509,023	22,670,597

Other Intangible assets :

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2019	Additions	Deductions	As at March 31, 2020	As at April 01,2019	For the Year	Deductions	As at March 31, 2020	As at March 31, 2020	As at March 31,2019
Software	3,459,188	1,331,772	-	4,790,960	1,534,175	1,187,461	-	2,721,636	2,069,324	1,925,013
Right of Use		17,312,561		17,312,561		10,200,723		10,200,723	7,111,838	-
Total	3,459,188	18,644,333	-	22,103,520	1,534,175	11,388,184	-	12,922,358	9,181,162	1,925,013

Property, plant and equipment

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2018	Additions	Deductions	As at March 31,2019	As at April 01,2018	For the Year	Deductions	As at March 31,2019	As at March 31,2019	As at March 31,2018
Computer Hardware	16,969,008	8,944,614	-	25,913,622	4,339,904	11,159,320		15,499,224	10,414,398	12,629,104
Furniture and Fixtures	7,253,376	1,350,121	239,567	8,363,930	768,957	1,909,257	65,312	2,612,902	5,751,027	6,484,419
Office Equipments	4,963,231	3,590,473	28,493	8,525,212	747,385	3,013,447	10,766	3,750,065	4,775,146	4,215,846
Vehicles	1,077,338	2,013,288	1,077,338	2,013,288	390,786	505,442	425,316	470,912	1,542,376	686,552
Electrical Installation	302,300	-	-	302,300	46,643	68,008	-	114,651	187,649	255,657
Total	30,565,253	15,898,496	1,345,398	45,118,352	6,293,675	16,655,474	501,394	22,447,755	22,670,597	24,271,576

Other Intangible assets :

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 01,2018	Additions	Deductions	As at March 31,2019	As at April 01,2018	For the Year	Deductions	As at March 31,2019	As at March 31,2019	As at March 31,2018
Software	2,227,662	1,231,526	-	3,459,188	552,138	982,037	-	1,534,175	1,925,013	1,675,524
Total	2,227,662	1,231,526	-	3,459,188	552,138	982,037	-	1,534,175	1,925,013	1,675,524

Note-13 OTHER NON FINANCIAL ASSETS

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	3,207,603	2,377,521
Other Assets	888,226	1,125,334
Deferred lease rentals	1,479,036	2,030,909
Total	**5,574,865**	**5,533,764**

Note-14 TRADE PAYABLES

TRADE PAYABLES

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	25,122,775	21,310,564
Accrued Employee Benefit Expense	13,000,002	20,000,003
Total	**38,122,777**	**41,310,567**

Note-15 BORROWINGS (OTHER THAN DEBT SECURITIES) - AT AMORTISED COST

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
Term Loans from Banks*	7,096,872,754	6,763,742,756
Term Loans from National Housing Bank**	646,247,000	-
Loan Repayable on Demand		
From Banks (Overdraft)***	-	-
Total	**7,743,119,754**	**6,763,742,756**
Borrowings in India	7,743,119,754	6,763,742,756
Total	**7,743,119,754**	**6,763,742,756**

*First pari-passu charge by way of hypothecation of the company's loan receivables / book debts with asset cover in the range of 1.10 to 1.25 times and weighted average cost for FY 19-20 is 9.62% p.a.

**First pari-passu charge by way of hypothecation of the company's loan receivables / book debts with asset cover in the range of 1.25 to 1.35 times and weighted average cost for FY 19-20 is 7.89% p.a.

***This includes lien on the Company's Term Deposits (refer note 4)

Terms of repayment, nature of security & rate of interest in case of Borrowings (Other than Debt Securities)

Name of Security	Maturity date	Terms of repayment	As at March 31, 2020	As at March 31, 2019
Union Bank of India - Term Loan 1	November 30, 2025	Repayable in 28 Equal Quarterly Installment starting from Feb 2019	500,000,000	500,000,000
Union Bank of India - Term Loan 2	August 30, 2025	Repayable in 24 Equal Quarterly Installment starting from Nov 2019	200,000,000	200,000,000
Union Bank of India - Term Loan 2	September 30, 2025	Repayable in 24 Equal Quarterly Installment starting from Dec 2019	500,000,000	500,000,000
Union Bank of India - Term Loan 2	November 30, 2025	Repayable in 24 Equal Quarterly Installment starting from Feb 2020	400,000,000	400,000,000
Union Bank of India - Term Loan 2	December 31, 2025	Repayable in 24 Equal Quarterly Installment starting from Mar 2020	400,000,000	400,000,000
State Bank Of India - Term Loan 1	December 31, 2025	Repayable in 28 Equal Quarterly Installment starting from April 2019	500,000,000	500,000,000
State Bank Of India - Term Loan 2	October 31, 2027	Repayable in 28 Equal Quarterly Installment starting from Jan 2021	1,000,000,000	-
YES Bank Limited - Term Loan 1	December 30, 2022	Repayable in 20 Equal Quarterly Installment starting from April 2018	50,000,000	50,000,000
YES Bank Limited - Term Loan 1	April 17, 2023	Repayable in 20 Equal Quarterly Installment starting from July 2018	150,000,000	150,000,000
YES Bank Limited - Term Loan 1	April 25, 2023	Repayable in 20 Equal Quarterly Installment starting from 01 July 2018	200,000,000	200,000,000
YES Bank Limited - Term Loan 2	July 30, 2023	Repayable in 20 Equal Quarterly Installment starting from Nov 2018	100,000,000	100,000,000
YES Bank Limited - Term Loan 2	December 31, 2023	Repayable in 20 Equal Quarterly Installment starting from April 2019	150,000,000	150,000,000
YES Bank Limited - Term Loan 3	December 31, 2023	Repayable in 20 Equal Quarterly Installment starting from April 2019	250,000,000	250,000,000
YES Bank Limited - Term Loan 4	October 19, 2023	Repayable in 20 Equal Quarterly Installment starting from Feb 2019	250,000,000	250,000,000
YES Bank Limited - Term Loan 5	October 19, 2023	Repayable in 20 Equal Quarterly Installment starting from Feb 2019	250,000,000	250,000,000
Bank of Maharashtra - Term Loan	December 31, 2024	Repayable in 24 Equal Quarterly Installment starting from March 2019	750,000,000	750,000,000
Andhra Bank - Term Loan	February 27, 2026	Repayable in 28 Equal Quarterly Installment starting from May 2019	250,000,000	250,000,000
Bank of Baroda (Erswhile known as Vijaya Bank) - Term Loan	February 28, 2026	Repayable in 28 Equal Quarterly Installment starting from May 2019	300,000,000	300,000,000
United Bank - Term Loan 1	February 28, 2026	Repayable in 28 Equal Quarterly Installment starting from May 2019	250,000,000	250,000,000
United Bank - Term Loan 2	August 28, 2027	Repayable in 28 Equal Quarterly Installment starting from Nov 2020	250,000,000	-
UCO Bank - Term Loan 1	February 28, 2026	Repayable in 28 Equal Quarterly Installment starting from May 2019	500,000,000	500,000,000
Punjab and Sind Bank - Term Loan	June 14, 2026	Repayable in 28 Equal Quarterly Installment starting from Sept 2019	250,000,000	250,000,000
Indian Bank - Term Loan	August 15, 2026	Repayable in 28 Equal Quarterly Installment starting from Nov 2019	750,000,000	750,000,000
National Housing Bank (Refinance)	April 1, 2026	Repayable in 28 Equal Quarterly Installment starting from Oct 2019	20,000,000	-
National Housing Bank (Refinance)	April 1, 2034	Repayable in 60 Equal Quarterly Installment starting from Oct 2019	30,000,000	-
National Housing Bank (Refinance)		Repayable in 20 Equal Quarterly Installment	600,000,000	-

Note-16 OTHER FINANCIAL LIABILITIES

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest Accrued but not due on borrowings	343,562	244,920
Book Overdraft	-	286,714,851
Others	25,538,685	-
Lease Liability	7,622,394	-
Total	**33,504,641**	**286,959,771**

Note-17 CURRENT TAX LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for Income Tax (Net of Advance tax)	166,137	5,472,849
Total	**166,137**	**5,472,849**

Note-18 PROVISIONS

Particulars	As at March 31, 2020	As at March 31, 2020
Provision on non-fund exposure	4,184,956	3,121,624
Provision for Employee Benefits		
- Gratuity	2,026,410	1,988,930
- Compensated Absences	6,855,380	4,145,812
Total	**13,066,746**	**9,256,366**

Note-19 OTHER NON-FINANCIAL LIABILITIES

Particulars	As at March 31, 2020	As at March 31, 2020
Other Payables		
Statutory Remittances	1,447,004	15,257,525
Advance received from customer	34,204,351	24,730,518
Total	**35,651,357**	**39,988,043**

Note-20 SHARE CAPITAL

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
AUTHORISED 6,50,00,000 Equity Shares of ₹ 10 each (Previous Year 6,50,00,000 Equity Shares of ₹ 10 each)	650,000,000	650,000,000
	650,000,000	**650,000,000**
ISSUED, SUBSCRIBED AND FULLY PAID UP 6,07,14,280 Equity Shares of ₹ 10 each (Previous Year 6,07,14,280 Equity Shares of ₹ 10 each)	607,142,800	607,142,800
	607,142,800	**607,142,800**

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Equity shares outstanding as at the beginning of the year	60,714,280	607,142,800	36,904,760	369,047,600
Issued during the year - Rights issue		-	23,809,520	238,095,200
Equity shares outstanding as at the end of the year	**60,714,280**	**607,142,800**	**60,714,280**	**607,142,800**

Details of shareholders holding more than 5 percent shares in the Company are given below:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	%	Number	%
Capri Global Capital Limited (Holding Company)	6,07,14,280	100.00	6,07,14,280	100.00

Terms/Rights attached to equity shares:

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

2. During the last year the Company had issued 23,809,520 equity shares having face value of Rs. 10/- each at Rs. 42/- per share to its Holding Company.

3. During the year ended 31 March 2020, the amount of dividend recognized as distributions to equity shareholders was Rs.NIL (31 March 2019 Rs.NIL)

4. 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 preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

Note-21 OTHER EQUITY

(Amount in Rs.)

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory Reserve under Section 29C of the National Housing Bank Act, 1987		
Balance as per the last Financial Statements	42,100,000	28,100,000
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	49,000,000	14,000,000
Closing balance	**91,100,000**	**42,100,000**
Securities Premium		
Balance as per the last financial statements	1,142,856,960	380,952,321
Additions/(Deletions) during the year	-	761,904,640
Closing balance	**1,142,856,960**	**1,142,856,961**
Surplus in the Statement of Profit and Loss		
Opening Balance	279,991,258	224,429,308
Profit / (Loss) for the year:	243,326,183	69,823,951
Less: Transfer to Statutory Reserve	(49,000,000)	(14,000,000)
Add/Less: Ind AS adjustments on transition		-
Other Comprehensive Income	(97,928)	(262,001)
	474,219,513	**279,991,258**
TOTAL	**1,708,176,473**	**1,464,948,219**

Securities Premium

Securities premium is credited when shares are issued at premium. It can be used to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

Statutory Reserve pursuant to Section 29C of the National Housing Bank Act, 1987

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 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 (43 of 1961) may take into account any sum transferred by it for the year to such special reserve for the purposes of this sub-section. For the previous comparative periods, company has maintained transfer to statutory reserve on profit calculated under erstwhile GAAP.

Note-22 INTEREST INCOME

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	On Financial Assets measured at Amortised Cost	On Financial Assets measured at Amortised Cost
Interest on Loans	1,260,181,445	671,702,354
Interest on deposits	4,658,485	7,104,045
Total	**1,264,839,930**	**678,806,399**

Note-23 FEE INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Application Fees	21,442,772	37,589,721
Total	**21,442,772**	**37,589,721**

Note -24 NET GAIN ON FAIR VALUE CHANGES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	28,646,705	21,667,424
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others	-	-
(C) Total Net gain on fair value changes	28,646,705	21,667,424
(D) Fair Value change:		
-Realised	18,424,251	21,667,424
-Unrealised	10,222,454	-
Total Net gain on fair value changes	**28,646,705**	**21,667,424**

Note 25 OTHER OPERATING INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Advertisement Income	27,850,000	108,413,000
Legal Charges	4,544,322.00	11,141,633
Other charges	31,342,589	31,113,099
Total	**63,736,909**	**150,667,732**

Note- 26 OTHER INCOME

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Bad debts recovered	-	222,288
Others*	16,029,097	4,429
Total	**16,029,097**	**226,717**

*Service fees of Rs. 1,04,27, 906/- (31st March 2019 Rs. Nil) received from Capri Global Capital Limited

Note-27 FINANCE COSTS

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
	On Financial Liabilities measured at Amortised Cost	On Financial Liabilities measured at Amortised Cost
Interest on borrowings	665,516,977	371,936,782
Interest on Bank Overdraft	1,553,268	177,356
Interest on Lease Liabilty	1,224,486	-
Total	**668,294,731**	**372,114,138**

Note-28 IMPAIRMENT ON FINANCIAL INSTRUMENTS (EXPECTED CREDIT LOSS-ECL)

The table below displays Stagewise ECL charged to the Statement of Profit and Loss:

Particulars	2019-20			2018-19		
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
Loans and advances to customers	10,111,187	11,307,984	22,623,675	9,164,638	2,496,524	10,787,672
Disbursement/Loan commitments	924,325	(32,757)	171,722	2,286,223	(570,678)	424,089
Total impairment loss	**11,035,512**	**11,275,227**	**22,795,397**	**11,450,862**	**1,925,846**	**11,211,761**

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Note -29 NET LOSS ON FAIR VALUE CHANGES

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(A) Net loss on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	-	-
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others	-	-
(C) Total Net loss on fair value changes	-	-
(D) Fair Value change : -Realised -Unrealised	- -	- -
Total Net loss on fair value changes	-	-

Note-30 EMPLOYEE BENEFIT EXPENSES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Bonus	191,620,207	189,516,404
Contribution to Provident Fund and Other Funds	8,749,948	4,236,723
Staff Training and Welfare Expenses	7,033,764	7,859,757
Share Based Payments to employees	4,843,584	(648,535)
Total	**212,247,503**	**200,964,349**

Note-31 OTHER EXPENSES

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Auditors' Remuneration	1,657,534	400,000
Bad Debts Written Off	9,131,072	9,934
Banking Charges	5,676,208	385,295
Business Development Expenses	65,697	1,384,385
Corporate Social Responsibility (CSR) Expenses	1,377,500	1,072,000
Directors' Fees and Commission	1,166,300	1,332,525
Electricity Charges	6,502,693	6,087,333
Insurance Charges	3,456,080	1,848,291
Legal Expenses	33,106,076	75,768,702
Manpower Outsourcing Expenses	105,254	1,760,617
Membership and Subscription Expenses	566,826	815,746
Postage, Telephone and Fax	9,344,521	11,576,011
Printing and Stationery	5,048,728	7,186,474
Lease Rent (refer note no. 2 (6)(Iii) and note no.45)	15,157,970	24,238,927
Repairs and Maintenance - Buildings	1,729,174	-
Repairs and Maintenance - Other than Buildings	340,021	896,505
Loss On Sale Of Fixed Assets	148,819	-
Software Expenses	6,357,295	3,302,974
Filing and Other Fees	23,200	243,221
Service Fee Expenses*	13,080,000	19,920,142
Travelling and Conveyance	10,928,587	13,759,487
General Expenses	9,321,281	8,956,760
Total	**134,290,836**	**180,945,329**

* paid to Capri Global Capital Limited

1. Auditors' Remuneration

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
a) For Audit	300,000	300,000.00
b) For Tax Audit	100,000	100,000.00
c) For Limited Review	150,000	-
d) For other services (Certification Fees)	1,076,317	-
e) For reimbursement of expenses	31,218	-
Total	**1,657,535**	**400,000**

2. Corporate Social Responsibility Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gross Amount Required to be spent during the year	1,377,500	1,071,672
Amount spent during the year on Corporate Social Responsibility in line with Schedule VII of the Companies Act 2013	1,377,500	1,072,000

Note 32 -OTHER COMPREHENSIVE INCOME

(Amount in Rs.)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurement loss (gain) on defined benefit plan	(138,160)	(362,983)
Income tax relating to these items	40,232	100,982
Other comprehensive income for the year, net of tax	**(97,928)**	**(262,001)**

Note 33- Individual Loans

1.1 Credit quality of assets

(Amount in Rs.)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Internal rating grade*								
Performing								
High grade	8,374,912,160	-	-	8,374,912,160	7,601,051,656	-	-	7,601,051,656
Standard grade	277,661,658	-	-	277,661,658	119,639,068	-	-	119,639,068
Sub-standard grade	-	150,244,602	-	150,244,602	-	63,380,221	-	63,380,221
Past due but not impaired		109,013,925	-	109,013,925		42,299,408	-	42,299,408
Individually impaired	-	-	108,267,753	108,267,753	-	-	37,881,257	37,881,257
Total	**8,652,573,818**	**259,258,527**	**108,267,753**	**9,020,100,098**	**7,720,690,724**	**105,679,629**	**37,681,257**	**7,864,251,610**

1.2 An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to lending is, as follows:

(Amount in Rs.)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**7,720,690,724**	**105,679,629**	**37,881,257**	**7,864,251,610**	**2,412,962,494**	**31,858,225**	**5,595,925**	**2,450,416,644**
New assets originated or purchased	1,515,744,469	-		1,515,744,469	5,645,095,427			5,645,095,427
Assets derecognised or repaid (excluding write offs)	(310,876,730)	(30,235,251)	(9,652,928)	(350,764,909)	(227,181,109)	-3403316	-666102	(231,250,527)
Transfers to Stage 1	30,917,521	(29,059,703)	-1,857,818	-	35,279,790	-35,279,790	-	-
Transfers to Stage 2	(227,910,779)	235,253,960	-7,343,181	-	-112,381,436	112,381,436	-	-
Transfers to Stage 3	(75,991,387)	(22,380,108)	98,371,495	-	-33,084,443	123,074	32,961,369	-
Amounts written off	-	-	(9,131,072)	(9,131,072)	-	-	-9,934	-9,934
Gross carrying amount closing balance	**8,652,573,818**	**259,258,527**	**108,267,753**	**9,020,100,098**	**7,720,690,724**	**105,679,629**	**37,891,257**	**7,864,251,610**

Reconciliation of ECL balance is given below:

(Amount in Rs.)

Particulars	As at March 31, 2020				As at March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**11,330,959**	**3,021,696**	**11,361,963**	**25,734,619**	**2,166,322**	**525,212**	**594,291**	**3,285,825**
New assets originated or purchased	51,736,939			51,736,939	22,950,144			22,950,144
Assets derecognised or repaid (excluding write offs)	(931,743)	-790,734	-5,971,576	(7,694,053)	(501,350)	-		-501,350
Transfers to Stage 1	1,445,535	-955,950	-489,585	-	35,462	-35,462		-
Transfers to Stage 2	(11,757,181)	13,708,348	-1,951,167	-	-5,127,389	5,127,389	-	-
Transfers to Stage 3	(30,408,757)	-627,246	31,036,003	-	-8,192,229	-2,595,443	10,787,672	-
ECL allowance - closing balance	**21,415,753**	**14,356,114**	**34,005,636**	**69,777,505**	**11,330,959**	**3,021,696**	**11,381,963**	**25,734,619**

* Internal Rating Grades are classified on below basis

Grade	Classification Basis	Stage
High grade	0 DPD	Stage 1
Standard grade	1-30 DPD	Stage 1
Sub-standard grade	31-60 DPD	Stage 2
Past due but not impaired	61-89 DPD	Stage 2
Individually impaired	>=90 DPD	Stage 3

Loan Given Default $

(In %)

Particulars	As at March 31, 2020	As at March 31, 2019
LGD	28.78	24.73

Probability of Default $

(In %)

Particulars	As at March 31, 2020	As at March 31, 2019
Stage 1	0.85	0.47
Stage 2	17.68	11.35
Stage 3	100.00	100.00

$ PD & LGD includes management overlay due to COVID-19 pandemic (refer note no. 34)

Note 34 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and in accordance therewith, the Company has proposed a moratorium of three months on the payment of all principal instalments and/ or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as standard, even if overdue as on February 29, 2020, excluding the collections already made in the month of March 2020. For all such accounts where the moratorium is granted, the asset classification will remain at a standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Company's policy).

Further, the Company has, based on current available information and based on the policy approved by the board, determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial Statement. Accordingly, the Company has made provision for expected credit loss on financial assets as at March 31, 2020. As part of the management overlays, as per the approved ECL policy, the management has increased the underlying PD and LGD as computed by ECL Model by 15%-20% depending on the nature of the portfolio/borrower, the manegement's estimate of the future stress and risk and available market information. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will impact the Company's Financial Statement will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial Statement and the Company will continue to closely monitor any material changes to future economic conditions.

Note 35-Income Taxes relating to continuing operations

1. Income Tax recognised in profit or loss

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Tax		
In respect of the current year	79,449,327	45,893,217
In respect of prior years	(983,097)	-
	78,466,230	**45,893,217**
Deferred Tax		
In respect of the current year	(10,151,087)	(23,008,969)
On other comprehensive Income	-	100,982
	(10,151,087)	**(22,907,987)**
Total Income tax expense recognised in the current year relating to continuing operations	**68,315,143**	**22,985,230**

2. Reconciliation of Income Tax Expense for the year :

(Amount in Rs.)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Standalone Profit before tax	311,641,326	92,708,198
Adjustments of allowable and non-allowable income and expenses:		
Effect of non-deductible expenses	24,886,362	122,009,323
Effect of Income considered separatey and other allowable deducations	(91,651,417)	(59,698,066)
Effect of Capital Gain on sale of shares,mutual funds, interest etc	28,646,705	21,667,424
Effect of Deduction under Chapter VI A	(688,750)	(536,000)
Earlier loss set off	-	(18,550,543)
Taxable Profits / (loss)	272,834,227	157,600,335
Income Tax Expenses	79,449,327	45,893,217
Computation of MAT payable on the book profits as per section 115JB	311,641,326	92,708,196
Less : Items deductible	(7,245,792)	(362,983)
Add : Items not deductible	30,710,190	24,718,402
Total Taxable Book Profits	335,105,724	117,063,615
MAT Tax Expesnes	58,549,672	25,227,209
Less : Mat Credit Entitlement credited in Profit and Loss Account	-	-
Income tax expense recognised in statement of profit and loss	79,449,327	45,893,217

3. Reconciliation of Income tax rate is as follows:

(In %)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Normal Tax Rate	25.00	25.00
Surcharge (@ 12% of Normal Tax Rate)	3.00	3.00
Health and Education Cess	1.12	1.12
Total Tax Rate	**29.12**	**29.12**
Adjustments of Tax effect due to allowable and non-allowable income and expenses:		
Tax Effect of non-deductible expenses	2.33	38.32
Effect of Income considered separatey and other allowable deducations	-8.56	-18.75
Tax Effect of Capital Gain on sale of shares,mutual funds, interest etc	2.68	6.81
Tax Effect of Deduction under Chapter VI A	-0.06	-0.17
Tax Effect of Earlier loss set off / Current year loss carried Forward	-	-5.83
Tax Effect on account of Deferred Tax Assets	-3.26	-24.82
Tax Effect on account of prior period adjustments	-0.32	-
Effective Tax Rate	**21.92**	**24.68**
Tax Rate payable u/s 115JB of the Income Tax Act, 1961	**15.00**	**18.50**
Surcharge (@ 12% of Normal Tax Rate)	1.80	2.22
Health and Education Cess	0.67	0.83
Total Tax Rate payable under section 115JB of the Income Tax Act, 1961	**17.47**	**21.55**

The recently promulgated Taxation Law (Amendment) Ordinance 2019 has inserted section 115BBA in the Income Tax Act, 1961 providing existing domestic companies with an option to pay tax at a concessional rate of 22% plus applicable surcharge and cess. The Company has continued with the existing tax rate i.e. 29.12% due to Utilisation of MAT Credit and brought forward long term capital losses.

Note 36- Deferred Tax

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

(Amount in Rs.)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	March 31, 2020	March 31, 2020	2019-20	2019-20
Provisions	1,996,287	-	789,026	-
Depreciation	3,354,722	-	647,623	-
Financial Instruments at FVTPL	-	-	-	-
Impairment allowance for financial assets	16,238,056	-	12,389,515	-
Unamortised Borrowing Cost	-	2,582,109	7,909,535	-
Unamortised Fees and Commission	4,482,603	-	-36,553,014	-
Other Temporary Differences	148,674	-	117,128	-
Other Comprehensive Income	-	-	-100,982	-
Adjusted against current tax	-	-	24,952,256	-
MAT Credit Entitlement	8,080,799	-	-	-
Total	34,301,140	2,582,109	10,151,087	-

(Amount in Rs.)

Particulars	Deferred Tax Assets	Deferred Tax Liabilities	Income Statement	OCI
	March 31, 2019	March 31, 2019	2018-19	2018-19
Provisions	1,207,260	-	781,640	-
Depreciation	2,707,099	-	2,720,871	-
Financial Instruments at FVTPL	-	-	(14,736)	-
Impairment allowance for financial assets	3,848,541	-	2,605,741	-
Unamortised Borrowing Cost	-	10,491,644	(6,962,240)	-
Unamortised Fees and Commission	41,035,617	-	26,755,256	-
Other Temporary Differences	31,546	-	31,546	-
Other Comprehensive Income	100,982	-	-	100,982
Carry Forward Losses	-	-	(2,909,109)	-
MAT Credit Entitlement	3,625,150	-	-	-
Total	52,556,196	10,491,644	23,008,969	100,982

Note 37- Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. They have been classified to mature and/or be repaid within 12 months or after 12 months. With regard to loans and advances to customers, the Company uses the same basis of expected repayment as used for estimating the EIR.

PARTICULARS	As at March 31, 2020			As at March 31, 2019		
ASSETS	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
Cash and cash equivalents	159,873,521		159,873,521	1,236,080,945	-	1,236,080,945
Bank Balance other than (a) above	28,906,915	7,500,000	36,406,915	77,996,078	-	77,996,078
Trade Receivables	1,369,679		1,369,679	42,876,480	-	42,876,480
Loans	111,159,911	8,664,964,344	8,776,124,255	200,750,983	7,564,042,868	7,764,793,851
Investments	1,120,899,432		1,120,899,432	-	-	-
Other financial asset	1,817,500	5,058,606	6,876,106	211,090	6,441,271	6,652,361
Total Assets	**1,424,026,958**	**8,677,522,950**	**10,101,549,908**	**1,557,915,576**	**7,570,484,139**	**9,128,399,715**
LIABILITIES						
Financial Liabilities						
Trade Payables						
(i) total outstanding dues of creditors other than micro enterprises and small enterprises	38,122,777		38,122,777	41,310,567	-	41,310,567
Borrowings (Other than debt securities)	1,315,766,861	6,427,352,893	7,743,119,754	923,458,095	5,840,284,661	6,763,742,756
Other financial liabilities	30,918,654	2,585,988	33,504,641	286,959,771	-	286,959,771
Total liabilities	**1,384,808,292**	**6,429,938,881**	**7,814,747,172**	**1,251,728,433**	**5,840,284,661**	**7,092,013,094**
Net	**39,218,666**	**2,247,584,069**	**2,286,802,736**	**306,187,144**	**1,730,199,478**	**2,036,386,621**

Note:-Information on the maturity pattern is based on the reasonable assumptions made by the management before considering impact of RBI Circular Dated 27 March, 2020.

Capital Management

The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. Capital Management Policy, objectives and processes are under constant review by the Board. For details of Capital to Risk Assets Ratio (CRAR) refer Note no. 53.1

Note 38- Change in liabilities arising from financing activities

(Amount in Rs.)

Particulars	As at April 1, 2019	Cash Flow	As at March 31, 2020
Borrowings other than debt securities	6,763,742,756	979,376,998	7,743,119,754
Total liabilities from financing activities	**6,763,742,756**	**979,376,998**	**7,743,119,754**

Note 39- Fair value measurements

39.1 Financial instruments by category

(Amount in Rs.)

Particulars	As at March 31, 2020		As at March 31, 2019
	FVTPL	Amortised cost	Amortised cost
Financial assets			
Investments		-	-
- Mutual funds	1,120,899,432		-
Trade receivables	-	1,369,679	42,876,480
Loans	-	8,776,124,255	7,764,793,851
Cash and cash equivalents	-	159,873,521	1,236,080,945
Bank Balances other than above	-	36,406,915	77,996,078
Other financial Assets	-	6,876,106	6,652,361
Total financial assets	**1,120,899,432**	**8,980,650,476**	**9,128,399,715**
Financial liabilities			
Borrowings (other than debt securities)	-	7,743,119,754	6,763,742,756
Trade payables	-	38,122,777	41,310,567
Other financial liability	-	33,504,641	286,959,771
Total financial liabilities	-	**7,814,747,172**	**7,092,013,094**

39.2 Fair value hierarchy

This section explains the judgements and estimates made 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 its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2020						
Financial assets						
Financial Investments at FVTPL						
Mutual funds	7	1,120,899,432	1,120,899,432	-	-	1,120,899,432
Total financial assets		**1,120,899,432**	**1,120,899,432**	-	-	**1,120,899,432**
Financial Liabilities		-	-	-	-	-
Total financial liabilities				-		

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2020						
Financial assets						
Cash and cash equivalents	3	159,873,521	159,873,521	-	-	159,873,521
Bank Balances other than above	4	36,406,915	36,406,915	-	-	36,406,915
Trade Receivables	5	1,369,679	-	-	1,369,679	1,369,679
Loans	6	8,775,964,344	-	-	8,775,964,344	8,775,964,344
Loans to employees		159,911	-	-	159,911	159,911
Other financial assets	8	6,876,106			6,876,106	6,876,106
Total financial assets		**8,980,650,476**	**196,280,436**	-	**8,784,370,040**	**8,980,650,476**
Financial Liabilities						
Trade Payable	14	38,122,777		-	38,122,777	38,122,777
Borrowings (other than debt securities)	15	7,743,119,754	-	-	7,743,119,754	7,743,119,754
Other financial liability	16	33,504,641	-	-	33,504,641	33,504,641
Total financial liabilities		**7,814,747,172**	-	-	**7,814,747,172**	**7,814,747,172**

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed	Notes	Carrying Amount	Fair Value			Total
			Level 1	Level 2	Level 3	
As at March 31, 2019						
Financial assets						
Cash and cash equivalents	3	1,236,080,945	1,236,080,945	-	-	1,236,080,945
Bank Balances other than above	4	77,996,078	77,996,078	-	-	77,996,078
Trade Receivables	5	42,876,480	-	-	42,876,480	42,876,480
Loans	6	7,763,400,394	-	-	7,763,400,394	7,763,400,394
Loans to employees		1,393,457	-	-	1,393,457	1,393,457
Other financial assets	8	6,652,361			6,652,361	6,652,361
Total financial assets		**9,128,399,715**	**1,314,077,023**	-	**7,814,322,692**	**9,128,399,715**
Financial Liabilities						
Trade payable	14	41,310,567		-	41,310,567	41,310,567
Borrowings (other than debt securities)	15	6,763,742,756	-	-	6,763,742,756	6,763,742,756
Other financial liabilities	16	286,959,771	-	-	286,959,771	286,959,771
Total financial liabilities		**7,092,013,094**	-	-	**7,092,013,094**	**7,092,013,094**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The company gives loan at floating rate with terms including the fixed interest rate for initial period. The fair value of these loans approximates the Carrying amount.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

Note 40 RISK MANAGEMENT

40.1. Risk Disclosures

Company's risk is managed through an integrated risk management framework, including ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to credit risk, liquidity risk and interest rate risk.

It is the Company's policy to ensure that a robust risk awareness is embedded in its organisational risk culture.

40.2. Credit risk

Credit risk is the risk that the Company will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The Company manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties.

40.2.1 Impairement assessment

40.2.1.1 Exposure at Default

EAD is taken as the gross exposure under a facility upon default of an obligor.The amortized principal and the interest accrued is considered as EAD for the purpose of ECL computation

The advances have been bifurcated into following three stages:

Stage 1 – Advances with low credit risk and where there is no significant increase in credit risk. Hence, the advances up to 0-29 days are classified as Stage1

Stage 2 – Advances with significant increase in credit risk. Hence the advances up to 30 to 89 days are classified as Stage 2

Stage 3 – Advances that have defaulted / Credit impaired advances. Hence the advances with 90 days past due or Restructured Advances are classified as Stage 3

Note:-The impact of RBI Circular dated March 27, 2020, has been considered for the aforesaid classification into Stage 1 , Stage 2 and Stage 3 Loans.

40.2.1.2 Significant increase in credit risk

The Company continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or lifetime ECL, the Company assesses whether

there has been a significant increase in credit risk since initial recognition. The Company considers an exposure to have significantly increased in credit risk if contractual payments are more than 30 days past due.

40.2.1.3 Definition of default and cure

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

a) Significant financial difficulty of the borrower or issuer;

b) A breach of contract such as a default or past due event;

c) The restructuring of a loan or advance by the company on terms that the company would not consider otherwise, or

d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation

It is the Company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when the borrower makes necessary payments & the borrower is not 90 days past due over such payments. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade, at the time of the cure, and whether this indicates there has been a significant increase in credit risk compared to initial recognition.

40.2.1.4 PD estimation process

The probability of default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.Probability of Default is computed based on number of accounts that default during a year as a percentage of average number of accounts outstanding (refer note 34).

a) The Company has applied 12 months PD to stage 1 advances

b)The Lifetime PD is computed using basic exponentiation technique after considering the residual maturity of the respective loan.

c) PD of 100% is considered for Stage 3 assets.

40.2.1.5 Loss given default

The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that would be expected to receive, including from realisation of any prime/collateral security. LGD is computed based discounted expected recoveries at an account level based on collateral valuation after applying appropriate hair cut and appropriate recovery time. Accordingly, an average LGD is derived at the portfolio level (refer note 34).

40.2.2 Analysis of risk concentration - Refer Note 53.12.3

40.2.3 Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Company has Guidelines are in place covering the acceptability and valuation of each type of collateral.

The Company also adhers to the NHB guidelines in respect of maintainence of adequate Loan to Value Ratios.

The main types of collateral for home loans are mortgages over residential properties.

Management monitors the market value of collateral and requests additional collateral in accordance with the underlying agreement.

In case of defaults by customers, where the Company is unable to recover the dues, the Company through a legal process enforces the security and recover the dues.

40.3. Liquidity risk and funding management

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms. To limit this risk, management has arranged for diversified funding sources and adopted a policy of managing assets by monitoring future cash flows and liquidity on a daily basis.

Liquidity risk is managed in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Company formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

Analysis of financial assets and liabilities by remaining contractual maturities is provided in Note no. 53.6

40.4 Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments.

The core business of the company is providing housing loans. The company borrows through various financial instruments to finance its core lending activity. These activities expose the company to interest rate risk. Interest rate risk is measured through earnings at risk from an earnings perspective and through duration of equity from an economic value perspective. Further, exposure to fluctuations in interest rates is also measured by way of gap analysis, providing a static view of the maturity and re-pricing characteristic of Balance sheet positions. An interest rate sensitivity gap report is prepared by classifying all rate sensitive assets and rate sensitive liabilities into various time period categories according to contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets and rate sensitive liabilities maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets and liabilities. The interest rate risk is monitored through above measures on a quarterly basis.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being considered as constant) of the Company's statement of profit and loss and equity.

Currency of borrowing	Increase / (decrease) in basis points	Sensitivity of profit or loss		Sensitivity of equity	
	2019-20	2019-20		2019-20	
Borrowings (INR)	25 Basis point Up	Impact on Profit before Tax	(19,474,275)	Impact on equity	(13,803,366)
	50 Basis point Up		(38,948,550)		(27,606,732)
	25 Basis point Down		19,474,275		13,803,366
	50 Basis point Down		38,948,550		27,606,732
Loans (INR)	25 Basis point Up	Impact on Profit before Tax	22,228,542	Impact on equity	15,755,591
	50 Basis point Up		44,457,085		31,511,182
	25 Basis point Down		(22,228,542)		(15,755,591)
	50 Basis point Down		(44,457,085)		(31,511,182)
	2018-19	2018-19		2018-19	
Borrowings (INR)	25 Basis point Up	Impact on Profit before Tax	(2,746,169)	Impact on equity	(1,795,720)
	50 Basis point Up		(5,492,337)		(3,591,439)
	25 Basis point Down		2,746,169		1,795,720
	50 Basis point Down		5,492,337		3,591,439
Loans (INR)	25 Basis point Up	Impact on Profit before Tax	6,125,286	Impact on equity	4,005,325
	50 Basis point Up		12,250,573		8,010,650
	25 Basis point Down		(6,125,286)		(4,005,325)
	50 Basis point Down		(12,250,573)		(8,010,650)

Note 41- Defined Benefit Plan

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for it's employees, which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at separation/retirement. The fund has the form of a trust and it is governed by the Board of Trustees, which consists of an equal number of employer and employee representatives. The Board of Trustees is responsible for the administration of the plan assets and for the definition of the investment strategy.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2020:

Particulars	As at April 1, 2019	Service cost	Net interest expense	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Contributions by employer	03-31-2020
Defined benefit obligation	(3,306,962)	(2,026,868)	(247,361)	44,712	-	274,319	-391074	162,509	0	(5,490,725)
Fair value of plan assets*	1,318,032	-	98,589	(44,712)	92,406	-	-	0	2,000,000	3,464,315
Benefit liability	**(1,988,930)**	**(2,026,868)**	**(148,772)**	**0**	**92,406**	**274,319**	**-391074**	**162,509**	**2,000,000**	**(2,026,410)**

*valuation is based on the figures as on March 31, 2020.

Changes in the defined benefit obligation and fair value of plan assets as at March 31, 2018:

Particulars	As at April 1, 2018	Service cost	Net interest expense	Benefits paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Contributions by employer	03-31-2019
Defined benefit obligation	(2,378,454)	(1,716,919)	(185,519)	1,362,031	-	80,705	(76,891)	(391,915)	0	(3,306,962)
Fair value of plan assets	1,071,378	-	83,567	-1,362,031	25,118	0	-	0	1,500,000	1,318,032
Benefit liability	**(1,307,076)**	**(1,716,919)**	**(101,952)**	**-**	**25,118**	**80,705**	**(76,891)**	**(391,915)**	**1,500,000**	**(1,988,930)**

Category of assets

Particulars	As at March 31, 2020	As at March 31, 2020
Insurance Fund	3,464,315	1,318,032
Total	3,464,315	1,318,032

Sensitivity anlaysis

Assumptions	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	Discount rate		Discount rate		Salary Increase		Salary Decrease		Employee Turnover		Employee Turnover	
Sensitivity Level	1% increase	1% increase	1% decrease	1% decrease	1% increase	1% increase	1% decrease	1% decrease	1% increase	1% increase	1% decrease	1% decrease
Impact on defined benefit obligation (in ₹)	(319,283)	(230,577)	355,575	261,351	356,425	265,243	(325,800)	(237,618)	(102,281)	(48,663)	102,253	45,308

Maturity analysis of benefit payments

Particulars	As at March 31, 2020	31-Mar-19
Within the next 12 months (next annual reporti	282,243	137,100
Between 2 and 5 years	1,635,546	698,964
Between 5 and 10 years	3,729,448	2,420,202
Beyond 10 years	2,947,429	3,303,474
Total expected payments	**8,594,666**	**6,559,740**

Note- 42 Employee Stock Option Plan

The Capri Global Capital Ltd (Holding Company) has granted 205,500 ESOPs to the employees of the Company. The ESOPs will be vested as per below mentioned schedule. A charge of Rs. 48,43,584 /- is recoginised in the statement of Profit & Loss during the year ended March 31, 2020 (Year ended March 31, 2019 Rs. 21,31,048/-).

Financial Year in which options will vest	ESOPs equivalent to number of equity shares of face value of Rs 10/- each
2020-21	16,250
2021-22	54,750
2022-23	63,150
2023-24	62,150
2024-25	9,200

Note -43 Segment Information (IND-AS 108)

Operating Segment

The Company operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of IND AS 108 on 'Operating Segments'.

Note 44- Related party disclosures

Compensation of key management personnel of the Company

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company includes the members of the Board of Directors which include independent directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of Ind AS 24 Related Party Disclosures.

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits	1,200,000	890,323
Total	**1,200,000**	**890,323**

Transactions with key management personnel of the Company

The following table provides the total amount of transactions, which have been entered into with key management personnel for the relevant financial year:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Director Sitting Fees	1,070,000	1,222,500
Total	**1,070,000**	**1,222,500**

Key management personnel of the Company:	**March 31, 2020**
Mr. Rajesh Sharma	Managing Director
Mrs. Bhagyam Ramani	Independent Director
Mr. Beni Prasad Rauka	Independent Director
Mr. T.R. Bajalia	Independent Director

Key management personnel of the Company:	**March 31, 2019**
Mr. Kaushik Chatterjee (up to July 30,2018)	Director
Mr. Rajesh Sharma (w.e.f July 04, 2018)	Managing Director
Mrs. Bhagyam Ramani	Independent Director
Mr. Beni Prasad Rauka	Independent Director
Mr. T.R. Bajalia	Independent Director

Trust Under Common Control

Money Matters Securities Private Limited Employee Group Gratuity Assurance Scheme

Corporate Social Responsibility:

Capri Foundation

Transactions with related party of the Company

Name of related parties and related party relationship:

a) Related parties where control exists:

Capri Global Capital Limited (Holding Company)

Statement Of Profit & Loss Item:	For the year ended March 31, 2020	For the year ended March 31, 2019
Income		
Service fees	10,427,906	-
Expenses		
Service fees	12,000,000	18,275,360

Balance Sheet Item (Closing Balance):	As at March 31, 2020	As at March 31, 2019
Amount Payable	8,547,097	2,623,513
Amount Receivable	1,622,998	-

b) Fellow subsidiary companies

Capri Global Resources Private Limited

Capri Global Asset Reconstruction Private Limited (Till December 30 , 2019)

Capri Global Capital (Mauritius) Limited.(Till December 15, 2019)

c) Enterprises over which Management and/or their relatives have control:

Capri Global Holdings Private Limited

Parshwanath Buildcon Private Limited

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Rent	560,127	457,800
Total	**560,127**	**457,800**

Balance Sheet Item (Closing Balance):	As at March 31, 2020	As at March 31, 2019
Amount Payable	28,972	-
Total	**28,972**	**-**

d) Post-employment Benefit Plan

Money Matters Securities Private Limited Employee Group Gratuity Assurance Scheme

Statement Of Profit & Loss Item:	For the year ended March 31, 2020	For the year ended March 31, 2019
Employee Benefits	2,012,000	246,654
Total	**2,012,000**	**246,654**

Balance Sheet Item (Closing Balance):	As at March 31, 2020	As at March 31, 2019
Amount Payable	-	1,988,930
Total	**-**	**1,988,930**

e) Corporate Social Responsibility

Capri Foundation

Statement Of Profit & Loss Item:	For the year ended March 31, 2020	For the year ended March 31, 2019
Corporate Social Responsibility Expenses	1,302,500	1,071,672
Total	**1,302,500**	**1,071,672**

Note- 45 Leases

The changes in the carrying value of ROU assets for the year ended March 31, 2020 are as follows:

Gross carrying value	
Balance as at April 1, 2019	17,312,561
On adoption of IND AS 116	
Additions	-
Terminations/modifications	
Translation adjustments	
Balance as at March 31, 2020	17,312,561
Accumulated depreciation	
Balance as at April 1, 2019	
Depreciation	10,200,723
Terminations/modifications	-
Translation adjustments	-
Balance as at March 31, 2020	10,200,723
Net carrying value as at March 31, 2020	**7,111,838**

The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 9.44%.

The company's operating lease commitment and lease liability as at March 31, 2019 are recognised as per Ind AS 116 in the Balance Sheet as at April 1, 2019 as follows:

Total operating lease commitments disclosed at March 31, 2019	**21,697,530**
Recognition exemption	
Leases with remaining life of less than 12 months	2,528,826
Adjustments required under Ind AS 116	
Practical expedient for maintenance charges	-
Lease commencements after transition date	-
Others	-
Leased assets (other than premises) recognized as required by the new standard	
Gross lease liability before discounting	**19,168,704**
Effect of discounting using incremental borrowing rate	1,856,143
Discounted lease liability	17,312,561
Lease liability with respect to exercising reasonably certain extension options	
Total lease liabilities recognized under Ind AS 116 at April 1, 2019	**17,312,561**

The following is the movement in lease liabilities during the year ended March 31, 2020.

Lease liabilities	
Balance as at April 1, 2019	**17,312,561**
Additions	-
Terminations/modifications	-
Finance expense	1,224,486
Payment of lease liabilities	10,914,653
Translation adjustments	-
Balance as at March 31, 2020	**7,622,394**

Rental expense charged for short-term & low value leases was Rs 1,51,57,970/-, for the year ended March 31, 2020.

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020, on an undiscounted basis:

Tenure	**31st March 2020**	**31st March 2019**
Less than 1 year	5,492,095	13,443,476
1-3 years	2,761,959	7,501,840
3-5 years		752,214
More than 5 years		
Total	**8,254,054**	**21,697,530**

Note 46-In accordance with IND AS - 33 Earnings per Share, the computation of earnings per share is set out below:

(Amount in Rs.)

Particulars			For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Net Profit after tax as per Statement of Profit and Loss	(A)	Rs.	243,326,183	69,823,951
Weighted average number of equity shares for calculating Basic EPS	(B)	Nos.	60,714,280	37,100,455
Weighted average number of equity shares for calculating Diluted EPS	(C)	Nos.	60,714,280	37,100,455
Basic earnings per equity share (in Rupees) (Face value of Rs. 10/- per share)	(A)/(B)	Rs.	4.01	1.88
Diluted earnings per equity share (in Rupees) (Face value of Rs. 10/- per share)	(A)/(C)	Rs.	4.01	1.88

Particulars		For the Year Ended March 31, 2020	For the Year Ended March 31, 2019
Weighted average number of equity shares for calculating EPS	Nos.	60,714,280	37,100,455
Add : Equity shares for no consideration arising on grant of stock options under ESOP	Nos.	-	-
Weighted average number of equity shares in calculation of diluted EPS	Nos.	60,714,280	37,100,455

Note 47- The Company believes that no impairment of assets arises during the year as required under IND AS 36 "Impairment of Assets"

Note 48- CONTINGENT LIABILITIES

Income tax matters under dispute March 31, 2020 Rs. 10,08,298 (March 31, 2019 Rs.2,12,329)

Note 49- Capital and Other Commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for March 31, 2020 Rs. 10,50,000 /- (March 31, 2019 Rs. Nil)

b) Other Commitments

Pending disbursements of sanctioned loans March 31. 2020 Rs. 133.94.15.406 /- (March 31. 2019 Rs. 163.25.64.730)

Note 50- Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid /payable are required to be furnished.

Particulars	As at March 31, 2020	As at March 31, 2019
a) Amount outstanding but not due as at year end	-	-
b) Amount due but unpaid as at the year end	-	-
c) Amounts 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	-	-
Total	-	-

Note 51- In the opinion of the Management, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

Note 52- The company has reported frauds aggregating Rs. 37,66,523/- (March 31, 2019: Nil) based on management reporting to risk committee and to the RBI through prescribed returns.

53 Disclosures have been given in terms of notification no. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by the National Housing Bank. The below mentioned notes have been prepared taking into consideration the notification No. NHB (ND)/DRS/Policy Circular No.89/2017-18 dated 14th June 2018.

53.1 Capital To Risk Assets Ratio (CRAR):

Particulars	Current Year	Previous Year
(i) CRAR (%)	43.45	50.83
(ii) CRAR – Tier I Capital (%)	42.54	50.35
(iii) CRAR – Tier II Capital (%)	0.91	0.48
(iv) Amount of subordinated debt raised as Tier- II Capital	-	-
(v) Amount raised by issue of Perpetual Debt Instruments	-	-

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

[Amount in Rs.]

Particulars	Current Year	Previous Year
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	42,100,000	28,100,000
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve under Section 29C of the NHB Act, 1987	-	-
c) Total	42,100,000	28,100,000
Addition / Appropriation / Withdrawal during the year	-	-
Add: a) Amount transferred u/s 29C of the NHB Act, 1987		64,92,900
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	49,000,000	7,507,100
Less: 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	-	-
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	3,45,92,900	3,45,92,900
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	5,65,07,100	7,507,100
c) Total	911,00,000	421,00,000

53.3 Investments

[Amount in Rs.]

Particulars				Current Year	Previous Year
(1)	Value of Investments				
	(i)	Gross Value of Investments			
		(a)	In India	11,29,722,270	10,973,681
		(b)	Outside India	Nil	Nil
	(ii)	Provisions for Depreciation			
		(a)	In India	Nil	Nil
		(b)	Outside India	Nil	Nil
	(iii)	Net Value of Investments			
		(a)	In India	11,29,722,270	10,973,681
		(b)	Outside India	Nil	Nil
(2)	Movement of provisions held towards depreciation on investments.				
	(i)	Opening balance		Nil	Nil
	(ii)	Add: Provisions made during the year		Nil	Nil
	(iii)	Less: Write-off/ write-back of excess provisions during the year		Nil	Nil
	(iv)	Closing balance		Nil	Nil

53.4 Derivatives

The company has not entered into any derivatives transactions.

53.5 Disclosures relating to Securitisation

Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

Sr. No	Particulars	Current Year	Previous Year
(i)	No. of accounts	61	
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	6,61,63,210	
(iii)	Aggregate consideration *	7,50,00,000	
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	
(v)	Aggregate gain / loss over net book value	88,36,790	

* The Company has received entire consideration in Cash.

53.6 Assets Liability Management (Maturity pattern of certain items of Assets and Liabilities)

Current Year [Amount in

Particulars	Upto 30/31 Days (1 month)	Over 1 month & upto 2 months	Over 2 months & upto 3	Over 3 months & upto 6 months	Over 6 month & upto 1 year	Over 1 year & upto 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
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	59108143	146115715	77678571	314502430	718362002	3135577038	2509192855	750023000	23980000	8580000	7743119754
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Advances	8759911	8700000	8700000	27500000	57500000	294000000	1843000000	976500000	885000000	4736241849	8845901760
Investments	150000000	200000000	100000000	250000000	412000000	8899432					1120899432
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Previous Year [Amount in Rs.]

Particulars	Upto 30/31 Days (1 month)	Over 1 month & upto 2 months	Over 2 months & upto 3	Over 3 months & upto 6 months	Over 6 month & upto 1 year	Over 1 year & upto 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
Liabilities											
Deposits	-	-	-	-	-	-	-	-	-	-	-
Borrowings from Bank	57,900,000	94,300,000	49,150,000	192,350,000	530,200,000	2,252,700,00	2,155,000,0	1,405,350,000	6,28,21,752	-	6,799,771,752
Market Borrowing	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-	-	-
Assets											
Advances	67,529,365	15,021,255	9,842,488	28,452,200	79,905,675	277,847,413	354,516,993	384,780,667	1,018,203,640	5,690,383,138	7,926,482,843
Investments	-	-	-	-	-	10,973,681	-	-	-	-	10,973,681
Foreign Currency Assets	-	-	-	-	-	-	-	-	-	-	-

Note:- Information on the maturity pattern is based on the reasonable assumptions made by the management before considering impact of RBI Circular Dated 27 March, 2020.

53.7 Exposure

Exposure to Real Estate Sector

[Amount in Rs.]

		Category	Current Year	Previous Year
a)	Direct Exposure			
	(i)	Residential Mortgages -		
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to 15 lakhs may be shown separately)		
		Loans <= 15 Lakhs	6,172,865,067	5,191,512,809
		Loans > 15 Lakhs	2,939,723,004	2,674,691,100
	(ii)	Commercial Real Estate -		
		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.	Nil	Nil
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
		a) Residential	Nil	Nil
		b) Commercial Real Estate	Nil	Nil
	Indirect Exposure			
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)		Nil	Nil

Exposure to Capital Market

The Company do not have any exposure to Capital Market. Hence the related disclosures are not applicable.

53.8 Details of financing of parent company products

These details are not applicable to company as the company is not financing any parent company products.

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

These details are not applicable to company as the company has not exceeded the SGL / GBL limit.

53.10 Unsecured Advances

The exposure to unsecured advances is Rs. Nil (Previous year Rs. Nil)

53.11 Miscellaneous

a) **The Company does not have any exposure to Capital Market. Hence the related disclosures are not applicable.**

b) **No registration obtained from other financial sector regulators.**

c) **NHB has imposed penalty of Rs. 65,000/- plus applicable taxes due to LTV exceeded prescribed norms in 13 cases.**

d) **Related party Transactions**
Details of all material transactions with related parties are disclosed in Note no. 44.

e) **Rating assigned by Credit Rating Agencies and migration of rating during the year**

Sr. No.	Instrument	Rating assigned	Agency	Date of Rating	Amount in Rs
1	Long Term Bank Facilities	CARE A- Stable	CARE Ratings	01-Oct-19	11,000,000,000
2	Long Term Bank Facilities	A+	Acuité Ratings & Research	03-Dec-19	12,000,000,000

f) **Revenue Recognition**
There have been no instances in which revenue recognition has been postponed pending resolution of significant Uncertainties.

53.12 Additional Disclosures

53.12.1 Provisions and Contingencies

		[Amount in Rs.]
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	**Current Year**	**Previous Year**
Provisions for depreciation on Investment	Nil	Nil
Provision made towards Income tax	42,345,021	45,749,812
Provision towards NPA	13,945,927	5,787,917
Provision for Standard Assets (with details like teaser loan, CRE, CRE-EH etc.)	30,513,145	13,850,174
Other Provision and Contingencies includes:		
Provision for depreciation on fixed assets	23,114,881	17,637,511
Provision for gratuity	21,75,640	21,81,854
Provision for leave encashment	33,76,439	30,80,741

Break up of Loan & Advances and Provisions thereon	**Housing**		**Non-Housing**	
	Current Year	**Previous Year**	**Current Year**	**Previous Year**
Standard Assets				
a) Total Outstanding Amount	843,58,66,101	737,49,94,045	56,78,94,601	449,413,08

b) Provisions made	4,68,44,332	1,89,91,668	38,10,352	11,49,871
Sub-Standard Assets				
a) Total Outstanding Amount	9,29,27,464	3,97,74,232	51,59,764	20,72,992
b) Provisions made	1,39,39,120	59,66,135	7,73,965	3,10,949
Doubtful Assets – Category-I				
a) Total Outstanding Amount	59,34,820	Nil	10,38,798	Nil
b) Provisions made	14,83,705	Nil	2,59,700	Nil
Doubtful Assets – Category-II				
a) Total Outstanding Amount	Nil	Nil	Nil	Nil
b) Provisions made	Nil	Nil	Nil	Nil
Doubtful Assets – Category-III				
a) Total Outstanding Amount	Nil	Nil	Nil	Nil
b) Provisions made	Nil	Nil	Nil	Nil
Loss Assets				
a) Total Outstanding Amount	37,66,523	Nil	Nil	Nil
b) Provisions made	37,66,523	Nil	Nil	Nil
TOTAL				
a) Total Outstanding Amount	853,84,94,908	741,47,68,277	57,40,93,163	45,14,86,07
b) Provisions made	6,60,33,680	2,49,57,803	48,44,016	14,60,819

53.12.2 Draw Down from Reserves

The Company has not made any draw down from reserves during the previous year.

53.12.3 Concentration of Public Deposits, Advances, Exposures and NPAs

Concentration of Public Deposits

The disclosure of the concentration of deposits taken is not applicable as the company carries on the business of a housing finance institution without accepting public deposits.

Concentration of Loan and Advances

			[Amount in Rs.]
		Current Year	**Previous Year**
	Total Loans and Advances to twenty largest borrowers	90,984,622	95,155,270
	Percentage of Loans and Advances to twenty largest borrowers to Total Advances of the Company	1.01%	1.21%

Concentration of Exposures (Including Off-Balance Sheet Exposure)

			[Amount in Rs.]
		Current Year	**Previous Year**
	Total Exposure to twenty largest borrowers/customers	94,985,616	97,502,061

	Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	0.91%	1.02%

Concentration of NPAs

		[Amount in Rs.]
	Current Year	**Previous Year**
Total Exposure to top ten NPA accounts (Gross)	2,67,34,792	2,27,77,135

Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
A.	**Housing Loans:**	
1.	Individuals	1.21%
2.	Builders/Project Loans	Nil
3.	Corporates	Nil
4.	Others	Nil
B.	**Non-Housing Loans:**	
1.	Individuals	1.09%
2.	Builders/Project Loans	Nil
3.	Corporates	Nil
4.	Others	Nil

Movement of NPAs

				[Amount in Rs.]
Particulars			**Current Year**	**Previous Year**
(i)	Net NPAs to Net Advances (%)		0.98%	0.45%
(ii)	Movement of NPAs (Gross)			
	(a)	Opening balance	4,18,47,224	3,261,111
	(b)	Additions during the year	9,76,31,360	3,85,86,113
	(c)	Reductions during the year	3,06,51,215	Nil
	(d)	Closing balance	10,88,27,369	4,18,47,224
(iii)	Movement of Net NPAs			
	(a)	Opening balance	3,55,70,140	2,771,944
	(b)	Additions during the year	7,90,87,750	3,27,98,196
	(c)	Reductions during the year	2,60,53,533	Nil
	(d)	Closing balance	8,86,04,357	3,55,70,140

(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)			
	(a)	Opening balance	62,77,084	489,167
	(b)	Provisions made during the year	185,43,610	57,87,917
	(c)	Write-off / write-back of excess provisions	45,97,682	Nil
	(d)	Closing balance	2,02,23,012	62,77,084

53.12.4 Overseas Assets

The company does not have any overseas assets.

53.12.5 Off-balance Sheet SPVs sponsored

The company has not sponsored any SPVs. Accordingly, the disclosure is not applicable.

53.12.6 Disclosure of Complaints

Customer Complaints

	Particulars	**Current Year**	**Previous Year**
(a)	No. of complaints pending at the beginning of the year	Nil	Nil
(b)	No. of complaints received during the year	40	27
(c)	No. of complaints redressed during the year	38	27
(d)	No. of complaints spending at the end of the year	2	Nil

Note 53.13

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	No. of Cases	Overdue Amount	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2			3	4	(5)=(3)-(4)	6	(7) = (4)-(6)
Performing Assets								
Standard	Stage 1*			8,733,027,890	21,415,753	8,711,612,137	36,381,178	-14,965,425
	Stage 2*			270,732,812	14,356,114	256,376,698	14,273,506	82,608
Subtotal				9,003,760,702	35,771,867	8,967,988,835	50,654,684	-14,882,817
Non-Performing Assets (NPA)								
Substandard	Stage 3	74	361,797.00	98,087,228	28,231,935	69,855,293	14,713,084	13,518,851
Doubtful - up to 1 year	Stage 3	4	190,285.00	6,973,618	2,007,180	4,966,438	1,743,405	263,776
1 to 3 years	Stage 3			-	-	-	-	-
More than 3 years	Stage 3			-	-	-	-	-
Subtotal for doubtful				105,060,846	30,239,115	74,821,731	16,456,489	13,782,626
Loss	Stage 3	2	7534	3,766,523	3,766,523	-	3,766,523	-
Subtotal for NPA				108,827,369	34,005,638	74,821,731	20,223,012	13,782,626
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1			1,332,262,352	3,267,047	1,328,995,305	-	3,267,047
	Stage 2			4,605,786	184,742	4,421,044	-	184,742
	Stage 3			2,547,268	733,167	1,814,101	-	733,167
Subtotal				1,339,415,406	4,184,956	1,335,230,450	-	4,184,956
Total	Stage 1			10,065,290,242	24,682,800	10,040,607,442	36,381,178	-11,698,378
	Stage 2			275,338,598	14,540,856	260,797,742	14,273,506	267,350
	Stage 3			111,374,637	34,738,805	76,635,832	20,223,012	14,515,793
	Total			10,452,003,478	73,962,461	10,378,041,017	70,877,696	3,084,765
				10,452,003,478	73,962,461	10,378,041,017	70,877,696	3,084,765
				-	-	-	-	-

* Includes in stage 1 & Stage 2, Rs 2,78,23,968 towards 5% provision under IRACP as per RBI Circular No. RBI/2019-20/220 dated April 17,2020 against respective amounts in SMA/overdue categories where the moratorium/ deferremnt was extended in terms of Para 2 & para 3 thereof. Details as given below;

DPD's	Amounts where Asset Classification benefit was extended	Provision
0	8,447,620,463	-
1-29	285,407,427	14,270,371
30-59	156,370,150	7,818,508
60-89	114,362,662	5,718,133
	9,003,760,702	**27,807,012**

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Note 54:

a) Figures are rounded off to nearest rupee.

b) Previous year's figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

For and on behalf of the Board of Directors

(Rajesh Sharma) Managing Director DIN 00020037	**(Bhagyam Ramani)** Independent Director DIN 00107097	**(Beni Prasad Rauka)** Independent Director DIN 00295213	**(T.R Bajalia)** Independent Director DIN 02291892
(Ashish Gupta) Chief Financial Officer	**(Abhishekh Kanoi)** Company Secretary FCS - 9530		

Place: Mumbai

Date: May 9, 2020.