



**INDIA HOME
LOAN LTD.**

CIN: L65910MH1990PLC059499
GSTIN : 27AAACM5101F1ZO

Date: July 24, 2024

To,
The Department of Corporate Affairs,
The Bombay Stock Exchange,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001.

Dear Sir/Ma'am,

Sub.: Disclosure under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 – Intimation regarding forensic audit Report of India Home Loan Limited


Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and our BSE intimation dated April 24, 2024 regarding initiation of Forensic Audit of India Home Loan Limited ('the Company') we wish to inform you that we have received the Forensic Audit Report dated July 23, 2024 from New Haribhakti Business Services LLP ('Forensic Auditor').

Please find enclosed final Forensic Audit Report as required under Para A of Part A of Schedule III of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

You are requested to take the above information on record.

Yours Faithfully,

For India Home Loan Limited


Mitesh Mahesh Pujara
Whole-time director
DIN: 02143047



July 23, 2024

To,
IDFC First Bank Limited
10th Floor, Vibgyor Towers,
G Block, Bandra Kurla Complex,
Bandra East,
Mumbai - 400 051.
Dear Sir,

Kind Attn: Mr. Aditya Upadhyay, Associate Relationship Manager

This is with reference to our appointment for Forensic audit for **India Home Loan Limited** as per mandate mail dated March 11, 2024.

Please find attached herewith the Forensic Audit Report for the period starting from April 01, 2020 to December 31, 2023 i.e., 3 years 9 months.

nhbs has relied upon the documents, information, explanation provided by the management of India Home Loan Limited for the purpose of preparation of this report.

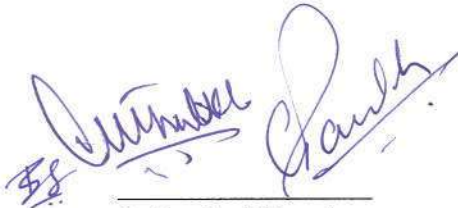
We request you to kindly take the same on your records. For any query or clarification kindly feel free to revert.

We appreciate your consistent support.

Kindly acknowledge receipt of the report via. e-mail.

Assuring you of our best attention, we remain.

For nhbs LLP



Authorised Signatory



Encl: Forensic Audit Report for India Home Loan Limited.

New Haribhakti Business Services LLP

Corporate Office : A/ 302, 3rd Floor, Citi Point Bldg, Andheri - Kurla Road, J.B. Nagar, Andheri (E), Mumbai - 400059.

Registered Office : 42, Free Press House, 215 Nariman Point, Mumbai - 400 021. www.nhbsgroup.com

CIN NO. AAB 5576



Forensic Audit of India Home Loan Limited

For the period starting from April 1, 2020 till December 31, 2023

By **New Haribhakti Business Services LLP**



W: www.nhbgroup.com
E: contactus@nhbgroup.com

A - 302, 3rd Floor, Citi Point,
Andheri-Kurla Road, J.B. Nagar,
Andheri (E), Mumbai – 400059.

Disclaimer

- We have used professional judgement in selecting the source of information required for our audit; however, we do not provide any assurance that we have tapped every conceivable source of information.
- The scope of Forensic audit does not equate to the audit conducted as per the generally accepted auditing standards for the purpose of certification of financial statements or other attestation or review or services to perform agreed upon procedures in accordance with the Standards on Auditing of the Institute of Chartered Accountants of India.
- Also, the scope of this audit cannot be compared to normal statutory & other audits. We have drawn certain conclusions based on the analysis and comparisons.
- This report is based on information provided and obtained from the sources as mentioned. In case some additional information comes to light or is found by any authority or personnel after the date this report or submitted by the relevant stakeholders thereafter, which can have effect on our findings, we assume no responsibility to update this report.
- The findings are based on the information/documents furnished to us to the extent reviewed by us. Our findings cannot be taken to be exhaustive, in view of the fact that limited information and details regarding the transactions were available. Our findings are based on information and documents to the extent provided to us.
- We have not carried out any verification of handwritings and signatures on various documents such as letters/notes/vouchers / minutes etc.
- This report does not constitute any kind of recommendations or certification about the conclusions stated in the report. We assume no responsibility for matters of any legal validity. The legal issues including validity and effectiveness of contracts / agreements, compliance with relevant laws & regulations, potential legal action based on our audit observations and conclusions are beyond the scope of this assignment.
- This report is prepared solely for the use and information to the lenders of the Company. The report or any part of the contents thereof should not be used by any other party for any purpose. We assume no responsibility, financial or otherwise, to any such party.



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The content provided here treats the subjects covered here in condensed form. It is intended to provide a general guide to the subject matter and should not be relied on as a basis for business decisions.

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I. Introduction

Reference and Period of Appointment

As per the email dated March 11, 2024 from IDFC First Bank representative Mr. Aditya Upadhyay, New Haribhakti Business Services LLP was appointed as auditors to conduct forensic audit for the period starting from April 01,2020 to December 31,2023 i.e 3 years 9 months with a view to cover the following scope:

- End Use of Funds
- Verification and analysis of revenue and receivables
- Verifying purchases and payables
- Analysis of various investments
- Verification and analysis of Related Party Transactions
- Accounting and falsification of accounts
- PAR verification and analysis
- Verification and analysis of Assets Held for Sale as of Dec'23
- Analysis of findings of internal audit, special audit if any

Please note that the report is prepared on the basis of data received from Company and Lending forum considering the cut-off date till **July 12, 2024**.

Please refer to following Annexures for status on Data:

Annexure I- Status of data which is to be received from Company

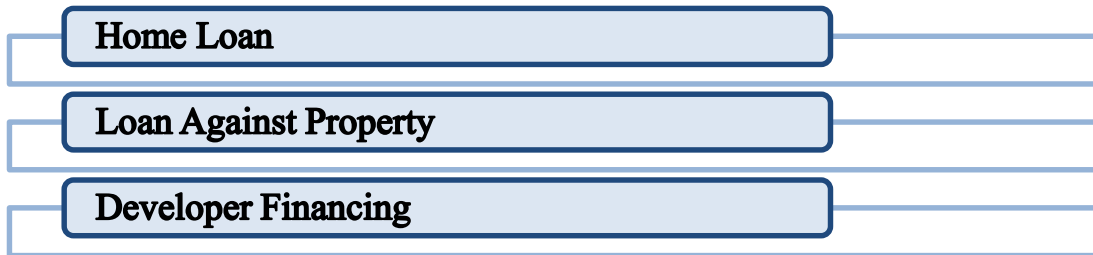
NOTE: All the amounts mentioned in the report are in INR in Crores (rounded off where required), except otherwise stated.



About the Company

India Home Loan Limited (IHLL) is registered as a Non-deposit taking Housing Finance Company with the National Housing Bank (NHB). IHLL formerly known as Manoj Housing Finance Company Ltd (MHFCL) was incorporated on December 19,1990 under the Companies Act,1956 in Maharashtra. During the year 2008-09 Mr.Mahesh Pujara and Associates took over the Company and subsequently the name was changed to India Home Loan Ltd. IHLL is catering to individuals and families belonging to the Economically Weaker Section (EWS), Low Income Group (LIG) and Middle Income Group (MIG) residing in the periphery of semi-urban and urban India. Loans are offered to the Customers for purchase, construction as well as extension of houses. IHLL is listed on Bombay Stock Exchange and specializes on loans to families in the self employed category where formal income proofs aren't easily available and their repayment capacity is appraised based on their cash flows.

The Company products can be broadly classified in to 3 segments:



Following is the Summary details for list of Branches where the Company is currently running its Operations:

Location	No. of Branches	No. of Employees
Maharashtra	2	21
Gujarat	7	31
Rajasthan	1	1
Total	10	53

Extract of information relating to the Company:

Name	India Home Loan Limited			
CIN	L65910MH1990PLC059499			
Date of Incorporation	December 19, 1990			
Type	Public			
Sub-Category	Non-govt company			
Registered Office	504/504A,5th Floor,Nirmal Ecstasy, Jatashankar Dosa Road,Mulund(w) Mumbai Mumbai City MH 400080 IN			
Authorised Sh. Capital	INR 25,00,00,000			
Paid-up Share Capital	INR 14,28,17,550			
Last AGM (MCA)	September 30,2023			
Last Balance Sheet	March 31, 2023 (latest filed as per MCA)			
Company Status	Active			
Charges Registered	INR 145,00,00,000 (As per charges outstanding on report date)			
Directors of the Company	Director/Signatory Name	DIN	Designation	
	Appointment Date			
	Current Directors			
	Mahesh N Pujara	01985578	Managing Director	21-Aug-08
	Mitesh M Pujara	02143047	Additional Director	21-Aug-08
	Mr.Mahesh Shah	07014807	Independent Director	13-Aug-21
	Mrs.Shakuntala Merchant	08237904	Independent Director	28-Sep-18
Ms.Archana Chirawawala	09721625	Independent Director	09-Sep-23	

➤ **Movement in Shareholding Pattern of the Company :**

Particulars	Category	Mar-24		Mar-23		% Change Inc/(Dec)
		No. of Shares	% Shareholding	No. of Shares	% Shareholding	
Ashok Shanabhai Patel	Promoter	1232810	8.63%	1232810	8.63%	-
Mahesh Narshi Pujara	Promoter	969700	6.79%	969700	6.79%	-
Mitesh Mahesh Pujara	Promoter	775290	5.43%	775290	5.43%	-
Bhavin Mahesh Pujara	Promoter Group	700600	4.91%	675600	4.73%	3.70%
Daksha Ashokbhai Patel	Promoter Group	600000	4.20%	600000	4.20%	-
Hemali Mitesh Pujara	Promoter Group	575751	4.03%	575751	4.03%	-
Vilas Pujara	Promoter Group	366134	2.56%	366134	2.56%	-
Sub Total Promoter & Promoter Group (A)		5220285	36.55%	5195285	36.38%	0.48%
Mutual Funds	Public	10100	0.07%	10100	0.07%	-
JM Financial India Trust II	Public	3499030	24.50%	3499030	24.50%	-
Sub Total Institutions Domestic (B)		3509130	24.57%	3509130	24.57%	-
Residents Individuals holding nominal share capital upto Rs. 2 lacs	Public	17,10,686	11.98%	15,42,183	10.80%	11%
Residents Individuals holding nominal share capital in excess of Rs. 2 lacs	Public	28,84,433	20.20%	31,50,324	22.06%	-8%
Non Resident Indians (NRI's)	Public	21,774	0.15%	18,994	0.13%	15%
Bodies Corporate	Public	71,538	0.50%	34,739	0.24%	106%
Others	Public	8,63,909	6.05%	8,31,100	5.82%	4%
Sub Total Others (C)		55,52,340	38.88%	55,77,340	39.05%	-0.45%
Total (A+B+C)		1,42,81,755	100%	1,42,81,755	100%	



➤ **Movement in Shareholding Pattern of the Company :**

Particulars	Category	Mar-22		Mar-21		% Change Inc/(Dec)
		No. of Shares	% Shareholding	No. of Shares	% Shareholding	
Ashok Shanabhai Patel	Promoter	1232810	8.63%	1232810	8.63%	-
Mahesh Narshi Pujara	Promoter	909350	6.37%	884350	6.19%	2.83%
Mitesh Mahesh Pujara	Promoter	775290	5.43%	745290	5.22%	4.03%
Subhash Amubhai Patel	Promoter	-	-	250000	1.75%	-100.00%
Bhavin Mahesh Pujara	Promoter Group	675600	4.73%	675600	4.73%	-
Daksha Ashokbhai Patel	Promoter Group	600000	4.20%	600000	4.20%	-
Hemali Mitesh Pujara	Promoter Group	575751	4.03%	575751	4.03%	-
Vilas Pujara	Promoter Group	361784	2.53%	361784	2.53%	-
Parul Subhasbhai Patel	Promoter Group	-	-	185000	1.30%	-100.00%
Sub Total Promoter & Promoter Group (A)		5130585	35.92%	5510585	38.58%	-6.90%
Mutual Funds	Public	10100	0.07%	10100	0.07%	-
JM Financial India Trust II	Public	3499030	24.50%	3499030	24.50%	-
Sub Total Institutions Domestic (B)		3509130	24.57%	3509130	24.57%	-
Residents Individuals holding nominal share capital upto Rs. 2 lacs	Public	16,62,148	11.64%	14,37,688	10.07%	15.61%
Residents Individuals holding nominal share capital in excess of Rs. 2 lacs	Public	31,94,336	22.37%	30,25,101	21.18%	5.59%
Non Resident Indians (NRI's)	Public	15,730	0.11%	25,649	0.18%	-38.67%
Bodies Corporate	Public	62,858	0.44%	74,714	0.52%	-15.87%
Others	Public	7,06,968	4.95%	6,98,888	4.89%	1.16%
Sub Total Others (C)		56,42,040	39.51%	52,62,040	36.84%	7.22%
Total (A+B+C)		1,42,81,755	100%	1,42,81,755	100%	



Credit Rating of the Company for the period under review

- Credit Rating Agency - Infomeric Ratings issued its rating on June 27, 2023 and have reaffirmed their Credit Rating to IVR D/Issuer Not Co-operating as mentioned below:

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action -----
Long Term Bank Facilities- Term Loan	98.70 *	IVR D/ Issuer Not Cooperating	IVR D	Reaffirmed and moved to ISSUER NOT COOPERATING category
Non-Convertible Debentures	20.00	IVR D/ Issuer Not Cooperating	IVR C	Downgraded and moved to ISSUER NOT COOPERATING category
Proposed Long Term Facility	10.30	IVR D/ Issuer Not Cooperating	IVR D	Reaffirmed and moved to ISSUER NOT COOPERATING category
Total	129.00			

*Reduced from Rs.151.54 crore

- Previously, the Credit Rating Agency - Infomeric Ratings issued its rating on July 14, 2022 and have reaffirmed their Credit Rating to IVR D for Term Loan facility and IVR C for Non Convertible Debentures. The assigned rating was as mentioned below:

Facilities/ Instruments	Amount (Rs. crore)	Current Ratings	Previous Ratings	Rating Action -----
Long Term Bank Facilities- Term Loan	98.70 *	IVR D	IVR D	Reaffirmed
Non-Convertible Debentures	20.00	IVR C	IVR C	Reaffirmed
Proposed Long Term Facility	10.30	IVR D		Assigned
Total	129.00			

*Reduced from Rs.151.54 crore

- Credit Rating Agency - Infomeric Ratings issued its rating on June 30, 2021 and have reaffirmed their Credit Rating to IVR BBB- for Term Loan facility and assigned IVR BBB- for Non Convertible Debentures. The assigned rating was as mentioned below:

Instrument/Facility	Amount (Rs. Crore)	Ratings	Rating Action
Long term Bank Facilities — Term Loan	151.54	IVR BBB-; Under credit watch with developing implications (IVR Triple B Minus Under credit watch with developing	Reaffirmed
Non-Convertible Debentures	20.00	IVR BBB- Under credit watch with developing implications (IVR Triple B Minus Under credit watch with developing	Assigned
Total	171.54		



Key Rating Sensitivities

➤ **Upward Factors**

- Substantial & sustained improvement in the scale of operations along with maintaining and/or improving capitalization metrics & Asset quality.
- Sustained improvement in ROTA.

➤ **Downward Factors**

- Dip in scale of operations and/or decline in profitability and asset quality.
- Any challenges/delays faced by the company to raise funds in a timely manner and/or substantial increase in delinquencies leading to increase cost of borrowings.

Key Rating Weaknesses

➤ **Moderate financial risk profile**

Interest Coverage stood at ~1.15x in FY20 and ~1.10x in FY21. The gearing ratio stands moderate although the same got improved from 4.70x as of March 2020 to 4.40x as of March 2021.

➤ **Geographical concentration**

IHLL has presence in three states with concentration in Gujarat (more than 80% percent of the overall portfolio) followed by Maharashtra and Rajasthan on March 31, 2021. It has overall 13 branches. This exposes the company to high geographical concentration risk as any political & natural calamities can impact the performance of the company.

➤ **Fragile credit profile of the borrowers under affordable housing finance company**

IHLL is primarily catering to the housing finance needs of the self-employed customers in the informal low- and middle income segment who are not serviced by the banking sector. The proportion of Self-Employed customers accounted for more than 80% of the IHLL's loan portfolio as on March 31, 2021. Since this segment is highly susceptible to the impact of economic downturn, coupled with Covid-19 related impact, the asset quality may be impacted in near term. However at the same time, as the EMI size ranges within INR4000-5000 under such affordable housing scheme recovery is better as compared to other HFCs and IHLL has recorded collection efficiency on an average of more than 90% and the DPD bracket is well poised along with adequate provisioning made by the company as per RBI guidelines and is which is well maintained giving a sense of overall comfort in its operations.

➤ **Credit Rating Agency - CARE issued its rating on June 26, 2020 and have assigned CARE BBB- for Non-Convertible Debentures.**



II. Financial Analysis

2.1 Balance Sheet of the company for period under review years.

Particulars	As at Dec 31,2023 (Unaudited)	As at March 31,2023 (Audited)	As at March 31,2022 (Audited)	As at March 31,2021 (Audited)
ASSETS				
1) Financial Assets				
a) Cash and Cash Equivalents	0.26	0.33	0.49	3
b) Bank Balances other than a) above	0.04	3	3	5
c) Loans	62	98	155	203
d) Investments	-	-	-	-
e) Other Financials assets	0.26	0.36	1	1
Total Financial assets	62	102	160	213
2) Non-Financial assets				
a) Property Plant and Equipment	0.15	0.17	0.27	0.32
b) Intangible assets	0.10	0.12	0.16	0.22
c) Other Non-Financial assets	1	1	1	3
d) Rights of use asset	0.08	0.15	0.24	-
e) Deferred Tax assets	-	-	0.18	0.49
Total Non-Financial assets	2	1	2	4
3) Asset Held for Sale	47	36	12	-
Total Assets	111	139	173	217
EQUITY AND LIABILITES				
1) Financial Liabilities				
a) Payables				
Trade Payables				
i) total o/s due of MSME	0.03	0.08	0.04	-
ii) total o/s due other than MSME	0.27	0.39	0.27	0.07
Other Payables	-	-	-	-
i) total o/s due of MSME	-	-	-	-
ii) total o/s due other than MSME	0.18	0	0.08	0.24
b) Debt Securities	18	20	20	20
c) Borrowings	28	55	90	145
d) Subordinate Liabilities	16	16	16	-
e) Other Financial liabilities	0.09	0.87	0.75	6
f) Lease Liabilities	3	0.16	0.28	-
2) Non Financial Liabilities				
a) Current Tax liabilities (net)	0.81	0.82	2	0.37
b) Provisions	0	0.37	0.35	0.36
c) Deferred Tax Liabilities	0	0.20	0.50	-
e) Other non financial liabilities	0.57	0.59		5
3) Equity				
a) Equity Share Capital	14	14	14	14
b) Other Equity	29	30	30	25
Total Liabilities & Equity	111	139	173	217



2.2 Profit & Loss of the company for period under review

Sr No	Particulars	9ME Dec 31,2023 (Unaudited)	YE March 31,2023 (Audited)	YE March 31,2022 (Audited)	YE March 31,2021 (Audited)
I	Revenue from operations				
	i) Interest Income	9.69	21.48	28.79	30.31
	ii) Fees and Commission Income		0.73	1.00	0.81
	ii) Gain on Assignment of loans/ De-recognition of FL		0.13	0.26	-
	Other Income	0.09	0.84	0.44	0.0003
	Total income	10	23	30	31
II	EXPENSES				
	Finance Cost	7.34	12.89	16.53	20.25
	Fees and Commission Expenses	-	0.04	0.12	0.30
	Net loss on Derecognition of Financial Instruments under Amortised cost Category	0.45	3.95	2.17	-
	Impairment on Financial instruments	-1.50	-1.67	2.04	3.04
	Employee benefit expenses	2.15	3.32	3.18	3.50
	Depreciation and amortisation expense	0.15	0.56	0.53	0.23
	Other expenses	2.51	3.11	1.95	2.33
	Total expenses	11	22	27	30
III	Profit/(Loss) before Tax	-1.33	1	4	1.48
IV	Tax Expense	0.00	0.38	2	0.36
	Current tax	-	0.00	1.73	0.92
	Deferred tax	0.005	0.38	0.32	-0.56
V	Profit/ (Loss) for the period/ year	-1.33	0.61	1.91	1.12
VI	Other comprehensive income				
	A) i) Items that will not be reclassified to profit or loss	0.03	0.05	0.03	0.02
	ii) Income tax on Items that will not be reclassified to profit or loss	-0.01	-0.01	(0.01)	-0.01
	Sub Total (A)	0.02	0.04	0.02	0.02
VII	Total comprehensive income/ (loss)	-1.31	0.65	1.94	1.14
VIII	Earnings per share (Face Value Rs.10 each)				
	Basic EPS	-0.81	0.42	1.34	0.79
	Diluted EPS	-0.81	0.42	1.34	0.79



2.3 Company Key Financial Indicators

Particulars	Parameters	9ME Dec 31,2023	YE March 31,2023	YE March 31,2022	YE March 31,2021
Basic EPS	INR	-0.81	0.42	1.34	0.79
Profit after tax (actuals)	INR in Crore	-1.33	0.61	1.91	1.12
Return on Assets (annualised)	% p.a.	-1.42%	0.39%	0.98%	0.51%
Return on Equity (annualised)	% p.a.	-8.10%	2.74%	9.22%	5.81%
Net Interest Margin (annualised)	% p.a.	5.09%	8.81%	7.90%	4.96%
GNPA %	%	3.32%	4.29%	4.25%	4.37%
NNPA %	%	2.39%	3.09%	3.05%	2.31%
Leverage Ratio	No. of times	1.44	2.04	2.86	4.22
Capital Risk Adjusted Ratio	%	70.24%	53.63%	47.70%	43.39%

Note: For the above mentioned numbers pertaining to the nine month end, we have extrapolated the percentages to make it comparable to the ratios computed for the entire year. In the above table ratio's for nine month period ended marked as "(annualised)" are computed using the said approach.

Formulae considered above:

1. Return on Assets = Profit after tax (excluding other comprehensive income) / Avg Total assets
2. Return on Equity = Profit after tax (excluding other comprehensive income) / Avg Net worth
3. Net Interest Margin = Net Interest Income (Total interest income – total interest expended) / Total Loan book (as per BS)
4. Leverage Ratio = (Long Term Borrowing + Short Term Borrowing) / Net Worth



2.4 Cash Flows of the company for period under review

Sr No	Particulars	6ME Sep 30,2023 (Unaudited)	YE March 31,2023 (Audited)	YE March 31,2022 (Audited)	YE March 31,2021 (Audited)
A)	CASH FLOW FROM OPERATING ACTIVITIES:				
	Net profit before tax and extra ordinary items	-0.15	0.99	3.96	1.48
	Adjustments for:				
	Depreciation & amortisation	0.12	0.56	0.53	0.23
	Allowance for credit loss on Financial assets	0.45	3.95	2.01	3.04
	Profit on sale of Investment	-	-	-	-
	Interest received on deposits	-0.04	-0.21	-0.25	-0.63
	Deferred Tax expenses	-	-	-	-
	Profit on Sale of Property, Plant & Equipment	-0.0001	-	-	-
	Fair value adjustment on Investments	-0.0004	-	-	-
	Gratuity Provisions	-	-	-	0.03
	Net Loss on derecognition of Financial Instruments under amortised cost category	-1.62	-1.67	2.17	-
	Other adjustment	0.02	0.07	-	-
	Operating profit before working capital changes	-1.22	3.69	8.43	4.15
	Adjustments for changes in working capital:				
	Increase / (decrease) in Payables	- 0.22	0.34	0.06	-0.16
	Increase / (decrease) in Other Financial Liability	1.37	0.12	0.71	-1.42
	Increase / (decrease) in other current liabilities	-0.01	-0.62	-	-
	Increase / (decrease) in other non fin. liabilities	-0.09	-0.03	0.11	-0.44
	Increase / (decrease) in Provisions	0.01	0.02	0.02	0.05
	Decrease / (Increase) in Loans - Net of Repayments	35.64	55.25	31.56	6.92
	Decrease / (Increase) in other financial assets	-13.10	-23.70	0.14	-1.12
	Decrease / (Increase) in other non financial assets	-0.36	-0.16	0.05	0.55
	Cash generated from operations	22.01	34.92	41.08	8.55
	Income Tax Paid	-	-0.1	-0.55	-0.87
	Net cash flow generated from operating activities	22.01	34.82	40.53	7.67
B)	CASH FLOW FROM INVESTING ACTIVITIES:				
	Purchase of property, plant and equipment & Computer software	-0.03	-0.34	-0.52	-0.08
	Proceeds from Sale of property, plant and equipment	-	-	-	-
	Proceeds from sale of trade Investment	-	-	-	-
	Investment in Trade Investment	-	-	-	-
	(Increase)/Decrease in Other Bank Balance	3.23	-0.19	1.81	-2.12
	Interest Received on deposits	0.04	0.21	0.25	0.63
	Net cash flow generated from/(used in) investing activities	3.24	-0.32	1.54	-1.57
C)	CASH FLOW FROM FINANCING ACTIVITIES:				
	Proceeds from issue of shares (net of expenses)	-	-	-	-
	Proceeds from Borrowings	0.08	0.14	0.28	35
	Repayment of Borrowings	-25.34	-34.79	-45.13	-39.90
	Dividend Paid (Including DDT)	-	-	-	-0.21
	Net cash (used in) financing activities	-25.26	-34.65	-44.85	-5.12
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	-0.001	-0.15	-2.78	
	Cash and cash equivalents as at the beginning of the year	0.33	0.49	3.27	
	Cash and cash equivalents as at the end of the year	0.33	0.33	0.49	



2.5 P&L as % to Total Income for the period under review:

Particulars	9ME Dec 31,2023 (Unaudited)	YE March 31,2023 (Audited)	YE March 31,2022 (Audited)	YE March 31,2021 (Audited)
Revenue from operations				
i) Interest Income	99.11%	92.64%	94.42%	97.39%
ii) Fees and Commission Income		3.14%	3.30%	2.60%
ii) Gain on Assignment of loans/ Derecognition of FL		0.57%	0.85%	0.00%
Other Income	0.89%	3.64%	1.43%	0.00%
Total income	100%	100%	100%	100%
EXPENSES				
Finance Cost	75%	56%	54%	65%
Fees and Commission Expenses	-	0.18%	0.40%	1%
Net loss on Derecognition of Financial Instruments under Amortised cost Category	5%	17%	7%	-
Impairment on Financial instruments	-15%	-7%	7%	10%
Employee benefit expenses	22%	14%	10%	11%
Depreciation and amortisation expense	2%	2%	2%	1%
Other expenses	26%	13%	6%	7%
Total expenses	114%	96%	87%	95%
Profit before Tax	-14%	4%	13%	5%



2.6 Movement of debt

Facilities	Lenders	As At December 31, 2023			As At September 30, 2023			As At June 30, 2023		
		Sanction Amt	O/s Amt	Over due	Sanction Amt	O/s Amt	Over due	Sanction Amt	O/s Amt	Over due
Cash Credit	Au Small Finance Bank Ltd	7.50	0.92	-	7.50	1.91	-	7.50	2.74	-
NCD	Union Bank of India	20.00	19.60	19.60	20.00	18.45	18.45	20.00	20.00	20.00
Secured Loan	Andhra Bank	10.00	3.46	1.38	10.00	3.44	0.95	10.00	3.43	0.10
Secured Loan	Bank Of Maharashtra	15.00	4.94	0.78	15.00	5.57	0.80	15.00	6.16	0.70
Secured Loan	Canara Bank	10.00	4.59	0.55	10.00	4.98	0.56	10.00	5.36	0.18
Secured Loan	Hinduja Housing Finance	15.00	4.04	1.05	15.00	4.34	0.72	15.00	4.98	0.74
Secured Loan	IDFC First Bank	5.00	1.60	0.88	5.00	1.60	0.47	5.00	2.03	0.48
Secured Loan	Mas Financial Services Ltd TL	21.00	1.79	0.95	21.00	2.31	0.69	36.00	5.41	2.42
Secured Loan	National Housing Bank	-	-	-	-	-	-	38.00	8.09	-
Secured Loan	State Bank of India	25.00	5.26	1.07	25.00	6.23	1.14	25.00	7.44	1.13
Secured Loan	Uco Bank	10.00	0.84	0.97	10.00	1.03	0.66	10.00	1.19	0.96
Unsecured Loan	IDFC First Bank 1	15.00	16.06	1.03	15.00	15.65	0.61	15.00	15.59	0.56
Grand Total		153.50	63.10	28.26	153.50	65.51	25.05	206.50	82.42	27.27

Facilities	Lenders	As At March 31, 2023			As At September 30, 2022			As At March 31, 2022		
		Sanction Amt	O/s Amt	Over due	Sanction Amt	O/s Amt	Over due	Sanction Amt	O/s Amt	Over due
NCD	Union Bank of India	20.00	20.00	-	20.00	19.94	-	20.00	20.00	-
Secured Loan	IDFC First Bank	20.00	18.02	1.02	5.00	3.31	0.52	5.00	3.84	0.35
Unsecured Loan	IDFC First Bank	-	-	-	15.00	15.54	0.56	15.00	15.39	0.35
Secured Loan	Mas Financial Services Ltd	48.00	9.93	2.58	48.00	13.61	1.43	48.00	17.52	0.72
Secured Loan	National Housing Bank	38.00	9.28	-	38.00	11.89	1.46	38.00	14.82	0.48
Secured Loan	State Bank of India	25.00	7.55	0.21	25.00	9.51	1.06	25.00	10.90	0.68
Secured Loan	Bank Of Maharashtra	15.00	6.25	0.79	15.00	7.47	0.83	15.00	8.67	0.76
Secured Loan	Canara Bank	10.00	5.73	0.56	10.00	6.52	0.59	10.00	7.20	0.49
Secured Loan	Hinduja Housing Finance	15.00	5.62	0.75	15.00	6.88	0.79	15.00	7.73	0.54
Secured Loan	Andhra Bank	10.00	3.81	0.48	10.00	4.64	0.52	10.00	5.48	0.51
Secured Loan	Au Small Finance Bank Ltd	10.00	3.15	-	7.50	0.21	-	7.50	0.71	-
Cash Credit	Au Small Finance Bank Ltd	-	-	-	7.50	4.02	-	7.50	4.63	-
Secured Loan	Uco Bank	10.00	1.27	0.54	10.00	1.03	0.66	10.00	2.95	0.38
Secured Loan	Dhanlaxmi Bank	-	-	-	5.00	0.50	0.27	5.00	0.74	-
Secured Loan	Bandhan Bank	-	-	-	-	-	-	10.00	1.08	0.54
Secured Loan	Federal Bank	-	-	-	-	-	-	5.00	0.16	0.16
Secured Loan	South Indian Bank	5.00	0.15	0.15	5.00	15.65	0.61	5.00	0.91	0.16
Grand Total		226.00	90.76	7.08	236.00	120.7	9.28	251.00	122.7	6.13



2.7 Financial Statement Observations

- i. There has been sharp decline in the Total Income of the Company from INR 31 Crores in FYE March 31,2021 to INR 10 Cr for nine month period ended December 31,2023.The declining revenue trend but the steady fixed and finance cost has impacted the bottom line of the company resulting into loss of INR 1.33 Crores for 9 month period ended December 31,2023.The declining trend has been observed in AUM too from INR 223 Crores as on June 30,2021 to INR 64 Crores as on December 31,2023 impacting the revenue. Considering the Cash flows, the Company is unable to raise funds and is already facing liquidity issue as Company is not able to repay its loan on time turning the loan into overdue as stated in annual reports and as presented in point 2.6 movement of Debt.
- ii. As represented by the Company in the Management discussion and analysis section of Annual Report of Financial year ended March 31,2021 due to tight liquidity in financial market debt raise was difficult. New disbursement got impacted due to difficulty in raising funds. Due to scheduled draw down of Loan book and closure of many loan account by customers the total AUM reduced to INR 209.51 Cr as on March 31,2021 from INR 216.43 as on March 31,2020.
- iii. Annexure A to the Independent Auditors Report issued by the statutory auditor M/s H.K Shah & Co. for the year ended March 31, 2022 in clause 9 have stated that Company has defaulted on following payments as mentioned below:

- (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, except as mentioned below -.

(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
1	Term Loan	Andhra Bank	559.55	Interest	2
2	Term Loan	Andhra Bank	4,166.67	Principal	83
3	Term Loan	Andhra Bank	548.22	Interest	1
4	Term Loan	Andhra Bank	548.49	Interest	78
5	Term Loan	Andhra Bank	4,166.67	Principal	85
6	Term Loan	Andhra Bank	520.77	Interest	74
7	Term Loan	Andhra Bank	543.38	Interest	51
8	Term Loan	Andhra Bank	520.66	Interest	82
9	Term Loan	Andhra Bank	4,166.67	Principal	83
10	Term Loan	Andhra Bank	511.71	Interest	63
11	Term Loan	Andhra Bank	471.50	Interest	71
12	Term Loan	Andhra Bank	487.24	Interest	56
13	Term Loan	Andhra Bank	4,166.67	Principal	84
14	Term Loan	NHB 4316	141.59	Interest	78
15	Term Loan	NHB 4316	147.50	Interest	47
16	Term Loan	NHB 4316	120.42	Interest	17
17	Term Loan	NHB 4316	510.00	Principal	30
18	Term Loan	NHB 4316	103.62	Interest	61
19	Term Loan	NHB 4316	98.53	Interest	30
20	Term Loan	NHB 4316	510.00	Principal	18
21	Term Loan	NHB 4316	96.44	Interest	86
22	Term Loan	NHB 4316	92.23	Interest	84
23	Term Loan	NHB 4316	96.35	Interest	53
24	Term Loan	NHB 4316	510.00	Principal	53
25	Term Loan	NHB 4316	133.51	Interest	79
26	Term Loan	NHB 4316	121.60	Interest	51
27	Term Loan	NHB 4316	28.97	Interest	20
28	Term Loan	NHB 4316	510.00	Principal	20
29	Term Loan	NHB 4672	77.96	Interest	78
30	Term Loan	NHB 4672	80.98	Interest	47
31	Term Loan	NHB 4672	56.66	Interest	17
32	Term Loan	NHB 4672	1,065.00	Principal	30
33	Term Loan	NHB 4672	73.48	Interest	61
34	Term Loan	NHB 4672	67.76	Interest	30
35	Term Loan	NHB 4672	1,065.00	Principal	46
36	Term Loan	NHB 4672	67.37	Interest	86
37	Term Loan	NHB 4672	62.60	Interest	77
38	Term Loan	NHB 4672	64.99	Interest	46

iv.



(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
39	Term Loan	NHB 4672	1,065.00	Principal	46
40	Term Loan	NHB 4672	63.47	Interest	45
41	Term Loan	NHB 4672	57.63	Interest	17
42	Term Loan	NHB 4672	70.90	Interest	83
43	Term Loan	NHB 4672	1,065.00	Principal	83
44	Term Loan	NHB 4987	582.58	Interest	78
45	Term Loan	NHB 4987	605.95	Interest	47
46	Term Loan	NHB 4987	271.03	Interest	17
47	Term Loan	NHB 4987	3,800.00	Principal	49
48	Term Loan	NHB 4987	452.99	Interest	61
49	Term Loan	NHB 4987	440.42	Interest	30
50	Term Loan	NHB 4987	3,800.00	Principal	48
51	Term Loan	NHB 4987	427.63	Interest	86
52	Term Loan	NHB 4987	406.62	Interest	87
53	Term Loan	NHB 4987	420.97	Interest	56
54	Term Loan	NHB 4987	3,800.00	Principal	63
55	Term Loan	NHB 4987	524.54	Interest	79
56	Term Loan	NHB 4987	476.99	Interest	82
57	Term Loan	NHB 4987	295.21	Interest	85
58	Term Loan	NHB 4987	3,800.00	Principal	86
59	Term Loan	NHB 4924	393.65	Interest	78
60	Term Loan	NHB 4924	409.08	Interest	47
61	Term Loan	NHB 4924	188.27	Interest	17
62	Term Loan	NHB 4924	1,700.00	Principal	82
63	Term Loan	NHB 4924	245.51	Interest	79
64	Term Loan	NHB 4924	287.97	Interest	48
65	Term Loan	NHB 4924	281.82	Interest	18
66	Term Loan	NHB 4924	1,700.00	Principal	49
67	Term Loan	NHB 4924	285.69	Interest	86
68	Term Loan	NHB 4924	271.51	Interest	80
69	Term Loan	NHB 4924	281.99	Interest	49
70	Term Loan	NHB 4924	1,700.00	Principal	52
71	Term Loan	NHB 4924	376.89	Interest	79
72	Term Loan	NHB 4924	342.41	Interest	82
73	Term Loan	NHB 4924	156.98	Interest	85
74	Term Loan	NHB 4924	1,700.00	Principal	86
75	Term Loan	NHB 4955	492.23	Interest	78
76	Term Loan	NHB 4955	511.82	Interest	47
77	Term Loan	NHB 4955	244.07	Interest	17
78	Term Loan	NHB 4955	5,300.00	Principal	65
79	Term Loan	NHB 4955	426.42	Interest	79
80	Term Loan	NHB 4955	421.30	Interest	48
81	Term Loan	NHB 4955	405.18	Interest	18
82	Term Loan	NHB 4955	5,300.00	Principal	64
83	Term Loan	NHB 4955	398.02	Interest	86



(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
84	Term Loan	NHB 4955	380.05	Interest	87
85	Term Loan	NHB 4955	388.14	Interest	56
86	Term Loan	NHB 4955	5,300.00	Principal	76
87	Term Loan	NHB 4955	406.01	Interest	79
88	Term Loan	NHB 4955	369.08	Interest	82
89	Term Loan	NHB 4955	422.94	Interest	85
90	Term Loan	NHB 4955	5,300.00	Principal	86
91	Term Loan	Bandhan Bank	256.32	Interest	5
92	Term Loan	Bandhan Bank	267.96	Interest	4
93	Term Loan	Bandhan Bank	233.23	Interest	88
94	Term Loan	Bandhan Bank	223.17	Interest	74
95	Term Loan	Bandhan Bank	219.01	Interest	56
96	Term Loan	Bandhan Bank	213.20	Interest	55
97	Term Loan	Bandhan Bank	172.00	Interest	57
98	Term Loan	Bandhan Bank	154.67	Interest	31
99	Term Loan	Bandhan Bank	5,560.00	Principal	84
100	Term Loan	Bandhan Bank	5,560.00	Principal	88
101	Term Loan	Bandhan Bank	5,560.00	Principal	84
102	Term Loan	Bandhan Bank	5,560.00	Principal	88
103	Term Loan	Bank Of Maharashtra	924.43	Interest	13
104	Term Loan	Bank Of Maharashtra	968.76	Interest	5
105	Term Loan	Bank Of Maharashtra	905.08	Interest	88
106	Term Loan	Bank Of Maharashtra	916.89	Interest	81
107	Term Loan	Bank Of Maharashtra	895.54	Interest	58
108	Term Loan	Bank Of Maharashtra	917.42	Interest	82
109	Term Loan	Bank Of Maharashtra	875.74	Interest	63
110	Term Loan	Bank Of Maharashtra	786.42	Interest	79
111	Term Loan	Bank Of Maharashtra	869.02	Interest	56
112	Term Loan	Bank Of Maharashtra	6,100.00	Principal	85
113	Term Loan	Bank Of Maharashtra	6,100.00	Principal	88
114	Term Loan	Bank Of Maharashtra	6,100.00	Principal	86
115	Term Loan	Bank Of Maharashtra	6,100.00	Principal	83
116	Term Loan	Canara Bank	705.21	Interest	2
117	Term Loan	Canara Bank	660.58	Interest	2
118	Term Loan	Canara Bank	682.59	Interest	2
119	Term Loan	Canara Bank	685.08	Interest	2
120	Term Loan	Canara Bank	772.33	Interest	78
121	Term Loan	Canara Bank	812.79	Interest	61
122	Term Loan	Canara Bank	785.67	Interest	80
123	Term Loan	Canara Bank	792.71	Interest	67
124	Term Loan	Canara Bank	765.89	Interest	80
125	Term Loan	Canara Bank	804.25	Interest	60
126	Term Loan	Canara Bank	2,500.00	Principal	3
127	Term Loan	Canara Bank	2,500.00	Principal	88
128	Term Loan	Canara Bank	2,500.00	Principal	80



(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
129	Term Loan	Canara Bank	3,750.00	Principal	74
130	Term Loan	Dhanlaxmi Bank	119.77	Interest	9
131	Term Loan	Dhanlaxmi Bank	144.10	Interest	1
132	Term Loan	Dhanlaxmi Bank	118.23	Interest	40
133	Term Loan	Dhanlaxmi Bank	143.88	Interest	88
134	Term Loan	Dhanlaxmi Bank	105.66	Interest	86
135	Term Loan	Dhanlaxmi Bank	58.36	Interest	88
136	Term Loan	Dhanlaxmi Bank	96.42	Interest	70
137	Term Loan	Dhanlaxmi Bank	74.45	Interest	79
138	Term Loan	Dhanlaxmi Bank	2,500.00	Principal	68
139	Term Loan	Dhanlaxmi Bank	2,500.00	Principal	88
140	Term Loan	Dhanlaxmi Bank	2,500.00	Principal	82
141	Term Loan	Federal Bank	60.34	Interest	49
142	Term Loan	Federal Bank	58.07	Interest	23
143	Term Loan	Federal Bank	54.25	Interest	62
144	Term Loan	Federal Bank	52.54	Interest	52
145	Term Loan	Federal Bank	47.59	Interest	63
146	Term Loan	Federal Bank	32.40	Interest	37
147	Term Loan	Federal Bank	33.26	Interest	37
148	Term Loan	Federal Bank	798.38	Principal	7
149	Term Loan	Federal Bank	798.38	Principal	52
150	Term Loan	Federal Bank	798.38	Principal	66
151	Term Loan	Federal Bank	798.38	Principal	88
152	Term Loan	Federal Bank	798.38	Principal	73
153	Term Loan	Federal Bank	798.38	Principal	65
154	Term Loan	Federal Bank	798.38	Principal	81
155	Term Loan	Federal Bank	798.38	Principal	86
156	Term Loan	Federal Bank	798.38	Principal	70
157	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	353.13	Interest	84
158	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	355.78	Interest	85
159	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	335.46	Interest	59
160	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	337.52	Interest	82
161	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	328.39	Interest	63
162	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	288.34	Interest	79
163	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	310.13	Interest	56
164	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	19
165	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	79



Sr No	Nature of borrowing, including debt borrowing	Name of Lender	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
166	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	58
167	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	84
168	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	85
169	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	78
170	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	87
171	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	63
172	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	79
173	Term Loan	Hinduja Housing Finance - IL/ CTL/1718/A000000003	1,111.11	Principal	88
174	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	354.11	Interest	83
175	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	357.79	Interest	81
176	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	338.36	Interest	59
177	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	341.51	Interest	87
178	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	333.38	Interest	63
179	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	293.74	Interest	80
180	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	317.10	Interest	56
181	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	19
182	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	79
183	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	55
184	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	83
185	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	81
186	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	80
187	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	87
188	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	59
189	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	82
190	Term Loan	Hinduja Housing Finance - IL/ CTL/1819/A000000001	972.22	Principal	86



(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
191	Term Loan	IDFC Bank - 10032684057	429.54	Interest	86
192	Term Loan	IDFC Bank - 10032684057	450.44	Interest	79
193	Term Loan	IDFC Bank - 10032684057	431.44	Interest	62
194	Term Loan	IDFC Bank - 10032684057	498.65	Interest	82
195	Term Loan	IDFC Bank - 10032684057	363.71	Interest	63
196	Term Loan	IDFC Bank - 10032684057	371.39	Interest	82
197	Term Loan	IDFC Bank - 10032684057	406.50	Interest	86
198	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	12
199	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	72
200	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	88
201	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	79
202	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	77
203	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	87
204	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	77
205	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	81
206	Term Loan	IDFC Bank - 10032684057	1,388.89	Principal	86
207	Term Loan	UCO Bank	328.08	Interest	75
208	Term Loan	UCO Bank	335.91	Interest	79
209	Term Loan	UCO Bank	310.97	Interest	58
210	Term Loan	UCO Bank	311.30	Interest	68
211	Term Loan	UCO Bank	300.06	Interest	63
212	Term Loan	UCO Bank	258.14	Interest	80
213	Term Loan	UCO Bank	277.38	Interest	56
214	Term Loan	UCO Bank	1,666.67	Principal	6
215	Term Loan	UCO Bank	1,666.67	Principal	79
216	Term Loan	UCO Bank	1,666.67	Principal	73
217	Term Loan	UCO Bank	1,666.67	Principal	75
218	Term Loan	UCO Bank	1,666.67	Principal	81
219	Term Loan	UCO Bank	1,666.67	Principal	80
220	Term Loan	UCO Bank	1,666.67	Principal	88
221	Term Loan	UCO Bank	1,666.67	Principal	77
222	Term Loan	UCO Bank	1,666.67	Principal	82
223	Term Loan	UCO Bank	1,666.67	Principal	87
224	Term Loan	South Indian Bank	133.57	Interest	51
225	Term Loan	South Indian Bank	125.44	Interest	81
226	Term Loan	South Indian Bank	123.78	Interest	58
227	Term Loan	South Indian Bank	120.30	Interest	56
228	Term Loan	South Indian Bank	126.84	Interest	63
229	Term Loan	South Indian Bank	105.26	Interest	53
230	Term Loan	South Indian Bank	98.91	Interest	85
231	Term Loan	South Indian Bank	749.47	Principal	13
232	Term Loan	South Indian Bank	749.47	Principal	79
233	Term Loan	South Indian Bank	749.47	Principal	56
234	Term Loan	South Indian Bank	749.47	Principal	51
235	Term Loan	South Indian Bank	749.47	Principal	81



(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
236	Term Loan	South Indian Bank	749.47	Principal	78
237	Term Loan	South Indian Bank	749.47	Principal	56
238	Term Loan	South Indian Bank	749.47	Principal	59
239	Term Loan	South Indian Bank	749.47	Principal	53
240	Term Loan	South Indian Bank	749.47	Principal	85
241	Term Loan	State Bank Of India	964.99	Interest	3
242	Term Loan	State Bank Of India	997.04	Interest	2
243	Term Loan	State Bank Of India	1,003.56	Interest	37
244	Term Loan	State Bank Of India	970.88	Interest	35
245	Term Loan	State Bank Of India	980.99	Interest	45
246	Term Loan	State Bank Of India	929.82	Interest	51
247	Term Loan	State Bank Of India	947.17	Interest	50
248	Term Loan	State Bank Of India	927.60	Interest	41
249	Term Loan	State Bank Of India	815.74	Interest	36
250	Term Loan	State Bank Of India	882.18	Interest	55
251	Term Loan	State Bank Of India	3,000.00	Principal	65
252	Term Loan	State Bank Of India	3,000.00	Principal	68
253	Term Loan	State Bank Of India	3,000.00	Principal	66
254	Term Loan	State Bank Of India	3,000.00	Principal	75
255	Term Loan	State Bank Of India	3,000.00	Principal	82
256	Term Loan	State Bank Of India	3,000.00	Principal	80
257	Term Loan	State Bank Of India	3,000.00	Principal	72
258	Term Loan	State Bank Of India	3,000.00	Principal	66
259	Term Loan	State Bank Of India	3,000.00	Principal	84
260	Term Loan	State Bank Of India	3,000.00	Principal	85
261	Term Loan	IDFC Bank - 10032684046	1,783.56	Interest	5
262	Term Loan	IDFC Bank - 10032684046	1,760.82	Interest	2
263	Term Loan	IDFC Bank - 10032684046	1,702.13	Interest	88
264	Term Loan	IDFC Bank - 10032684046	1,780.92	Interest	86
265	Term Loan	IDFC Bank - 10032684046	1,746.56	Interest	62
266	Term Loan	IDFC Bank - 10032684046	2,099.25	Interest	87
267	Term Loan	IDFC Bank - 10032684046	1,820.34	Interest	77
268	Term Loan	IDFC Bank - 10032684046	1,631.84	Interest	82
269	Term Loan	IDFC Bank - 10032684046	1,827.68	Interest	86

- (b) The company has not declared willful defaulter by the bank or financial institution or other Lender.
- (c) The company had applied term loans for the purpose for which the loans were obtained.
- (d) The company has not utilized the funds raised for short term basis for long term purpose.
- (e) The company does not have any subsidiary, associate or joint venture and accordingly reporting under clause 3(ix)(e) is not applicable.
- (f) The company does not have any subsidiary, associate or joint venture and accordingly reporting under clause 3(ix)(e) is not applicable.

v. Annexure B of the report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 issued by the statutory auditor M/s H.K Shah & Co. for the year ended March 31, 2022 states that industry specific ERP software is yet to be implemented by the Company for strengthening of



Internal Controls of the Company. However, the opinion was not modified in this nature.

Emphasis of Matter

1. The company is in the process of implementation of an NBFC industry-specific ERP software which is yet to be implemented for strengthening the internal controls.

Our opinion is not modified in respect of this matter.

- vi. Independent Auditors Report issued by the statutory auditor M/s H.K Shah & Co. for the year ended March 31, 2023 stated that due to non-implementation of Omnifin software the classification of advances into NPA is not clearly defined due to which provisioning may not be accurate. The extracts of the audit report are mentioned below:

Emphasis of Matter

1. In light of the non-availability of the comfort given to HFCs during COVID times and the backlash thereof, in the form of the underlying securities, in our opinion, we state that due to non-implementation of Omnifin, the classification of advances into NPA category is not clearly defined, due to which provisioning may not be accurate. To that extent, the company's income may be overstated (loss may be understated) and the NPAs as well as the provisions may be understated. We are not in a position to quantify the same in light of the above.

Our opinion is not modified in respect of this matter.

- vii. Annexure A of the Independent Auditors report on Internal Financial Control with reference to the standalone financial statement under section 143 (3)(i) of the Companies Act,2013 issued by statutory auditor for the year ended March 31,2023 has stated Qualified opinion as mentioned below in the extract:

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the standalone financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, 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 issued by the ICA'.

Basis for Qualified Opinion

1. The company is in the process of implementation of an NBFC industry-specific ERP software which is yet to be implemented for strengthening the internal controls.

- viii. As per the annual report for the financial year ended March 31,2023 all the statutory dues are paid on time except for matter with Income Tax Department for AY 2022-23 amounting to INR 0.88 Crores which is unpaid, due date for which was on October 31,2022.
- ix. As per the Annual report for the financial year ended March 31,2023 the company has defaulted on redemption of NCD's and other loan payments. Please refer to below extract:

Default in Redemption of NCDs

The Company had issued 200 Rated, Listed, Secured, Redeemable, Taxable Non-Convertible Debentures ('NCDs'), each having a face value of Rs. 10,00,000, aggregating up to Rs. 20 crores on private placement basis, which were due for redemption on 30th June 2023.

The Company has paid the interest but failed to pay the Principal amount on Redemption. The necessary intimations were made to Regulatory authorities in this regard.



- (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, except as mentioned below -

(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender*	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
1	Term Loan	Andhra Bank Loan Account	312.90	Interest	31.00
2	Term Loan	Bank Of Maharashtra Loan A/c	628.38	Interest	59.00
3	Term Loan	Bank Of Maharashtra Loan A/c	552.20	Interest	31.00
4	Term Loan	Canara Bank Loan Account	652.88	Interest	63.00
5	Term Loan	Canara Bank Loan Account	631.13	Interest	32.00
6	Term Loan	Canara Bank Loan Account	590.06	Interest	4.00
7	Term Loan	Canara Bank Loan Account	3,750.00	Principle	4.00
8	Term Loan	Hinduja Housing Finance	218.83	Interest	59.00
9	Term Loan	Hinduja Housing Finance	1,111.11	Principle	59.00
10	Term Loan	Hinduja Housing Finance	189.38	Interest	31.00
11	Term Loan	Hinduja Housing Finance	1,111.11	Principle	31.00
12	Term Loan	Hinduja Housing Finance 1	235.73	Interest	59.00
13	Term Loan	Hinduja Housing Finance 1	972.22	Principle	59.00
14	Term Loan	Hinduja Housing Finance 1	205.54	Interest	31.00
15	Term Loan	Hinduja Housing Finance 1	972.22	Principle	31.00
16	Term Loan	IDFC First Bank Limited 11%	238.95	Interest	59.00
17	Term Loan	IDFC First Bank Limited 11%	1,388.89	Principle	59.00
18	Term Loan	IDFC First Bank Limited 11%	219.29	Interest	31.00
19	Term Loan	IDFC First Bank Limited 11%	1,388.89	Principle	31.00
20	Term Loan	IDFC First Bank Limited 14%	1,828.55	Interest	59.00
21	Term Loan	IDFC First Bank Limited 14%	1,657.46	Interest	31.00
22	Term Loan	Mas Financial Services Ltd TL - 4A	74.87	Interest	70.00
23	Term Loan	Mas Financial Services Ltd TL - 4A	833.33	Principle	70.00
24	Term Loan	Mas Financial Services Ltd TL - 4A	67.38	Interest	39.00
25	Term Loan	Mas Financial Services Ltd TL - 4A	833.33	Principle	39.00
26	Term Loan	Mas Financial Services Ltd TL - 4A	103.59	Interest	11.00
27	Term Loan	Mas Financial Services Ltd TL - 4A	833.33	Principle	11.00
28	Term Loan	Mas Financial Services Ltd TL - 4B	74.87	Interest	70.00
29	Term Loan	Mas Financial Services Ltd TL - 4B	833.33	Principle	70.00
30	Term Loan	Mas Financial Services Ltd TL - 4B	67.38	Interest	39.00
31	Term Loan	Mas Financial Services Ltd TL - 4B	833.33	Principle	39.00
32	Term Loan	Mas Financial Services Ltd TL - 4B	84.02	Interest	11.00
33	Term Loan	Mas Financial Services Ltd TL - 4B	833.33	Principle	11.00
34	Term Loan	Mas Financial Services Ltd TL - 4C	77.28	Interest	65.00
35	Term Loan	Mas Financial Services Ltd TL - 4C	833.33	Principle	65.00
36	Term Loan	Mas Financial Services Ltd TL - 4C	67.38	Interest	35.00
37	Term Loan	Mas Financial Services Ltd TL - 4C	833.33	Principle	35.00
38	Term Loan	Mas Financial Services Ltd TL - 4C	149.38	Interest	6.00
39	Term Loan	Mas Financial Services Ltd TL - 4C	833.33	Principle	6.00



(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender*	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
40	Term Loan	Mas Financial Services Ltd TL - 4D	77.28	Interest	65.00
41	Term Loan	Mas Financial Services Ltd TL - 4D	833.33	Principle	65.00
42	Term Loan	Mas Financial Services Ltd TL - 4D	67.38	Interest	35.00
43	Term Loan	Mas Financial Services Ltd TL - 4D	833.33	Principle	35.00
44	Term Loan	Mas Financial Services Ltd TL - 4D	100.46	Interest	6.00
45	Term Loan	Mas Financial Services Ltd TL - 4D	833.33	Principle	6.00
46	Term Loan	Mas Financial Services Ltd TL - 4E	74.47	Interest	49.00
47	Term Loan	Mas Financial Services Ltd TL - 4E	833.33	Principle	49.00
48	Term Loan	Mas Financial Services Ltd TL - 4E	60.50	Interest	21.00
49	Term Loan	Mas Financial Services Ltd TL - 4E	833.33	Principle	21.00
45	Term Loan	Mas Financial Services Ltd TL - 4D	833.33	Principle	6.00
50	Term Loan	Mas Financial Services Ltd TL - 5A	1.44	Interest	65.00
51	Term Loan	Mas Financial Services Ltd TL - 5A	333.33	Principle	65.00
52	Term Loan	Mas Financial Services Ltd TL - 5A	34.78	Interest	35.00
53	Term Loan	Mas Financial Services Ltd TL - 5A	333.33	Principle	35.00
54	Term Loan	Mas Financial Services Ltd TL - 5A	29.75	Interest	7.00
55	Term Loan	Mas Financial Services Ltd TL - 5A	333.33	Principle	7.00
56	Term Loan	Mas Financial Services Ltd TL - 5B	209.62	Interest	70.00
57	Term Loan	Mas Financial Services Ltd TL - 5B	1,666.67	Principle	70.00
58	Term Loan	Mas Financial Services Ltd TL - 5B	194.65	Interest	39.00
59	Term Loan	Mas Financial Services Ltd TL - 5B	1,666.67	Principle	39.00
60	Term Loan	Mas Financial Services Ltd TL - 5B	263.45	Interest	11.00
61	Term Loan	Mas Financial Services Ltd TL - 5B	1,666.67	Principle	11.00
62	Term Loan	Mas Financial Services Ltd TL - 5C	143.44	Interest	65.00
63	Term Loan	Mas Financial Services Ltd TL - 5C	833.33	Principle	65.00
64	Term Loan	Mas Financial Services Ltd TL - 5C	123.16	Interest	34.00
65	Term Loan	Mas Financial Services Ltd TL - 5C	833.33	Principle	34.00
66	Term Loan	Mas Financial Services Ltd TL - 5C	108.26	Interest	7.00
67	Term Loan	Mas Financial Services Ltd TL - 5C	833.33	Principle	7.00
68	Term Loan	Mas Financial Services Ltd IL - 6A	1,000.00	Principle	65.00
69	Term Loan	Mas Financial Services Ltd IL - 6A	114.76	Interest	65.00
70	Term Loan	Mas Financial Services Ltd IL - 6A	1,000.00	Principle	34.00
71	Term Loan	Mas Financial Services Ltd IL - 6A	95.64	Interest	34.00
72	Term Loan	Mas Financial Services Ltd IL - 6A	1,000.00	Principle	7.00
73	Term Loan	Mas Financial Services Ltd IL - 6A	137.32	Interest	7.00
74	Term Loan	SBI Loan A/c	2,118.92	Principle	2.00
75	Term Loan	South Indian Bank Loan Account	749.47	Principle	59.00
76	Term Loan	South Indian Bank Loan Account	16.39	Interest	59.00
77	Term Loan	South Indian Bank Loan Account	707.65	Principle	31.00
78	Term Loan	South Indian Bank Loan Account	12.55	Interest	31.00
79	Term Loan	South Indian Bank Loan Account	15.23	Interest	3.00

(₹ In Thousands)

Sr No	Nature of borrowing, including debt borrowing	Name of Lender*	Amount not paid on due date	Whether principal or interest	No of days delay or unpaid
80	Term Loan	UCO Bank Loan	1,666.67	Principle	59.00
81	Term Loan	UCO Bank Loan	113.72	Interest	59.00
82	Term Loan	UCO Bank Loan	1,764.36	Principle	31.00
83	Term Loan	UCO Bank Loan	102.79	Interest	31.00
84	Term Loan	UCO Bank Loan	1,666.67	Principle	3.00
85	Term Loan	UCO Bank Loan	109.89	Interest	3.00

- (b) The company has not declared willful defaulter by the bank or financial institution or other Lender.
- (c) The company had applied term loans for the purpose for which the loans were obtained.
- (d) The company has not utilized the funds raised for short term basis for long term purpose.
- (e) The company does not have any subsidiary, associate or joint venture and accordingly reporting under clause 3(ix)(e) is not applicable.
- (f) The company does not have any subsidiary, associate or joint venture and accordingly reporting under clause 3(ix)(e) is not applicable.



- x. Independent Auditors report issued by H K Shah & Co. on quarterly unaudited standalone financial results for QE June 2023 of the Company has stated Qualified Conclusion as mentioned below in the extract.

Basis for Qualified Conclusion

1. In light of the non-availability of the comfort given to HFCs during COVID times and the backlash thereof, in the form of the underlying securities, in our limited review, we state that the company has not classified fully the advances into NPA category. The amount due to such classification and its impact upon income (loss), classification and provisioning cannot be ascertained in absence of Omnifin, which is yet to be implemented. To that extent, the company's income is overstated (loss is understated) and the NPAs as well as the provisions are understated.
2. The going concern view of the company is challenged in light of pressure on liquidity.
3. The process of removing name of Banks, of which the loans were repaid, from MCA Portal is pending as informed to us.
4. An expense of Rs. 7.51 lakhs has been under-booked by the company (on the basis of test-checks carried out by us) due to which the loss and the provisions are understated to that extent, making the loss (- NPAT) at Rs. 34.42 lakhs and accordingly, EPS for the quarter coming to (-ve) 0.24 instead of (-ve) 0.19 as declared by the company.

- xi. Independent Auditors report issued by H K Shah & Co. on quarterly unaudited standalone financial results for QE Sep 2023 of the Company has stated Qualified Conclusion as mentioned below in the extract.

Basis for Qualified Conclusion

1. In light of the non-availability of the comfort given to HFCS during COVID times and the backlash thereof, in the form of the underlying securities, in our limited review, we state that the company has not classified fully the advances into NPA category. The amount due to such classification and its impact upon income (loss), classification and provisioning cannot be ascertained in absence of Omnifin, which is yet to be implemented. To that extent, the company's income is overstated (loss is understated) and the NPAs as well as the provisions are understated.
2. The going concern view of the company is challenged in light of pressure on liquidity.
3. The process of removing name of Banks, of which the loans were repaid, from MCA Portal is pending as informed to us.

- xii. Independent Auditors report issued by H K Shah & Co. on quarterly unaudited standalone financial results for QE Dec 2023 of the Company has stated Qualified Conclusion as mentioned below in the extract.

Basis for Qualified Conclusion

1. In light of the non-availability of the comfort given to HFC's during the COVID times and the backlash thereof, in the form of the underlying securities, in our limited review, we state that the company has not classified fully the advances into NPA category. The amount due to such classification and its impact upon income (loss), classification and provisioning cannot be ascertained in absence of Omnifin, which is yet to be implemented. To that extent, the company's income is overstated (loss is understated) and the NPAs as well as the provisions are understated.
2. The going concern view of the company is challenged in light of the pressure on liquidity.
3. The process of removing name of Banks, of which the loans were repaid, from MCA Portal is pending as informed to us.



xiii. The Statement on impact of Audit qualification for the quarter & financial year ended March 31, 2024 as per the information available on public domain states qualified opinion on the basis of qualified opinion with reference to reversal of ITC as per the GST Law. Details of the same are as mentioned below:

4.	a. Details of Audit Qualification:	As required by the GST law, 50% ITC to be reversed, however we have identified few cases in which 50% ITC was not reversed. We are unable to know exact amount of effect.
	b. Type of Audit Qualification:	Qualified opinion
	c. Frequency of Qualification:	Appeared first time
	d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's views:	NA
	e. For Audit Qualification(s) where the impact is not quantified by the Auditor: (i) Management's estimation on the impact of Audit qualification: (ii) If Management is unable to estimate the impact, reasons for the same: (iii) Auditor's Comments on (i) or (ii) above:	All material GST reversal has been done in financial statement. Thus, no impact arises in financial statement & same as verified by top authority. NA The Management can have their independent view.



III. AUM Summary for period under review

3.1 Segment Wise AUM Summary

INR in Crores	FY 2020-21				FY 2021-22			
Segments AUM	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Housing Loan	180	177	174	168	164	161	147	132
Loan Against Property	14	13	13	14	14	14	13	11
Developer Finance	29	27	30	28	28	28	25	18
Total	223	217	217	210	206	202	186	161
GNPA	9	9	9	9	9	9	8	7
GNPA%	4.03%	4.17%	4.08%	4.37%	4.31%	4.68%	4.23%	4.25%
NNPA	5	6	5	5	5	5	6	5
NNPA%	2.08%	2.66%	2.09%	2.31%	2.31%	2.45%	3.16%	3.05%

% Mix of asset Class	FY 2020-21				FY 2021-22			
Particulars	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Housing Loan	81%	82%	80%	80%	80%	80%	79%	82%
Loan Against Property	6%	6%	6%	7%	7%	7%	7%	7%
Developer Finance	13%	12%	14%	13%	14%	14%	14%	11%
Total	100%	100%	100%	100%	100%	100%	100%	100%

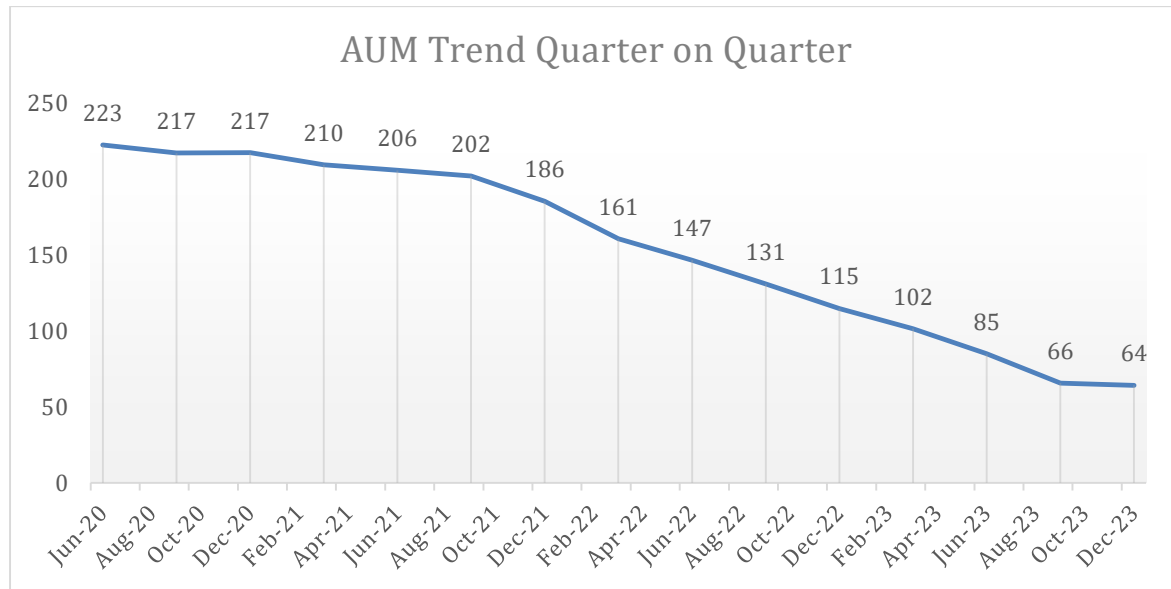
INR in Crores	FY 2022-23				FY 2023-24		
Segments AUM	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Housing Loan	126	112	100	89	75	60	58
Loan Against Property	10	10	9	8	6	5	5
Developer Finance	10	9	5	5	4	1	1
Total	147	131	115	102	85	66	64
GNPA	7	5	4	4	4	2	2
GNPA%	4.68%	3.69%	3.40%	4.29%	4.78%	2.81%	3.32%
NNPA	5	3	3	3	3	1	2
NNPA%	3.36%	2.60%	2.43%	3.09%	3.45%	2.01%	2.39%

% Mix of asset Class	FY 2022-23				FY 2023-24		
Particulars	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Housing Loan	86%	85%	87%	88%	88%	91%	91%
Loan Against Property	7%	8%	8%	8%	7%	7%	8%
Developer Finance	7%	7%	5%	5%	4%	2%	2%
Total	100%	100%	100%	100%	100%	100%	100%

- The AUM as on June 30,2020 was INR 223 Crores and gradually it kept on decreasing and coming down to INR 64 Crores on December 31,2023
- Taking into consideration the trend for FY 2020-21 and FY 2021-22 on an average Housing Loan Segment contributed to approx. 80% of AUM, Developer Finance and Loan against property segment contributed 13% and 7% of AUM respectively.
- However, for FY 2022-23 and for FY 2023-24 till third quarter on an Average Housing Loan segment contributed to approx. 87% of AUM, Developer Finance and Loan against property segment contributed 8% and 5% of AUM respectively.



Below Graph Representing sharp decline in AUM quarter on quarter during the period under review:



3.2 Asset Profile By Geography

INR in Crores	FY 2020-21				FY 2021-22			
State wise- Asset Mix	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Maharashtra	35	35	36	35	35	35	34	25
Gujarat	185	180	179	172	169	165	149	134
Rajasthan	3	3	2	2	2	2	2	2
Total	223	217	218	210	206	202	186	161

% Mix --State Wise	FY 2020-21				FY 2021-22			
Particulars	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Maharashtra	16%	16%	17%	17%	17%	17%	18%	16%
Gujarat	83%	83%	82%	82%	82%	82%	81%	83%
Rajasthan	1%	1%	1%	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%	100%	100%

INR in Crores	FY 2022-23				FY 2023-24		
State wise- Asset Mix	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Maharashtra	20	18	16	14	12	7	6
Gujarat	125	112	98	86	72	58	57
Rajasthan	1	1	1	1	1	1	1
Total	147	131	115	102	85	66	64

% Mix --State Wise	FY 2022-23				FY 2023-24		
Particulars	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Maharashtra	14%	14%	14%	14%	15%	10%	10%
Gujarat	85%	85%	85%	85%	84%	88%	89%
Rajasthan	1%	1%	1%	1%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%	100%



3.3 Liability Mix

INR in Crores	FY 2020-21				FY 2021-22			
Liability Mix	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Banks	145	144	136	131	122	116	113	99
FI's	58	48	44	41	39	40	29	26
Total	203	191	180	172	161	156	142	125

% Mix - Liability	FY 2020-21				FY 2021-22			
Particulars	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Banks	71%	75%	76%	76%	76%	75%	79%	79%
FI's	29%	25%	24%	24%	24%	25%	21%	21%
Total	100%	100%	100%	100%	100%	100%	100%	100%

INR in Crores	FY 2022-23				FY 2023-24		
Segments	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Banks	94	86	79	75	72	59	57
FI's	25	21	17	15	11	7	6
Total	119	107	95	91	83	66	62

% Mix of asset Class	FY 2022-23				FY 2023-24		
Particulars	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Banks	79%	81%	83%	83%	87%	90%	91%
FI's	21%	19%	17%	17%	13%	10%	9%
Total	100%	100%	100%	100%	100%	100%	100%

➤ Please refer to below table for year on year loan Disbursed:

Particulars	No.of Loans	Amt Disbursed
FY 2020-21	169	23.43
FY 2021-22	32	1.48
FY 2022-23	16	0.65
Total	217	25.56

Further during the period April 2023 to December 2023 Company has disbursed loan amounting to INR 0.52 Crores only.



3.4 Analysis of AUM as at December 31, 2023.

Loan to Value Analysis (LTV Analysis)

As per the RBI circular RBI/2020-21/73 DOR.FIN.HFC.CC.No.120/03.10.136/2020-21, no housing finance company shall grant housing loans to individuals:

- up to ₹30 lakh with LTV ratio exceeding 90 per cent,
- above ₹30 lakh and up to ₹75 lakh with LTV ratio exceeding 80 per cent, and,
- above ₹75 lakh with LTV ratio exceeding 75 per cent

Loan to value ratio is based on the ratio of Sanction LTV as fetched from the system.

Note: The thresholds given by RBI are pertaining to housing loan only, the above LTV % for loan against property are for separate analysis.

The below mentioned table summarizes the AUM balance for the loan given (Housing Finance only) by the company over and above the prescribed LTV thresholds of RBI:

Sanction Amount	RBI Threshold	Housing Finance Loans Bal o/s			
		Stage 1	Stage 2	Stage 3	Total
Upto 30Lakhs	90%	2	2	0.12	4
>30 Lakhs, <75Lakhs	80%	0.58	-	-	0.58
More than 75 Lakhs	75%	-	-	-	-
Total Bal O/s (as on Dec 31, 2023)		3	2	0.12	5

LTV Analysis	Builder	HL	LAP	Grand Total
Upto 25%	1	1	0.15	2
25% to 50%	-	2	2	4
50% to 75%	-	16	3	19
75% to 90%	-	35	0.18	35
90% to 100%	-	4	-	4
Grand Total	1	58	5	64

Geographical Distribution of AUM

Geographical Distribution	Builder	HL	LAP	Grand Total
Gujarat	1	52	4	57
Maharashtra	-	6	0.51	6
Rajasthan	-	1	0.11	1
Grand Total	1	58	5	64

Loan Amount Range Analysis

Loan Range Analysis	Builder	HL	LAP	Grand Total
Upto 1 Lac	-	0.93	-	0.93
1 to 5 Lacs	-	6	0.19	6
5 to 10 Lacs	-	31	2	33
10 to 15 Lacs	-	10	0.43	10
15 Lacs to 30 Lacs	-	9	2	11
30 to 50 Lacs	-	1	0.90	2
More than 1 Cr	1	-	-	1
Grand Total	1	58	5	64



Loan Tenor Analysis

Tenor Analysis	Builder	HL	LAP	Grand Total
Upto 10 years	1	6	5	11
10 to 12 years	-	0.89	0.02	0.90
12 to 14 years	-	1.26	-	1
14 to 16 years	-	7	0.05	7
16 to 18 years	-	2	0.07	2
18 to 20 years	-	41	-	41
Grand Total	1	58	5	64

IRR Analysis

IRR Analysis	Builder	HL	LAP	Grand Total
Upto 10%	-	0.73	0.07	0.81
10% to 12%	-	2	-	2
12% to 14%	-	48	0.07	48
14% to 16%	-	7	0.67	8
16% to 18%	-	0.02	4	4
More than 20%	1	0.83	-	2
Grand Total	1	58	5	64
Average IRR	21%	13%	17%	13%

DPD Staging Analysis

Staging	Builder	HL	LAP	Grand Total
Stage 1	0.63	28	2	31
Stage 2	0.38	28	3	32
Stage 3	-	2	-	2
Grand Total	1	58	5	64

Loan Hypothecation Review

Financial Institutions	0-30	30-90	More Than 90 Days	Grand Total
Andhra Bank	2	2	-	4
AU Bank	1	0.69	-	2
Bank of Maharashtra	4	2	-	7
Canara Bank	2	4	-	6
Hinduja 1	0.79	1	-	2
Hinduja 2	0.79	2	-	2
IDFC Bank	1	0.32	-	2
MAS 5	1	0.22	-	2
MAS 6	0.29	0.04	-	0.33
State Bank of India	3	4	-	7
Union Bank of India	8	11	-	19
UCO Bank	0.41	0.64	-	1
Free	5	4	-	9
NPA	-	-	2	2
Grand Total	31	32	2	64



IV. Internal Audit Report Summary

Following were the unique & major observation reported in Internal audit report shared with us:

Period	Particulars	Priority Rating for Performance Improvement Observation
QE Jun 21	<p>Auditor -K A Sinha & Co.</p> <p>1) Interest is calculated on closing Balance of previous month in case of Individual and closing balance of previous day in case of Developer leading to cascading effect (i.e. charging of interest on interest for borrowers who makes Default)</p> <p>2) There were certain advances of previous and quarters were some of the documents not found such as: Mortgage Deed, Original Legal and Technical Report, Franking, Sale deed Docs, PDD, Dual ODB Affidavit</p> <p>3) There were certain advances of current quarters were there was following issue: CIBIL, Cersai, Valuation done after Disbursement Validity of Sanction letter and CIBIL report Expired</p> <p>4) Policies not maintained Customer On boarding Process, Finance & Accounts Policy, Treasury Policy not maintained Delegation of Authority Matrix, HR policy not maintained, Employee Handbook not signed Policy on prevention of sexual harassment, Technical Valuation Policy an Investment Policy</p> <p>General Remarks:</p> <p>5) Uniformity in Sanction Letter Terms & Condition issued by all Branches, Aadhar number should be masked as per RBI</p> <p>6) Advise to Company to completely stop working on parallel process and set up a deadline for complete migration</p>	<p>Medium</p> <p>Medium</p> <p>Medium</p> <p>Medium</p>
QE Sep 21	<p>Auditor -K A Sinha & Co.</p> <p>1) Sanction Condition not mentioned in Sanction letter. Mentioned in CAM sheet which customer does not sign</p> <p>2) No Early Warning system to identify credit quality issues</p> <p>3) File Inward number is not system generated manually done</p> <p>4) ECS/NACH Reversal details are maintained in Excel not through system</p> <p>5) Insurance of Locker where all Imp documents are stored expired on 03.2.2021 not renewed</p> <p>6) Follow up for loan recovery in case of loan arrears is not automated</p> <p>7) Lien on collaterals are not updated in CERSAI post loan closure</p>	<p>High</p> <p>High</p> <p>Medium</p> <p>Medium</p> <p>Medium</p> <p>Medium</p> <p>Medium</p>
QE Dec 21	<p>Auditor -K A Sinha & Co.</p> <p>1) Deed of Covenant as per Annexure III for all director appointment not available</p> <p>2) Interest and principal calculation done manually not system generated</p>	<p>Medium</p> <p>Medium</p>
QE Mar 22	<p>Auditor -K A Sinha & Co.</p> <p>1) Declaration cum undertaking from DSA regarding Code of Conduct from DSA vide RBI Circular not 05.04.2022 not available</p>	<p>Medium</p>



	2) No Penalty levied on late payment or no payment leading to revenue loss of INR 1.44 lacs for period Apr 20- Jun20	Medium
QE June 23	Auditor -K A Sinha & Co.	
	1) Interest is calculated on closing O/s balance instead of Principal O/s	High
	2) Payment received from Unidentified Customer is disclosed under Misc.Income.	High
QE Sep 23	Auditor -K A Sinha & Co.	
	1) No Technical Valuation Policy maintained by the Company IT Policy not updated, no data Backup and database recovery process for corrupted files	High High
QE Dec 23	Auditor -K A Sinha & Co.	
	1) Latest Board approved Delegation of Authority Matrix is pending	High
	2) Product Code, Scheme Code and case disbursement data were not mentioned in master file	Medium



V. National Housing Bank Audit Observations as on March 31, 2022

Inspection of India Home Loans Ltd, as per the provisions of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 w.r.t position as on 31.03.2022- Major Observations for Management Discussion.

SN	Provision/s	Observation/s
1	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021-Para 4.1.16	Housing Finance” shall mean financing, for purchase/ construction/ reconstruction/ renovation/ repairs of residential dwelling units, which includes: it is observed that a loan was sanctioned as construction linked but the house was already constructed from outside borrowings and with own funds. The Company’ officials did not verify the relevant documents to ensure the sources of funds borrowed. The amount of sanctioned loan was fully credited to the borrower’s account. The Loan account also to be reclassified as Prosperity Loan (LAP) e.g. A/c.No. 1251860003655
2	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021-Para 89	<p>In terms of the referred para, there is a need for ensuring due diligence in the matter of deployment of funds by HFCs. In this context, it is observed that while calculating Instalment to Income Ratio (IIR) the EMIs amount of existing loans as reflected in the CIBIL report are not taken into account. IIR is considered based on the current EMI of the proposed loan. The repayment commitments in respect of all the loans put together should be added to ensure that these are within the overall repaying capacity of the borrowers. e.g A/c No. 1901860001334. In A/c No. 2181820000915 personal loan shown in the CIBIL which is to be closed before disbursement of loan but closure letter not placed with the documents.</p> <p>2) The verification of end use of the funds not ensured to for proper utilisation of funds. In few cases only letter obtained from the borrower but sources of using funds not verified. e.g. 1251860003655, 2181820000889, 1541820001824, 2181820000915, 1721820002290, 1351820001442, 1331820005074</p> <p>3) the HFC is mainly concerned with the CIBIL score of the borrowers, the other warning signals viz. Delinquency, overdue, suits filed, multiple credit card limits availed not considered to ascertain the credit worthiness /antecedent of the borrower e.g. 133182005074, 1141814004424, 2231870000610, 1811820001450, 1341870003309</p> <p>4) The critical analysis of Bank’s statement was not conducted by the Company officials. Penalties levied on account of bounces, not maintaining minimum threshold amount etc. not viewed seriously for establishing the credential of the borrower e.g. 113186004943, 1331820005074, 1191820004554, 1811820001450</p> <p>Equitable Mortgage not created e.g. PUN001, PUN002, PUN003, PUN005, PUN007, PUN008, PUN009, PUN011, PUN012, PUN013, PUN014</p>
3	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021-Para 87	In cases where the applicant approaches the HFC for a credit facility to purchase the built-up house/ flat, it should be mandatory for him to declare by way of an effective affidavit-cum-undertaking that built up house has been constructed as per the sanctioned plan and/or building by-laws and as far as possible has a completion certificate also. In this context, it is observed that Building Plan approved by the Regulatory Authorities not obtained e.g.1331820005074, 181182000145
4	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021-Para 19	<p>In terms of the para, no housing finance company shall grant housing loans to individuals: a. up to ₹30 lakh with LTV ratio exceeding 90 per cent, b. above ₹30 lakh and up to ₹75 lakh with LTV ratio exceeding 80 per cent, and, c. above ₹75 lakh with LTV ratio exceeding 75 per cent</p> <p>In this context, it is observed that there are a number of accounts that have LTV more than 90 %(Refer Annexure AQ1)</p>



5	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021-Para 12	<p>Every HFC shall, after taking into account the time lag between an account becoming non-performing, its recognition as such, the realisation of the security and the erosion over time in the value of security charged, make provision against standard assets, sub-standard assets, doubtful assets and loss assets as provided hereunder:</p> <p>In this context, it is observed that the HFC has disclosed that it holds held for sale assets to the tune of Rs 11.74 Crores. In terms of the para 4.12 (Page 91) of Annual Report 2022 “During the year ended March 31, 2022 loans against which we have taken possession of properties of ₹ 117453.45 thousands has been transferred to assets held for sale. This assets has been recorded at carrying value or fair value whichever is lower. During the year the company has made provision for loss of ₹ 1,371.45 thousands” In this extant case, the HFC has charged depreciation Instead of provisions for the NPAs (Page 92 of Annual Report 2022).</p>
6	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021-Para 111	<p>HFCs shall put in place the mechanism of reporting the information on wilful defaults of 25 lakh and above to all CICs on a monthly basis or more frequent basis, latest by 15th of the subsequent month</p> <p>No such mechanism is observed to be in place in the HFC ,</p>
7	Master Direction - Know Your Customer (KYC) Direction, 2016-Para 61 a	<p>In terms of the para, Unique Customer Identification Code (UCIC) shall be allotted while entering into new relationships with individual customers as also the existing individual customers by Res</p> <p>In this context, no such UCIC is observed, Instead the UCIC is observed to be based on loan account number of the borrower.</p>
8	Master Direction - Know Your Customer (KYC) Direction, 2016-Para 12	<p>Risk categorization shall be undertaken based on parameters such as customer’s identity, social/financial status, nature of business activity, and information about the customer’s business and their location, geographical risk covering customers as well as transactions, type of products/services offered, delivery channel used for delivery of products/services, types of transaction undertaken – cash, cheque/monetary instruments, wire transfers, forex transactions, etc. While considering customer’s identity, the ability to confirm identity documents through online or other services offered by issuing authorities may also be factored in.</p> <p>In this context, no such exercise is observed to have been carried out by the HFC during the reference period of the inspection.</p>
9	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021-Para 88.1	<p>Disbursal of housing loans sanctioned to individuals shall be strictly linked to the stages of construction of the housing projects/ houses and upfront disbursal shall not be made in case of incomplete/ under-construction/ green field housing project/ houses.</p> <p>In this context, it is observed that certain loan was sanctioned for construction of house but disbursements were not linked to stages of construction. The payments made directly to borrower’s A/cs in one or two tranches e.g. 1901860001334, 1131860004943, 1141814004424</p>



10	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021-Para 45	HFCs are required to inform any change in the Directors/Management to NHB. In this context, no formal information regarding resignation of Mr. Siddharth Kothari (DIN: 02594732) and Mr. Vinit Rai (DIN: 02638343).
11	National Housing Bank Act 1987- Section 34	The HFC has not furnished INS forms to NHB prior to or during the inspection.
12	Other Observations	
	<p>Secretarial Audit report has the following qualifications</p> <p>a) Mr. Siddharth Kothari (DIN: 02594732) and Mr. Vinit Rai (DIN: 02638343) ceased to be the Nominee Directors of the Company with effect from 30th June, 2021 on account of their resignation. The cessation of the Nominee Director has not been noted in the Board Meeting in terms of Section 168 of the Companies Act, 2013. However, the same was duly intimated to the Stock Exchange and Registrar of Companies</p> <p>b) For quarter and half year ended 30th September, 2021, the Company was required to disclose with Stock Exchange the asset cover as required under Regulation 54 of LODR along with notes to the Unaudited Financial results and certain additional disclosures as required under Reg. 52(4) of LODR which were approved in Board Meeting held on 12th November, 2021. However, the Company did not disclose the said disclosure in due time to the Stock Exchange and has submitted the same belatedly on 15th November, 2021.</p>	
	It is observed that there are 385 loan accounts that are having outstanding more than the sanctioned amount as on 31.03.2022.(Refer annexure AQ2)	
	HFC in its annual report 2022 has disclosed that it has defaulted in 269 facilities of various financial institutions including that of NHB during the FY 2021-22. The HFC has further disclosed that it has defaulted on 72 facilities of various institutions as on 31.03.2022.	
	The HFC has End to end system implemented for income recognition, asset classification, provisioning, and assignment of risk weights to comply with prudential norms.	

➤ Further, annual secretarial report for FY 2020-21 issued by D A Kamat & Co. stated that there was inadvertent purchase of shares from Independent Director Mr. Govinder Singh during Closure of Trading window on May 2019. Audit Committee had levied penalty and restricted the director from sale of share for period of 1 year. Please refer to the below extract:

D. A. KAMAT & CO.				
Practicing Company Secretaries				
<small>Office: B/208, Shreedham Classic, Next to St Johns Universal School, S V Road, Goregaon (W), Mumbai 400 014 Contact: +91-7208023169, +91-9029661169 office@csdakamat.com www.csdakamat.com</small>				
				taken by the listed entity
1.	Non-Compliance of the Code of Conduct by Mr. Govinder Singh, Independent Director of his inadvertent purchase of 2,400 Equity Shares of the Company during the closure of the trading window on 30 May 2019. The Audit Committee in its meeting held on July 17, 2019, have levied a penalty of Rs. 1,00,000 (Rupees One Lakh only) to be contributed to the CM Relief Fund and has restricted the Director from sale/ disposal of the underlying shares for a period of 1 (one) year.	NIL	The Company has intimated the non-compliance and actions of the Audit Committee to SEBI under the Clause 13, Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015 on 19 July 2019.	The Company has confirmed the necessary actions taken and also intimated to the concerned stock exchange.



VI. RPT Transaction during period under review:

Below table represents RPT transaction occurred during period starting from April 2020 to Dec 31,2023 which majorly involves salary to Key Managerial Person (including Directors Mahesh Pujara , Mitesh Pujara , CFO and Company Secretary of the Company) and Loan from Directors and Interest Expenditure on same.

Particulars	KMP Remuneration	Loan from Directors	Interest Exp	Total
Apr 20- Sep 20	0.66	-	-	0.66
Oct 20- Mar 21	0.66	-	-	0.66
Apr21- Sep 21	0.63	0.75	0.02	1.40
Oct 21 - Mar 22	0.51	0.08	0.02	0.61
Apr 22- Sep 22	0.65	0.50	0.01	1.16
Oct 22- Mar 23	0.66	0.38	0.01	1.05
Apr 23- Sep 23	0.61	1.26	0.01	1.88
Oct 23- Dec 23	0.28	0.12	0.004	0.40
Total	4.67	3.07	0.07	7.82

-Balance O/s as on December 31,2023

Particulars	INR in Crores
Mitesh Pujara Loan Interest	0.26
Mahesh Pujara Salary	0.08
Mitesh Pujara Salary	0.04
Total	0.38



VII. Bank Statement Analysis Summary:

All the Bank statement for the period under review are still awaited from the Company as on the date of finalisation of the report, without which preparation of trial of funds is not possible and further in the absence of access to books of accounts it would be not possible to state accurate nature of transactions. Please refer to below table for summary of transaction which can be seen in Bank Account for statements shared with us. Please refer to Annexure I for list of Bank statement which is pending to be shared with us.

Bank Name	Remarks
Apna Sahkari Bank	No Major transaction seen in A/c
	Only Cheque return Charges could be observed in the statement
AU Small Finance Bank Current A/c	The account seems to be major collection account
	Unidentified various cheques deposits and IMPS/NEFT seems to be EMI repayment from customer for which we would require system access, Collection and AUM Dump etc for further verification
	There were many instances of cheque return charges and NACH fail narration in the account
	All the collection credited is transferred to AU Overdraft account though Auto sweep majorly on Daily basis
	For all the cheque return and NACH fail entries we would require proper AUM, system access and Collection Dump which is still awaited from the Company
AU Small Finance Bank Overdraft A/c	Major Credits are auto sweep from Au Current
	There were also Cash Deposits from Jalgaon, Patan, Gandhinagar, Vadodara etc
	Narration with Cheque Return Charges and Funds Insufficient could be seen in A/c
	For return charges and cash deposits we would require system access and collection dump which is awaited from the Company
	We could trace salary payment and certain operational payment from the A/c
Axis Bank	Major credits from internal fund transfer of Companies other Bank Account - AU Bank and Bandhan Bank
	There were debits majorly pertaining to ESIC payment ,GST and other statutory payments
Bandhan Bank	Major Credits from internal fund transfer of Companies other Bank Account like AU Bank
	Entries of Term Loan principal and Interest could be seen. Term Loan payment was auto debited on start of every month.
	Narration with Cheque Return Charges and Funds Insufficient could be seen in A/c
	We would require system access and Collection Dump to verify whether cheque return charges pertaining to customer and its movement was properly accounted
Canara Bank	Major Credits from internal fund transfer of Companies other AU Bank Account and certain other few unidentified credits
	Majors debits majorly pertained to Term loan payment and other internal transfers
	Few Entries for Expenses such Stock Valuer fees etc could be traced
Dhanlaxmi Bank	All the Credits were from AU Small Finance Bank
	All the Debits seems to be majorly pertaining to Term Loan Servicing payment
Federal Bank	Certain unidentified Credits from ICICI, Axis and SBI Bank. Internal Transfer from AU Small Finance Bank
	Major Debits pertained to Loan Recovery or transfer to AU Small Finance Bank
HDFC Bank	It is Collection Account. Unidentified various cheques deposits and IMPS/NEFT seems to be EMI repayment from customer for which we would require system access, Collection and AUM Dump etc for further verification



	Credit from National Housing Bank and Cash Deposits which needs to be traced from system
	Narration with Cheque Return Charges and Funds Insufficient could be seen in A/c
	We would require system access and Collection Dump to verify whether cheque return charges pertaining to customer and its movement was properly accounted
	Major Debits pertained to Transfer to AU Small Finance Bank, FD Booking
IDBI Bank	It is Collection Account. Unidentified various cheques deposits and IMPS/NEFT seems to be EMI repayment from customer for which we would require system access, Collection and AUM Dump etc for further verification
	There were instances of Cheques returns charges and Insufficient funds
	Credits with narration 'NHB- Pradhan Mantri ' & Cash Deposits which needs to be traced from system
IDFC First Bank	All the Credits major pertained to transfer from AU Small Finance Bank Co's Internal Account
	All the Debits Pertained to Term Loan recoveries
	Booking of FD and its pre mature closure entry could be traced
Kotak Bank	Narration with Cheque Return Charges and Funds Insufficient could be seen in A/c
	We would require system access and Collection Dump to verify whether cheque return charges pertaining to customer and its movement was properly accounted
	Unidentified various cheques deposits and IMPS/NEFT seems to be EMI repayment from customer for which we would require system access, Collection and AUM Dump etc for further verification
Union Bank	Major Credits pertained to money received on account of issue of NCD for INR 20 Cr.
	Money was transferred to other account for which would require system access for further end use of Funds
	Other Debit pertained to Bank Charges
SBI Bank	Major Credits were from Co. Internal Bank Account
	Major Debits pertained to Term loan Repayment
	Narration with Cheque Return Charges and Funds Insufficient could be seen in A/c
	We would require system access and Collection Dump to verify whether cheque return charges pertaining to customer and its movement was properly accounted



VIII. Cash Flow Statement

The Company has provided the below mentioned Cash flow statement prepared under direct method. In the absence of access to the books of accounts of the company, we could not verify the correctness of the below mentioned cash flow.

Cash flow statement for the QE December 31, 2023:

Particulars	INR in Crores
Cash & Cash Equivalent Op Balance*	-1.55
Significant Cash Inflows:	
I. Proceeds from Borrowings & Debt	
Borrowings from banks and institutions	-
Sub-ordinated debt	0.12
Sub-Total (A)	0.12
II. Other significant cash inflows	
Collections from advances (Principal + Interest)	6.76
Sub-Total (B)	6.76
Significant Inflows during the period (A + B)	6.87
Significant Cash Outflows:	
I. Repayment of Borrowings & Debt	
Borrowings from banks and institutions including finance cost	4.44
Debt Securities	-
Sub-ordinated debt and deposits	0.01
Sub-Total (C)	4.44
II. Other significant cash outflows	
Disbursements	-
Payment for operating expenses	1.19
Statutory dues incl. GST/TDS/PF	0.21
Mortgage Expenses	0.002
Sub-Total (D)	1.41
Significant Outflows during the period (C + D)	5.85
Cash and Cash Equivalents CI Balance*	-0.52

*the opening and closing balance of the cash and cash equivalents mentioned in the above table included the amount outstanding as per the OD facilities availed by the Company.



XI. NHBS Remarks:

The report is prepared based on limited set of data shared with nhbs. Information pertaining to financial statements (audited/provisional F.Y. 2023-24), Ledger Copy/Tally Backup for system access (for the period under review) etc. is still awaited.

For detailed listing of pending data status, please refer **Annexure I**.

Please refer to our remark below for Scope of Work:

- 1) End Use of Funds
- 2) Verification and analysis of revenue and receivables
- 3) Verifying purchases and payables
- 4) Analysis of various investments
- 5) PAR verification and analysis
- 6) Accounting and falsification of accounts

NHBS Remarks: Proper AUM Dump, System access/Tally Back up for ledger scrutiny along with the supporting documents and whole set of Bank statement is required to perform the above 6 activity. List of Investment and movement of Investment is yet to be provided by the Company.

- 7) Verification and analysis of Related Party Transactions

NHBS Remarks: Summary of Related party Transaction is prepared please refer to Point VI for detail. However, we would require system access or tally Back up for ledger scrutiny for transaction entered during period under review.

- 8) Verification and analysis of Assets Held for Sale as of Dec'23

NHBS Remarks: As on December 31,2023 the asset held for sale amounts to INR 46.92 Crores. List of assets re-possessed and list of re-possessed sold are is yet to be shared by the Company. Below table the movement YOY:

Particulars	As at Dec 31,2023 (Unaudited)	As at March 31,2023 (Audited)	As at March 31,2022 (Audited)	As at March 31,2021 (Audited)
Asset Held for Sale	46.92	36.28	11.61	-

- 9) Analysis of findings of internal audit, special audit if any

NHBS Remarks: Based on Partial Internal Audit report received, please refer to Point IV and V for Internal Audit Summary and National Housing Bank Audit Observation.

- 10) Considering the limitation with regards to having no access to the company's Books of Accounts (Tally system), and limited access to critical data like AUM Dump in proper format only for quarter ended December 31, 2023, only ACR statements submitted to bank (without bases of amount allocated), limited access to ALM statements and Bank statements in piecemeal and incomplete details of the Cash Flows statements as at December 31, 2024. On review of limited information received from the Banks and the Company and from public domain (ROC, stock exchange) we were not able to establish any conclusive decision.

However, analysing the financial statements it infers that Company is facing liquidity issue considering the default in non-payment of NCD's and overdue in other term loan account. Majorly on the asset side the Company has "Loans-Advances" which would always be prudent at risk for NPA and asset held for sale which is subject to regulatory compliances and nature of asset is not liquid.

However, if we are able to have access to Books of Accounts and other pending critical information as mentioned in Annexure II we will be in the position to derive at conclusion.

- 11) Based on the AUM Dump provided for the quarter ended December 31, 2023, we observed that considerable portion of the AUM of INR 38 Crores i.e. 49% of the total AUM lies in Stage 2. The Average IRR of the loans was 13% across all segments. The maximum loans belong to L segment where the tenor of most loans is above 18 years.



Conclusion:

We have examined the reports of the audit conducted by National Housing Bank and the internal auditors of the Company. We have also reviewed the audited financial statements for the F.Y. 2020-21, F.Y. 2021-22, F.Y. 2022-23 and provisional financial statements prepared for nine months ended December 31, 2023 and have not come across any instances of diversion/siphoning of lenders' funds mentioned in the audited financial statements and the reports (NHB and internal audit report).

However, information pertaining to audited/provisional financial statements along with auditors' report for the F.Y. 2023-24, access to Books of Accounts (Tally access) and documents as listed in Annexure I is still awaited.

The report has been prepared based on data collated from bank statements, data received from the company and the financials obtained from the Company which we have tried to compare with other external sources.

Considering the limitation with regards to not having access to the company's Books of Accounts (Tally System), audited financials for the F.Y. 23-24 along with auditors' report, critical information regarding the AUM Dumps, ACR statements and ALM Statements and other documents mentioned in Annexure I, on review of limited information received from the Banks, the Company and availability of information in public domain (ROC, stock exchange) we were not able to establish any instances of diversion or siphoning of funds. We were also not able to establish any evidence of fraudulent transactions.

However, going forward, if we are able to have access to Books of Accounts (Tally system) audited financials for the F.Y 23-24 along with auditors' report, list of documents mentioned in Annexure I, nhbs reserves the right to revisit the report and accordingly, if required, revise its conclusion.



Annexure I - Status of data which is to be received from Company

We have sent requirement list with NHBS Remarks as stated in below table for data received by the Company on May 06,2024. Majority of the Critical data are pending as mentioned below:

I. General Parameters:	NHBS Remarks
1. List of consortium members (incase of consortium)	Awaited
2. Sanction letter issued by banks during the review period	Received
3. Assessment notes prepared by the banks	Received critical data
4. Reports submitted by ASM (Agency for special monitoring) / other professional agency / regulatory authority (including NHB), during the period under review	We have received only NHB Supervisory Inspection Report wrt position as on 31.03.2022. Request you to share the following: 1. NHB reports for the other review periods 2. Reports of other professional agencies, please confirm if no such other reports are available
5. CMA projections submitted by the Company for each year under review	Awaited
6. List of related parties during entire period under review and relation to the Company	Received
7. List of transactions with related parties during period under review	Received
8. Summary of related party balance outstanding	Received
9. Transfer pricing report, if applicable	Not available
10. Tax audit report for each year under review.	Received
11. Financial statements (in excel) for each quarter for the period under review.	1)Notes to A/c's not provided for following quarters and respective Balance Sheet date: April -June 2020 Quarter, Jul- Sep 2020 Quarter, Oct -Dec 2020 Quarter, Jan-Mar 2021 Quarter, Apr- June 21 Quarter, July -Sep 21 Quarter , Oct- Dec 21 Quarter, Apr- June 2022 Quarter, Jul-Sep 2022 Quarter, Oct- Dec 2022 Quarter, Jan- Mar 2023 Quarter , April -June 2023 Quarter, Jul - Sep 2023 Quarter, Oct - Dec 2023 Quarter 2)Balance Sheet as on Dec 31,2021, P&L for QE Jan-Mar 2022 are still awaited
12. Annual report as issued by the Company	Received
13. Compliance register (due date and actual date of filing statutory and regulatory reports and compliances)	Awaited
14. Shareholding pattern (for all shareholders public and promoter) as at end of each quarter under review.	Received
15. List of branches (date of opening, segments operated, branch head, no. of employees, AUM as at the end of each quarter)	Awaited branch-wise AUM at the end of each quarter
16. Financial Due Diligence, as required to be carried out by the NBFC every year	Awaited
17. Secretarial Compliance report, as required to be carried out by the NBFC twice every year	Received
18. Internal audit report for the entire period under review	Awaited Report for FY 2020-21, Jan- March 2023 quarters
19. Minutes of the board meetings and all other meetings of the KMP's held during the period under review	Awaited Minutes for period Apr'23-Dec'23
20. Ledger extract of all expenses during the entire period under review	Awaited



21. Accounting and operations system access for the entire period under review	Awaited
II. Technical Parameters:	
1. AUM Dump as at the end of each quarter during period under review	AUM Dump received only for the QE December 31, 2023
2. Summary of Technical report for determining value of property (area covered, pin code, market value, value as per internal valuer, value as per external valuer, value considered for LTV)	Awaited
3. Bank wise borrowing (debt profile) as at the end of each quarter during review period	Borrowing Profile as on Sep 30,2020, Dec 31,2020, March 31,2021 & Sep 30,2021 is awaited
4. Bank wise facility ACR as at the end of each quarter during review period (including stock statements submitted during the review period)	Awaited
5. Movement of borrowings during the each quarter	Movement shared for FY 2020-21, FY 2021-22, FY 2022-23. Require Borrowing Movement for each quarter under review
6. List of investments held as at the end of each quarter	Awaited
7. Movement of investments during each quarter	Awaited
8. Fixed Asset register as at last date of last quarter under review	Awaited
9. List of LC/BG outstanding as at the end of each quarter	Received agreement for Federal Bank, AU Bank & Personal Guarantee of Mahesh Pujara. Need Quarter on Quarter BG o/s details for quarter under review.
10. List of legal cases by and against the Company as at the end of each quarter	Legal cases by the company for fy 2020-21, fy 2022-23 and list of legal cases against the company is awaited.
11. ALM statement as submitted for each quarter under review	"ALM shared for each quarters in FY 2022-23 covers short term period upto 6 months Only. ALM I for QE June 2021, September 2021 and December 2021 is pending. ALM II for F.Y. 2020-21 (all quarters), F.Y. 2021-22 (quarters 1, 2and 3), F.Y. 2022-23 (Dec quarter), F.Y. 2023-24 (quarters 1,2 and 3) are pending.
12. Listing of disbursements during each quarter under review (including date of disbursement, amount of disbursement, bank account number of the disbursement party, bank account holder name, relation with borrower, fresh disbursement/top-up, segment of disbursement)	Details are shared Financial Year wise. YTD details like Type of Loan was missing in FY 21-22, Apr-Dec23. Other details like Borrower Bank Account details, Segments details were missing, please share the same for meaningful analysis.
13. Monthwise segment-wise computation of collection efficiency for the entire review period	Awaited
14. Statement of account (from the operations system) of all the parties for the entire period under review.	Awaited
15. Computation of CRAR as at the end of each period under review	CRAR for Sep 2020, March 2021, Sep 2021 March 2023 is awaited
16. List of advances written-off during the period under review	Awaited
17. Detailed list of assets re-possessed	Awaited
18. Detailed list of repossessed assets sold	Awaited
19. Movement of AUM and movement of NPA for each quarter under review	Awaited
20. Detailed listing of all loans restructured during the period under review	Awaited



21. List of all loans closed during the review period (including tagging for foreclosed loans)	Details like Loan Sanctioned Date, Amount, Tenure, ROI, Category of Loan were missing in the file shared
III. Cash flows:	
1. Cash Flow statement (under direct method) for each quarter under review	We have received Cash flow under Indirect Method and Cash flow for the QE December 31, 2023 under Direct method.
2. Bank wise statements for the entire review period, in excel	Awaited
3. Bank wise statements for the entire review period, in pdf	Awaited. Please refer to Bank Statement tab for details
4. SAP / Tally / Accounting system extract of bank statement (i.e. bank book / bank ledger as per the accounting system)	Tally Backup is awaited. Bank Statement Tally Extract of Au Bank were shared in Sap/Tally Accounting system Folder.

➤ Bank Statements Pending to be shared for period mentioned in below table:

Bank Name	Period
Apna Sahkari Bank	July'20- Sep'20, Nov'20, Jan'21-Mar'21
AU Small Finance Bank Current A/c	FY 2020-21, April'21
AU Small Finance Bank Overdraft A/c	May'20- July'20, Sep'20- Nov'20, March'21
Bandhan Bank	Aug'21 till Dec 2023
Canara Bank	Oct'21 till Dec 2023
Federal Bank	FY 2022 till Dec 2023
HDFC Bank	July'21 till Dec 2023
IDBI Bank	April'20- Oct'20, Sep'21 till Dec 2023
Kotak Bank	Nov'21 till Dec 2023
Union Bank	May'21 till Dec 2023

