

## NOTES 1 TO THE FINANCIAL STATEMENTS

### Company Overview

India Home Loan Ltd. (IHLL) is a housing finance company incorporated under the Companies Act, 1956 and registered with National Housing Bank (NHB) for carrying out the business of housing finance.

### Significant Accounting Policies

#### a) Basis of Preparation of Financial Statements

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the applicable accounting standards notified under section 133 of companies act 2013 ("the Act"), read together with Rule 7 of the Companies (Accounts) Rules 2014 and the Directions of the National Housing Bank. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous period. The Financial statements have been prepared on an accrual basis and under the historical cost convention.

#### b) Use of Estimates

The preparation of financial statements requires the management to make estimate sand assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent liabilities as at the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the sees timatesarereasonableandprudent. However, actual results may differ from estimates.

Estimates and under lying assumption sare viewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

#### c) System of Accounting

The Balance Sheet and the Statement of Profit and Loss of the Company are prepared in accordance with the provisions contained in Section 133 of the Companies Act 2013, read with Schedule III.

#### d) Inflation

Assets and liabilities are recorded at his to rical cost to the company. These costs are not adjusted to reflect the changing value in the purchasing power of attorney.

#### e) Housing Loans and Advance Standard

Housing loans are classified into "Performing" and "Non-Performing" assets in terms of guidelines laid down by the National Housing Bank. Non Performing Housing loans are further classified as sub-standard, doubtful and loss as sets based on the Housing Finance Companies (NHB) Directions, 2001 as amended till 10th June, 2010.

The company's policy is to carry adequate amounts in the Provision for Non-Performing Assets account to cover the amount outstanding in respect of all non-performing assets and standard assets respectively as also all other contingencies. All loans and other credit exposures where the installments are overdue for Ninety days and more are classified as non-performing assets in accordance with the prudential norms prescribed by the National Housing Bank. The provision for non-performing assets is deducted from loans and advances. The provisioning policy of the company covers the minimum provisioning required as per the NHB guidelines.

#### f) Revenue Recognition

Repayment of housing loans is generally by way of Equated Monthly Installments (EMI) comprising principal and interest. EMIs commence once the entire loan is disbursed. Pending commencement of EMIs, pre-EMI interest is payable every month. Interest is calculated on the outstanding loan balance (including all interest and fees for defaults) at the beginning of every month and on loan disbursed during the year from the beginning of the date on which the loan has been disbursed till year end at applicable slab rates.

Interest on Housing Loans which are classified as Non-performing assets is recognized on realization as per the directives / guidelines laid down by National Housing Bank.

Fees and other income on loan application and subsequent sanction thereof and income from investments are

recognized on cash basis as and when received.

**g) Fixed Assets**

Fixed Assets (whether tangible or intangible) are stated at cost less accumulated depreciation. The cost of fixed assets includes taxes, duties, freight, borrowing cost, if capitalization criteria are met and other incidental expenses incurred in relation to their acquisition/bringing the assets for their intended use. Leased assets are accounted in accordance with the Accounting Standard on 'Leases' (AS 19) notified by the Companies (Accounts) Rules, 2014.

**h) Depreciation & Amortization**

Depreciation is provided on written down value method at the rates and in the manner prescribed in schedule II to the Companies Act, 2013 on pro-rata basis from the date of installation or acquisition.

Amortization on Lease as set is provided over the useful life of lease period

**i) Employee Benefits**

Short term employee benefits are recognized as an expense on accrual basis.

The obligation in respect of defined benefit plans, which covers Gratuity is paid to LIC and recognised as an expense on the basis of an actuarial valuation, using the projected unit credit method.

**j) Leases**

Leases where significant portion of the risks and rewards of ownership are retained by the less or are classified as operating leases and lease rentals there on are charged to the Statement of Profit and Loss.

**k) Earnings Per Share**

The Earnings per Share {"EPS"} is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year is adjusted for the effect so fall dilutive potential equity shares.

**l) Income Taxes**

The accounting treatment for income-tax in respect of the company's income is based on the Accounting Standard 22 on 'Accounting for Taxes on Income' as notified by the Companies (Accounts) Rules, 2014. The provision made for income-tax in the accounts comprises both, the current tax and the deferred tax. The deferred tax assets and liabilities for the year, arising on account of timing differences, are recognised in the Statement of Profit and Loss and the cumulative effect thereof is reflected in the Balance Sheet.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax asset is recognised only to the extent that there is certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. In situations where the company has unabsorbed depreciation or carried forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that the same can be realised against future taxable profits.

**m) Minimum Alternate Tax (MAT):**

Mat is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by ICAI, the said asset is created by way of credit to the statement of Profit and Loss and is shown as MAT Credit Entitlement. The Company reviews the same at each Balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

**n) Investments**

Investments, that are intended to be held for not more than one year, are classified as current investments. All other investments are classified as long term investments/ non-current investments.

Long-term investments are carried cost after deducting provisions made, if any, for diminution in value of investments other than temporary, determined separately for each individual investment. Current investments are carried at lower of cost and fair value determined for each category of investments.

**o) Cash and Cash Equivalents**

Cash and Cash Equivalents for the purpose of Cash Flow Statement includes cash in hand, Balances with Banks and Fixed deposits with banks.

**p) Impairment of Assets**

The carrying amount of assets are reviewed at each balance sheet date, if there is an indication of impairment based on internal and external factors.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An asset's recoverable amount is the higher of an assets net selling price and value in use. Value in use is the present value of estimated value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which the asset is identified as impaired. Impairment loss recognised in prior years is reversed when there is an indication that impairment loss recognised for the asset no longer exists or has decreased.

The carrying amounts of assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated at the higher of net realisable value and value in use. Impairment loss is recognised wherever carrying amount exceeds the recoverable amount.

**q) Provisions, Contingent Liabilities & Contingent Assets**

Provisions are recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent Liabilities are not recognised but disclosed and Contingent Assets are neither recognised nor disclosed, in the financial statements.

**r) Segment**

The main business of the Company is to provide loans for purchase or construction of residential houses, all other activities of the Company revolve around the main business and accordingly there are no separate reportable segments, as per the Accounting Standard on 'Segment Reporting' (AS 17) issued by the Institute of Chartered Accountants of India / notified under the Companies act 2013

**s) Assets Acquired under SARFAESI Act**

Assets acquired under SARFAESI Act are part of NPA Portfolio of loans for which necessary provisions are being made and such assets are to be disposed off at the earliest, subject to legal formalities. Losses/gains, if any, are being booked at the time of sales realization of such assets.

**t) Borrowing Cost**

Ancillary cost incurred for arrangement of borrowing such as loan processing fees , stamping expenses , rating expenses are period cost and are amortized over the tenure of the borrowing

**Notes forming part of the financial statements**
**NOTE 2 SHARE CAPITAL**

Particulars	Current year ₹	Previous Year ₹
<b>AUTHORISED EQUITY SHARES</b>		
2,45,00,000 Equity Shares of Rs. 10/- each ( Previous year 2,45,00,000 Equity Shares of Rs. 10/- each )	245,000,000	245,000,000
<b>PREFERENCE SHARES</b>		
50,000 Redeemable Preference Shares of Rs.100/- each ( Previous year 50,000 Redeemable Preference Shares of Rs. 100/- each )	5,000,000	5,000,000
	<b>250,000,000</b>	<b>250,000,000</b>
<b>Issued , Subscribed and Fully Paid up</b>		
14,28,17,55 Equity Shares of Rs. 10/- each fully paid up ( Previous year 14,28,17,55 Equity Shares of Rs. 10/- each fully paid up )	142,817,550	142,817,550
<b>TOTAL</b>	<b>142,817,550</b>	<b>142,817,550</b>

**NOTE 2.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period is as under :**

Particulars	Current Year ₹		Previous Year ₹	
	Number		Number	
Equity shares outstanding as at the beginning of the reporting period	14,281,755	142,817,550	11,370,000	113,700,000
<b>Add:</b> Shares issued during the year	-	-	2,911,755	29,117,550
<b>Less:</b> Shares bought-back during the year	-	-	-	-
Equity shares outstanding as at the end of the reporting period	<b>14,281,755</b>	<b>142,817,550</b>	<b>14,281,755</b>	<b>142,817,550</b>

**NOTE 2.2 List of Shareholders holding more than 5% of Paid-up Equity Share Capital**

Class of shares/Name of shareholder	Current Year ₹		Previous Year ₹	
	Number	% age of shares held to total shares	Number	% age of shares held to total shares
JM Financial India Trust II JM Financial India Fund II	3,499,030	24.50%	3,499,030	24.50%
Ashok Shanabhai Patel	1,232,810	8.63%	1,232,810	8.63%
Sonal Shah	1,070,000	7.49%	1,070,000	7.49%
Mahesh Narsibhai Pujara	871,850	6.10%	871,850	6.10%
Mitesh Mahesh Pujara	723,615	5.07%	723,615	5.07%

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

**NOTE 3 RESERVES AND SURPLUS**

Particulars	Current Year ₹		Previous Year ₹	
<b>SPECIAL RESERVE (u/s 36(1)(viii) of Income Tax Act, 1961)</b>				
Opening Balance	12,545,233		10,047,298	
<b>Add:</b> Additions during the year	9,432,173		2,497,935	
<b>Sub Total</b>		<b>21,977,406</b>		<b>12,545,233</b>
<b>Profit &amp; Loss Account</b>				
Opening Balance	7,543,094		1,855,682	
<b>Add:</b> Additions during the year	29,646,729		9,904,265	
<b>Less:</b> Transfer to Reserve (u/s. 29C of the NHB Act/ u/s 36(1)(viii)of Income Tax Act , 1961	(9,432,173)		(2,497,935)	
<b>Less Appropriation</b>				
Proposed dividend (Refer note no 23.13)	(2,856,351)		(1,428,175)	
Tax on dividend	(581,486)		(290,743)	
<b>Sub Total</b>		<b>24,319,813</b>		<b>7,543,094</b>
<b>ADDITIONAL RESERVE (u/s 29C of the NHB Act)</b>				
Opening Balance	3,716,680		3,716,680	
<b>Add:</b> Additions during the year	-		-	
<b>Sub Total</b>		<b>3,716,680</b>		<b>3,716,680</b>
<b>SECURITIES PREMIUM</b>				
Opening Balance	105,314,405		15,050,000	
<b>Add:</b> Additions during the year	-		90,264,405	
<b>Sub Total</b>		<b>105,314,405</b>		<b>105,314,405</b>
<b>CAPITAL RESERVE</b>				
Opening Balance	40,739,000		40,739,000	
<b>Add:</b> Additions during the year	-		-	
<b>TOTAL</b>		<b>196,067,304</b>		<b>169,858,412</b>

Statement for Disclosure on Statutory / Special Reserves, as prescribed by NHB vide its circular no NHB(ND)/DRS/Pol. Circular 61/2013-14 dated April 7, 2014

Particulars	Current year ₹	Previous Year ₹
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987 - (A)	3,716,680	3,716,680
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987 - (B)	12,545,233	10,047,298
c) Total	16,261,913	13,763,978
Addition / Appropriation / Withdrawal during the year		
Add : a) Amount transferred u/s 29C of the NHB Act, 1987 - (C )		
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987 - (D)	9,432,173	2,497,935
Less: a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987 - (E )	0	-
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987 - (F )	0	-
c) Total	25,694,086	16,261,913
Balance at the end of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987- A	3,716,680	3,716,680
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987 - (B+D)	21,977,406	12,545,233
c) Total	25,694,086	16,261,913

**NOTE 4 LONG TERM BORROWINGS**

(Secured, unless otherwise specified)

Particulars	Current Year ₹	Previous Year ₹
<b>Term Loans #</b>		
National Housing Bank *	85,174,999	42,680,000
Banks and other Financial Institution**	1,262,837,127	98,598,975
Car Loan ***	2,201,349	-
Less : Current Maturities of Long term Loan (Note 8)	192,724,527	32,540,007
<b>TOTAL</b>	<b>1,157,488,949</b>	<b>108,738,968</b>

# Term loan secured by exclusive charge on portfolio of the Company and personal guarantee of Directors.

**Term Loan**

Particulars	Repayment schedule	Current Year ₹	Previous Year ₹
1.National Housing bank 9.5%*	Repayment in 60 quarterly installments, beginning from oct 2015	24,390,000	26,430,000
2.National Housing Bank 6.87%*	Repayment in 28 quarterly installments , beginning from April 2016	11,850,000	16,250,000
3National Housing Bank 8.40%*	Repayment in 48 quarterly installments , beginning from Jan 2018	48,934,999	-
4.MAS Financial Services Limited 2**	Repayment in 48 monthly installments ,beginning from Jan 2016	21,874,992	34,374,995
5.MAS Financial Services Limited 3**	Repayment in 48 monthly installments ,beginning from Nov 2016	12,917,190	17,916,665
5.MAS Financial Services Limited 4**	Repayment in 60 monthly installments ,beginning from Aug 2018	250,000,000	-
5.Federal Bank **	Repayment in 60 monthly installments ,beginning from Nov 2016	35,832,928	46,307,315
6.SBI Loan A/c**	Repayment in 84 monthly installments, beginning from oct 2017	231,000,000	-
7.South Indian Bank Loan Account**	Repayment in 60 monthly installments, beginning from Sept 2017	44,137,463	-
8.Uco Bank Loan**	Repayment in 60 monthly installments ,beginning from Apr 2018	99,986,822	-
9.Hinduja Housing Finance**	Repayment in 72 monthly installments ,beginning from Jan 2019	80,000,000	-
10.Andhra Bank Loan Account**	Repayment in 24 equal quarterly installments , beginning from April 2019	20,004,720	-
11.Au Small Finance Bank Ltd Loan A/C**	Repayment in 60 monthly installments, beginning from oct 2017	44,999,679	-
12.Au Small Finance Bank Ltd Loan A/C 1**	Repayment in 60 monthly installments, beginning from Mar 2018	24,583,333	-
13.Bandhan Bank Loan Account**	Repayment in 18 quarterly installments, beginning from Apr 2018	100,000,000	-
14.Bank Of Maharashtra Loan A/c**	Repayment in 24 quarterly installments, beginning from Apr 2019	150,000,000	-
15.Canara Bank Loan Account**	Repayment in 28 quarterly installments, beginning from Sept 2018	100,000,000	-
16.Dhanlaxmi Loan Account**	Repayment in 20 quarterly installments, beginning from Feb 2018	47,500,000	-
17.HDFC Car Loan Account***	Repayment in 36 monthly installments, beginning from Jan 2018	825,517	-
18.HDFC Car Loan Account 2***	Repayment in 36 monthly installments, beginning from Jan 2018	1,375,832	-
<b>TOTAL</b>		<b>1,350,213,476</b>	<b>141,278,975</b>

**NOTE 5 LONG TERM PROVISIONS**

Particulars	Current Year ₹	Previous Year ₹
Provision for Standard assets	5,176,341	2,150,911
Retirement benefit	217,945	389,403
Provision for NPA	7,186,875	3,310,604
<b>TOTAL</b>	<b>12,581,161</b>	<b>5,850,918</b>

**NOTE 6 DEFERRED TAX ASSETS / (LIABILITY) (Net)**

Particulars	Deferred Tax Assets/(Liabilities)	Current Year (Charge)/Credit	Deferred Tax Assets/(Liabilities)
	As at 01.04.2017		As at 31.03.2018
(a) Depreciation	515,603	(281,024)	234,579
(b ) Provision for non-performing assets	1,058,099	922,065	1,980,164
(c ) Provision for Standard Assets	805,221	753,199	1,558,420
(d ) Provision for leave encashment	-	60,049	60,049
(e ) Provision for Special Reserve	(4,009,569)	(2,045,755)	(6,055,324)
<b>Net Deferred Tax Asset/(Liability)</b>	<b>(1,630,644)</b>	<b>(591,468)</b>	<b>(2,222,112)</b>

**NOTE 7 TRADE PAYABLES**

Particulars	Current Year ₹	Previous Year ₹
Trade Payable	5,371,185	522,298
<b>TOTAL</b>	<b>5,371,185</b>	<b>522,298</b>

**NOTE 8 OTHER CURRENT LIABILITIES**

Particulars	Current Year ₹	Previous Year ₹
<b>Other payables</b>		
Statutory remittances	1,766,191	247,396
Current Maturities of Long term Loan ( Refer note no 4)	192,724,527	32,540,007
Interest accrued but not due on term Loan	-	253,602
Other current liability	5,238,121	5,580
Proposed dividend	2,856,351	1,428,175
Tax on dividend	581,486	290,743
Bank Overdraft	207,269,813	-
<b>TOTAL</b>	<b>410,436,489</b>	<b>34,765,503</b>

**NOTE 9 SHORT TERM PROVISIONS**

Particulars	Current Year ₹	Previous Year ₹
Provision for Tax (net of Advance Tax & TDS )	(293,354)	1,715,153
Provision for standard assets	479,842	368,484
<b>TOTAL</b>	<b>186,488</b>	<b>2,083,637</b>

**NOTE 11 LONG TERM LOANS AND ADVANCES**

Particulars	Current Year ₹	Previous Year ₹
<b>HOUSING LOANS</b>		
<u>Secured, considered good unless stated otherwise</u>		
<b>Housing Loans</b>		
Standard Loan	1,381,046,225	285,346,536
Sub Standard Loan	36,047,367	8,802,081
Doubtful Loans	3,640,488	2,138,923
Loss Assets	-	-
	<b>1,420,734,080</b>	<b>296,287,540</b>
Less: Current Portion of Housing loans ( Refer Note No 15 )	29,396,089	15,368,018
Interest accrued but not due on loans	-	-
	<b>1,391,337,991</b>	<b>280,919,522</b>
<b>OTHER PROPERTY LOANS</b>		
<u>Secured, considered good unless stated otherwise</u>		
Standard Loan	353,988,619	125,273,558
Sub Standard Loan	4,603,259	501,748
Doubtful Loans	-	-
Loss Assets	-	-
	<b>358,591,878</b>	<b>125,775,306</b>
Less: Current Portion of other Property loans ( Refer Note No 15 )	59,447,963	27,534,473
	<b>299,143,915</b>	<b>98,240,833</b>
	<b>1,690,481,906</b>	<b>379,160,355</b>
<b>Others</b>		
Security deposit (Cash Collateral )	4,020,559	3,768,570
<b>TOTAL</b>	<b>1,694,502,465</b>	<b>382,928,925</b>

11.1 Property Loans consists of Non - Housing Loans such as mortgage Loans, Project Loans, commercial Loans, Plot Loans, Lease rental finance and other loans which are all against real estate properties.

11.2 As certified by the management, loans given by the Company are secured by equitable mortgage/ registered mortgage of the Property and assets financed and / or assignment of Life Insurance policies and / or personal guarantees and / or personal guarantees and / or undertaking to create a security and / or hypothecation of assets and are considered appropriate and good.

Description of Assets	Gross Block				Depreciation/Amortization				Net Block	
	Balance as at	Additions	Deductions	Balance as at	Balance as at	Provided	Deductions	Balance as at	As at	As at
	01.04.2017			31.03.2018	01.04.2017	for the year	31.03.2018	31.03.2018	31.03.2018	31.03.2017
<b>Tangible Assets</b>										
Computers and Printers	1,288,015	878,247	-	2,166,262	344,907	933,530	-	1,278,437	887,825	943,108
Furniture & Fixtures	1,130,312	322,047	-	1,452,359	815,877	210,584	-	1,026,461	425,887	314,435
Office Equipments	159,815	30,283	-	190,098	139,659	10,387	-	150,046	40,052	20,156
Air Conditioner	414,083	120,847	-	534,930	298,982	95,484	-	394,466	140,464	115,101
Electrical Fitting*	247,078	20,808	-	267,886	214,582	18,527	-	233,109	34,778	32,496
Flooring & Ceiling**	1,441,739	-	-	1,441,739	1,236,654	95,429	-	1,332,083	109,656	205,085
Motor Vehicles		4,636,041		4,636,041	-	555,471		555,471	4,080,570	
<b>Total (A)</b>	<b>4,681,042</b>	<b>6,008,273</b>	<b>-</b>	<b>10,689,315</b>	<b>3,050,661</b>	<b>1,919,412</b>	<b>-</b>	<b>4,970,073</b>	<b>5,719,242</b>	<b>1,630,381</b>
<b>Previous Year</b>	<b>3,354,646</b>	<b>1,326,396</b>	<b>-</b>	<b>4,681,042</b>	<b>2,487,670</b>	<b>562,991</b>	<b>-</b>	<b>3,050,661</b>	<b>1,630,381</b>	<b>866,976</b>
<b>Intangible Assets</b>										
Computer Software	383,591	5,745,000	-	6,128,591	295,809	1,028,540	-	1,324,349	4,804,242	87,782
<b>Total (B)</b>	<b>383,591</b>	<b>5,745,000</b>	<b>-</b>	<b>6,128,591</b>	<b>295,809</b>	<b>1,028,540</b>	<b>-</b>	<b>1,324,349</b>	<b>4,804,242</b>	<b>87,782</b>
<b>Previous Year</b>	<b>162,281</b>	<b>221,310</b>	<b>-</b>	<b>383,591</b>	<b>152,286</b>	<b>143,523</b>	<b>-</b>	<b>295,809</b>	<b>87,782</b>	<b>9,995</b>
<b>Intangible Asset under Development</b>										
Intangible Assets under Development	1,310,020	1,888,000	3,198,020	-	-	-	-	-	-	1,310,020
<b>Total (C)</b>	<b>1,310,020</b>	<b>1,888,000</b>	<b>3,198,020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,310,020</b>
<b>Previous Year</b>	<b>515,020</b>	<b>945,000</b>	<b>150,000</b>	<b>1,310,020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,310,020</b>	<b>515,020</b>
<b>Total (A+B+C)</b>	<b>6,374,653</b>	<b>13,641,273</b>	<b>3,198,020</b>	<b>16,817,906</b>	<b>3,346,470</b>	<b>2,947,952</b>	<b>-</b>	<b>6,294,422</b>	<b>10,523,484</b>	<b>3,028,183</b>

\*Electrical Fitting has been amortised over 5 years

**NOTE 12 OTHER LONG TERM LOANS AND ADVANCES**

Particulars	Current Year ₹	Previous Year ₹
Loans and Advances to Employees	205,457	115,410
Less: Current maturities ( Refer Note No.15 )	84,299	80,135
<b>TOTAL</b>	<b>121,158</b>	<b>35,275</b>

**NOTE 13 CURRENT INVESTMENTS**

Particulars	Current Year ₹	Previous Year ₹
<b>Mutual Fund (Valued at cost or market price whichever is lower)</b>		
Birla Sun Life Short Term Fund	-	24,875,772
Kotak Floater Short Term	40,000,000	
<b>TOTAL</b>	<b>40,000,000</b>	<b>24,875,772</b>

Aggregate book value of Investments	40,000,000	24,875,772
Aggregate market value of Investments	40,256,923	25,387,043

**NOTE 14 CASH AND BANK BALANCES**

Particulars	Current Year ₹	Previous Year ₹
Cash and cash equivalents		
(i) Balances with banks:		
- In Current Account	65,932,189	3,943,607
- In Deposit Account (more than 3 months )	5,240,213	7,101,850
(ii) Cash on Hand	1,926,345	160,616
<b>TOTAL</b>	<b>73,098,747</b>	<b>11,206,074</b>

**NOTE 15 SHORT TERM LOANS AND ADVANCES**

Particulars	Current Year ₹	Previous Year ₹
<b>Loans:</b>		
Current maturities of long-term loans and advances (Secured, considered good unless otherwise stated) - Refer note no 11	88,844,053	42,902,491
<b>Others:</b>		
Current maturities of Staff Loans - Unsecured; Considered good (Refer note no 12)	84,299	80,135
Security deposit	574,080	454,080
Other Advances	-	6,998
<b>TOTAL</b>	<b>89,502,432</b>	<b>43,443,704</b>

**NOTE 16 OTHER CURRENT ASSETS**

Particulars	Current Year ₹	Previous Year ₹
Advances recoverable	1,165,913	750,000
Balances with Statutory and government authorities	970,087	-
Prepaid expenses	17,286,952	-
<b>TOTAL</b>	<b>19,422,952</b>	<b>750,000</b>

**NOTE 17 REVENUE FROM OPERATIONS**

Particulars	Current Year ₹	Previous Year ₹
Interest on Loans	134,554,656	49,217,965
Processing Fees and Other Charges	29,018,517	4,230,067
Bad Debts Recovered	308,879	1,755,535
<b>TOTAL</b>	<b>163,882,052</b>	<b>55,203,567</b>

**NOTE 18 OTHER INCOME**

Particulars	Current Year ₹	Previous Year ₹
Interest on Bank Deposits / Financial Institution	698,075	727,411
Net gain on sale of /MF	2,359,534	2,430,117
Other Operating Income	45,987	39,386
Income Tax refund	-	200,091
<b>TOTAL</b>	<b>3,103,596</b>	<b>3,397,005</b>

**NOTE 19 EMPLOYEE BENEFITS EXPENSES**

Particulars	Current Year ₹	Previous Year ₹
Salaries and Bonus	12,976,618	4,933,766
Contribution to Gratuity Fund and Other Funds	156,653	121,719
Staff Training and Welfare Expenses	1,068,006	660,428
Staff leave encashment	99,997	236,262
<b>TOTAL</b>	<b>14,301,274</b>	<b>5,952,175</b>



**NOTE 20 OTHER EXPENSES**

Particulars	Current Year ₹	Previous Year ₹
Commission / Brokerage paid	11,943,395	210,531
Office Rent	2,252,426	1,584,804
Repairs and Maintenance	1,001,326	198,778
General Office Expenses	246,741	325,855
Electricity Charges	195,075	104,905
Insurance Charges	19,799	16,189
Travelling and Conveyance	2,698,891	2,155,382
Rates and Taxes	473,656	395,233
Printing and Stationery	826,194	390,352
Postage, Telephone and Fax	420,216	336,219
Advertising & Promotion	150,115	189,612
Legal and Professional Expenses	4,624,941	6,998,700
Computer / Server Expenses	874,100	208,065
Miscellaneous Expenses	1,227,645	1,385,643
Business Promotion	484,571	200,264
Director's Remuneration and sitting fees	4,158,060	2,854,370
Bad Debts	-	102,355
Listing and Filing Fees	371,091	509,050
Office Maintenance	146,232	56,674
Auditors' Remuneration (As per note 24)	366,883	280,000
Membership & Subscription	292,896	49,297
Donation	134,500	53,500
Late fees on taxes	1,278	139,329
<b>TOTAL</b>	<b>32,910,031</b>	<b>18,745,107</b>

**NOTE 21 FINANCIAL COST**

Particulars	Current year ₹	Previous Year ₹
Interest	66,681,655	16,514,538
Bank charges	247,815	246,966
Processing fees	1,451,780	650,000
Rating fees	439,565	-
Other Finance Charges	359,121	-
<b>TOTAL</b>	<b>69,179,936</b>	<b>17,411,504</b>

**NOTE 22 EARNINGS PER SHARE**

In accordance with the Accounting Standard on 'Earnings Per Share' (AS 20), notified by the Companies (Accounts) Rules, 2014

Particulars	Current Year ₹	Previous Year ₹
<b>(A) Basic EPS:</b>		
(i) Net Profit attributable to Equity Shareholders	29,646,729	9,904,265
(ii) Weighted average number of Equity Shares outstanding (Nos.)	14,281,755	12,327,289
<b>Basic EPS (Rs.) (i)/(ii)</b>	<b>2.08</b>	<b>0.80</b>
(i) Weighted average number of Equity Shares Outstanding	14,281,755	12,327,289
(ii) <b>Add:</b> Diluted effect of outstanding share Warrants	-	-
(iii) Weighted average number of Equity Shares Outstanding for calculation of Diluted EPS (i+ii)	14,281,755	12,327,289
<b>Diluted EPS (Rs.) {(A) (i) } / (iii)</b>	<b>2.08</b>	<b>0.80</b>

**NOTE 23**
**Note Particulars**
**Current Year**
**23.1 Contingent liabilities and commitments (to the extent not provided for)**

Contingent liabilities

(a) Claims against the Company not acknowledged as debt

Nil

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

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

**23.3 Loans granted by the Company are secured by**

(a) Equitable / Registered mortgage of property and / or

(b) Assignments of life insurance policies and / or

(c) Hypothecation of assets and / or

(d) Personal guarantees and / or

(e) Undertaking to create a security

**23.4** The Company has complied with the norms prescribed under Housing Finance Companies (NHB) Directions, 2010 for recognising Non-Performing Assets (NPAs) in preparation of accounts. As per the prudential norms prescribed by the National Housing Bank, in respect of credit exposures, the total provisioning made for NPA and standard assets till 31st March, 2018 is ₹ 1,28,43,058/- (Previous Year ₹ 58,30,000/-). Details of which is as follows:

Particulars	31-Mar-18		31-Mar-17	
	Portfolio	Provisions	Portfolio	Provisions
<u>Standard Assets</u>				
Housing Loans	1,381,046,225	3,452,616	285,346,536	1,141,386
Other Property Loans	353,988,619	2,183,309	125,273,558	1,378,009
<u>Sub Standard Assets</u>				
Housing Loans	36,047,367	5,407,105	8,802,081	1,320,312
Other Property Loans	4,603,259	690,488	501,748	75,262
<u>Doubtful Assets</u>				
Housing Loans	3,640,488	1,089,280	2,138,923	1,386,764
Other Property Loans	-	-	-	-
<u>Loss Assets</u>				
Housing Loans	-	-	-	-
Other Property Loans	-	-	-	-
<b>Total</b>	<b>1,779,325,958</b>	<b>12,822,798</b>	<b>422,062,846</b>	<b>5,301,734</b>
<u>Summary:</u>				
Housing Loans	1,420,734,080	9,949,001	296,287,540	3,848,462
Other Property Loans	358,591,878	2,873,797	125,775,306	1,453,272
Additional provision made	-	20,259	-	528,265
<b>Total</b>	<b>1,779,325,958</b>	<b>12,843,057</b>	<b>422,062,846</b>	<b>5,830,000</b>

23.5 Value of imports calculated on CIF basis

Nil

23.6 Expenditure in foreign currency

Nil

23.7 Earnings in foreign exchange

Nil

23.8 The balances appearing under unsecured loans, sundry creditors, loans and advances, and certain banks are subject to confirmation and reconciliation and consequential adjustment, if any, will be accounted for in the year of confirmation and/or reconciliation.

23.09 The Company has appropriated a sum of ₹94,32,173 /- (Previous Year ₹24,97,935) to reserve fund which is in compliance with the requirement of section 29C of the National Housing Bank Act, 1987.

23.10 The Company leases office under cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. Rental payments under such leases are ₹22,52,426/- (Previous Year ₹ 15,84,804/-) during the year.

23.11 Ancillary cost of INR 186.87 Lakhs incurred on borrowings is amortised over tenure of Loans. Year to date amortisation is INR 21.56 Lakhs.

23.12 There are no loans granted against collateral gold and jewellery

23.13 The board of Directors has recommended final dividend to be paid out of current year profits @ Rs 0.20 per equity share (FV of Rs 10/ each ) to the equity shareholders resulting in outflow of INR 34,37,837 (including dividend distribution tax ) .The dividend proposed by the board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

**NOTE 23.14** The following additional disclosures have been given in terms of the circular no. NHB/ND/DRS/Pol-No.35/2010-11 dated October 11,2010 issued by National Housing Bank:

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

Items	Current Year ₹	Previous Year ₹
1. CRAR (%)	29.67	117.68
2. CRAR - Tier I Capital (%)	29.18	116.73
3. CRAR - Tier II Capital (%)	0.49	0.95

**B Exposure to Real Estate Sector**

Items	Current Year ₹	Previous Year ₹
<b>1 Direct Exposure</b>		
<b>a Residential Mortgages:</b> Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented :		
<b>Loans &gt;= ₹ .15 lacs:</b> 1,158,816,712 lacs:		<b>Loans &gt;= ₹ .15 lacs:</b> 251,373,613
<b>Loans &lt;= ₹. 15 lacs:</b> 401,265,121		<b>Loans &lt;= ₹. 15 lacs:</b> 68,906,134
(Individual housing loans up to ₹ 15 lacs may be shown separately)		
<b>b Residential Real Estate:</b> Lending fully secured by mortgages on Residential real estate estate (office buildings, retail, multipurpose commercial premises, multi-family residential buildings, multi-tenated commercial premises, Industrial or warehouse space, hotels, land acquisitions, development & construction etc.) Exposure would also include non-fund based (NFB) limits:	219,244,125	101,783,099
<b>2 Indirect Exposure</b> Fund based and non-fund based exposure on National Housing Bank (NHB) and Housing Board	Nil	Nil

**23.15 Asset Liability Management**  
**Maturity pattern of certain items of assets and liabilities as on 31st March, 2018**

	1 day to 30-31 days (One Month)	over one month to 2 months	over 2 month to 3 months	over 3 month to 6 months	over 6 month to 1 year	over 1 year to 3 years	over 3 year to 5 years	over 5 year to 7 years	over 7 year to 10 years	(₹) in crore	
										over 10 years	Total
<b>Liabilities</b>											
Borrowings	1.70	1.16	0.91	4.85	10.65	48.72	42.61	18.25	4.89	1.28	135.02
<b>Assets</b>											
Advances	1.24	1.04	1.11	3.17	7.81	30.22	30.65	25.73	41.86	35.10	177.93
Investments	4.00										4.00

**Maturity pattern of certain items of assets and liabilities as on 31st March, 2017**

	1 day to 30-31 days (One Month)	over one month to 2 months	over 2 month to 3 months	over 3 month to 6 months	over 6 month to 1 year	over 1 year to 3 years	over 3 year to 5 years	over 5 year to 7 years	over 7 year to 10 years	(₹) in crore	
										over 10 years	Total
<b>Liabilities</b>											
Borrowings	0.36	0.23	0.23	0.81	1.63	6.20	2.88	0.61	0.61	0.58	14.13
<b>Assets</b>											
Advances	0.32	0.27	0.29	1.08	2.34	8.15	5.32	4.47	5.78	14.19	42.21
Investments	2.49										2.49

**NOTE 24 DISCLOSURES UNDER ACCOUNTING STANDARDS**
**Related party transactions**

<u>Description of relationship</u>	<u>Names of related parties</u>
Key Management Personnel (KMP)	Mr Mahesh Pujara Mr Subhash Patel Mr Mitesh Pujara

Nominee Directors	Siddharth Kothari Vinit Rai
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Note: Related parties have been identified by the Management.

**Details of related party transactions during the year ended 31 March, 2018 and balances outstanding as at 31 March, 2018**

Particulars	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Interest Income	51,764 (56,400)	- -	- -	51,764 (56,400)
Director Remuneration	4,030,560 (2,766,870)	- -	- -	4,030,560 (2,766,870)
Legal & Professional Fees	868,000 (716,000)	- -	- -	868,000 (716,000)
<b><u>Balances outstanding at the end of the year</u></b>	-	-	-	-
Legal & Professional fees	-	-	-	62,000 -
Housing loan given to Director	376,956 (415,192)	-	-	376,956 (415,192)
Director Remuneration	-	-	-	-

Note: Figures in bracket relate to the previous year

**NOTE 25 -Auditor's remuneration (excluding Goods and Service Tax )**

Particulars	Current Year ₹	Previous Year ₹
Audit fees	150,000	150,000
Tax Audit fees	50,000	50,000
Limited review	55,000	55,000
Other services	111,883	25,000
Certification Charges	-	-
<b>TOTAL</b>	<b>366,883</b>	<b>280,000</b>

Note : Current year audit fees are excluding service tax.

**NOTE 26 EMPLOYEE BENEFITS**
**Defined Benefit Plans as per Actuarial Valuation on 31st March, 2018**

Particulars	Current Year ₹	Previous Year ₹
<b>(i) Change in defined benefit obligation</b>		
Opening Balance of Present value of Defined Benefit Obligation	251,670	184,281
<b>Adjustment of:</b>		
Current Service Cost	52,133	43,731
Interest Cost	20,133	14,743
Actuarial Losses / (Gain)	46,025	8,915
Benefits Paid	-	-
Obligation during Current year	-	-
<b>Closing Balance of Present value of Defined Benefit Obligation</b>	<b>369,961</b>	<b>251,670</b>
<b>(ii) Change in Fair Value of Assets</b>		
Opening Balance of Fair Value of Plan Assets	411,841	361,859
<b>Adjustment of:</b>		
Return on Plan Assets	35,617	30,228
Actuarial Gain/(Losses)		
Contribution by the employer	147,101	
Benefits Paid		19,754
<b>Closing Balance of Fair Value of Plan Assets</b>	<b>594,559</b>	<b>411,841</b>
<b>(iii) Expenses recognised in the Statement of Profit and Loss</b>		
Current Service Cost	52,133	43,731
Interest Cost	20,133	14,743
Return on Plan Assets	(35,617)	(30,228)
Net Actuarial (gain)/loss recognized in the year	46,025	8,915
<b>TOTAL</b>	<b>82,674</b>	<b>37,161</b>
<b>(iv) Actuarial Assumptions:</b>		
Discount Rate	8.00%	8.00%
Salary Escalation Rate	5.00%	5.00%
Expected Return on Plan Assets	8%	8%
Retirement age	60 Years	60 Years

**NOTE 27- SEGMENT**

The main business of the Company is to provide loans for purchase or construction of residential houses, all other activities of the Company revolve around the main business and accordingly there are no separate reportable segments, as per the Accounting Standard on 'Segment Reporting' (AS 17) issued by the Institute of Chartered Accountants of India / notified under the Companies act 2013.

**NOTE 28**

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

As per our report of even date  
For G.P. Kapadia & Co.  
Chartered Accountants  
(FRN 104768W)

Sd/-  
Jinesh Shah  
Partner  
(Membership No. 132240)  
Place : Mumbai  
Date : 15th May,2018

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

Sd/-  
Mahesh Pujara  
(Managing Director)  
(Din no-01985578)

Sd/-  
Harshita Jagwani  
(Independent Director)  
(Din no -07797684)