



AADHAR HOUSING FINANCE LIMITED

Corporate Identity Number (CIN) –U66010KA1990PLC011409

NOTICE OF 30TH (THIRTIETH) ANNUAL GENERAL MEETING

Notice is hereby given that the 30th (Thirtieth) Annual General Meeting of the Members of Aadhar Housing Finance Limited, will be held on Monday, 29th June, 2020, at 11.00 a.m. (11.00 Hours) through Video Conference facility as per the General Circular No. 20/2020 dated 5th May, 2020, issued by Ministry of Corporate Affairs at the Corporate Office, 201, 2nd Floor, Raheja Point -1, Vakola, Nehru Road, Santacruz (E), Mumbai – 400055, to transact the following businesses:-

ORDINARY BUSINESS:

Item No. 1- Approval and Adoption of Audited Financial Statements along with the Reports of the Board of Directors, Secretarial Auditors and Joint Statutory Auditors:

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

“RESOLVED THAT pursuant to Section – 129 of the Companies Act, 2013 read with Rules and other Regulatory guidelines/Directions of NHB, RBI & SEBI as may be applicable, the Audited Annual Financial Statements, together with the Report of the Board of Directors, Secretarial Auditors and Joint Statutory Auditors thereon for the financial year ended 31st March, 2020, laid before this meeting, be and are hereby approved and adopted.”

Item No. 2- Re-appointment of Mr. Neeraj Mohan, as Non-Executive Director, liable to retire by rotation :

Members of the Company to note that, pursuant to provisions of Section 152(6) of the Companies Act, 2013, not less than two-third of the total number of Directors (excluding Independent Directors) of Public Limited Company, shall be persons whose period of office is liable to determination by retirement of Director by rotation and save as otherwise provided in the Companies Act, 2013, be appointed by the Company in AGM.

Members of the Company may further to note that, the Company has appointed Mr. Amit Dixit, Mr. Mukesh Mehta and Mr. Neeraj Mohan, Non-Executive Directors in Nominee Category, whose period of office is liable to retire by rotation and it proposed, to re-appoint Mr. Neeraj Mohan (DIN: 05117389), who retires by rotation and being eligible, offers himself for re-election.

Therefore, shareholders are requested to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013, Neeraj Mohan (DIN: 05117389), who retires by rotation at this meeting be and is hereby re-appointed as Non-Executive Director of the Company in Nominee Category, liable to retire by rotation.”

SPECIAL BUSINESS:

Item No. 3 – Payment of Commission to Independent Directors of the Company:

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

“RESOLVED THAT pursuant to the provisions of Sections 197, 198, and all other applicable provisions of the Companies Act, 2013, (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company, in addition to sitting fees being paid/payable for attending the meetings of the Board of Directors of the Company and the Committees thereof, the approval of the Members be and is hereby given for payment of Commission to all Independent Directors of the Company (other than the Managing Director and Whole-time Directors of the Company), for their services rendered during the financial year 2019-20, to be considered on prorata basis as per the tenure of appointment, upto the aggregate amount of Rs. 75 Lakhs (Rupees Seventy Five Lakhs only) consolidated to be paid to all Independent Directors, which will be within the overall limit of 1% of the net profit of the Company during the financial year 2019-20, as decided by the Board of Directors based on the services rendered, as per the limit prescribed under the Companies Act, 2013.”

Item No. 4 – To re-appoint Dr. Nivedita Haran (DIN 06441500) as Independent Director, for another term of one year:

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

“RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Dr. Nivedita Haran (DIN:06441500), who was appointed as Independent Director by the members at the 29th AGM for a period of one year i.e. till the conclusion of 30th AGM and being eligible for re-appointment -Dr. Nivedita Haran (bearing DIN 06441500) be and is hereby reappointed as Independent Director of the Company, not liable to retire by rotation and to hold office for a period of one year, i.e. from the conclusion of 30th AGM till the conclusion of 31st AGM of the Company to be held in FY 2021-22 and eligible for the sitting fees/commission as may be decided by the Board from time to time.”

Item No. 5 – To modify & revalidate the Borrowing powers/limits for the Company and Issuance of Debentures and Approval to create charge by way of mortgage and/or Hypothecation on various assets of the Company :

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

“RESOLVED THAT in partial modification & revalidation of earlier resolutions passed by the Members of the Company at their previous Annual General Meeting dated 30th July, 2019 and pursuant to the provisions of Sections 42, 71, 180 (1)(c) & 180 (1) (a) and all other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and as per the directions/guidelines issued by the National Housing Bank/RBI and provisions of the Memorandum of Association and Articles of Association of the Company, approval of the Members of the Company be and is hereby granted to the Board of Directors/Management Committee of the Company (hereinafter referred to as “the Board” which shall deem to include any Board Committee(s) or Management Committee or any other Committee which the Board may constitute for this purpose), to raise or borrow any sum or sums of money (including non-fund based facilities) by way of loan(s) in rupee currency and/or foreign currency from Banks and Financial Institution(s), Inter-Corporate Deposit(s) and/or securities comprising of Secured/Unsecured, Convertible and/or Non-Convertible Debentures and/or Bonds and/or all other securities with fixed/floating rate or any other debt/money market instruments, Refinance from Banks/Regulators/NHB, in one or more tranches, from time to time at their discretion, which together with the money already borrowed by the Company (apart from temporary loans, overdrafts obtained or to be obtained from the Company’s Bankers in the ordinary course of business), may at any time, exceed the aggregate of the paid up share capital of the Company and its free reserves) provided that the total amount so borrowed shall not at any time exceed Rs. 20,000 Crores (Rupees Twenty Thousand Crores) or upto 12 times of Net Owned Fund (NOF) of the Company, whichever is lower, as per provisions of National Housing Bank (NHB) Act/ NHB or RBI Directions(s)/Circulars & Notification/ Guidelines as applicable and to create charge on the tangible, intangible, immovable, movable assets including receivables of the Company by way of mortgage and/or hypothecation, as may be required and to securitize or assignment of receivables of the Company and also delegate the powers to the Board of Directors/Management Committee of the company to decide the combination/sub-limits of borrowings, creation of charge and to securitize or assign the receivables of the Company, and also authorize various officials of the company required as per market conditions from time to time.

RESOLVED FURTHER THAT the Board/ Management Committee be and is hereby authorized to do all such acts, matters, deeds & things that may arise in respect of the borrowings through various modes and to do other needful acts, as may be necessary or desirable for giving effect to the aforesaid resolution.”

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT BE A MEMBER. PROXIES TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY DULY FILLED AND SIGNED, NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE AGM. A PROXY FORM FOR THE AGM IS ENCLOSED HEREWITH.**
- 2. The Members may note that, due to social distancing norms and lockdown imposed by the Government because of COVID-19 pandemic and pursuant to the General Circular No. 20/2020 dated 5th May, 2020, issued by Ministry of Corporate Affairs, this AGM will be held through Video Conference, by using the Zoom Meeting App and Meeting ID and password to participate the said AGM is given herein below :**

Link of Video Conference	https://zoom.us/j/2781403162?pwd=SWRrcVlVS2E5Vkg1YjM0dC9jWjZLdz09
Meeting ID	██████████
Password	██████████

For detailed procedure to participate the AGM through video conference by using Zoom App, please refer Annexure-1 as enclosed.

- 3.** Pursuant to the provisions of the Companies Act, 2013 and rules made thereunder, a person can act as a proxy on behalf of not more than fifty (50) Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. The Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member.
- 4.** Every Member during the period beginning twenty-four (24) hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, would be entitled to inspect the proxies lodged at any time during the business hours of the Company (i.e. between 10.00 a.m. to 5.00 p.m.), provided that not less than three (3) days prior notice in writing is given to the Company.
- 5.** An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the all Special Businesses to be transacted at the AGM and Attendance Slip is annexed hereto.
- 6.** Members may also note that the Notice of this AGM will be available on the website of the Company i.e. www.aadharhousing.com.
- 7.** All relevant documents referred in this Notice and the Explanatory Statement shall be open for inspection by the Members at the Registered office of the Company during the business hours (10.00 a.m. to 5.00 p.m.) on all working days (except Saturdays & Sundays) upto the date of AGM.
- 8.** In case, of joint holders attending the AGM, only such joint holder whose name appear first in order of names will be entitled to vote.
- 9.** In terms of the requirements of the Secretarial Standard on General Meetings (SS-2) a route map of the venue of the AGM is enclosed.
- 10.** The voting result shall be announced by the Chairman or any other person authorized by the Chairman in writing for this purpose.

11. The resolution mentioned in the Notice of this AGM shall be deemed to be passed on the date of the AGM, subject to the receipt of the requisite number of votes in favour of the respective resolution.
12. Mr. Roy Jacob of Roy Jacob & Co., Practicing Company Secretaries, has been appointed as a Scrutinizer to scrutinize the voting through show of hands or poll process in a fair and transparent manner.
13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will count the votes cast at the Meeting, in the presence of at least two witnesses not in the employment of the Company and will make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or any Director/ Managing Director & CEO of the Company duly authorized and the same will declare the result of the voting forthwith.
14. The results of voting will also be displayed on the Company website at www.aadharhousing.com/Investor Relations

By order of the Board of Directors of
Aadhar Housing Finance Limited

SD/-
Sreekanth V N
Company Secretary
FCS: 4191

Corporate Office:
201- Raheja Point-1, Near Shamrao Vitthal Bank,
Nehru Road, Vakola, Santacruz (E),
Mumbai- 400055, Maharashtra
Place: Mumbai
Date: 29th May, 2020

ANNEXURE TO THE NOTICE CALLING THE A.G.M.:

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

Item No. 3: Payment of Commission to Independent Directors:

The Independent Directors of the Company bring with them significant professional expertise and rich experience across a wide spectrum of functional areas such as marketing, technology, corporate strategy, information systems, and finance. The Board is of the view that it is necessary that adequate compensation be given to the Independent Directors so as to compensate them for their contributions to the Company.

Pursuant to provisions of Sections 197, 198, and all other applicable provisions of the Companies Act, 2013, (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association, the Board of Directors of your Company, has subject to approval of the Members of the Company, at this AGM, has proposed payment of Commission to Independent Directors, during the financial year, the total annual commission to Independent Directors, during the financial year 2020-21 shall be, upto the aggregate amount of Rs. 75 Lakhs

(Rupees Seventy Five Lakhs only) consolidated to be paid to all Independent Directors, which will be within the overall limit of 1% of the net profit of the Company during the financial year 2019-20, as decided by the Board of Directors.

The above proposal is recommended by the Board and the resolution as set out at Item No. 3 of this Notice is placed for the approval of the Members as an Ordinary Resolution.

All the Independent Directors are interested in this Resolution to the extent of Commission received/to be received by them.

Item No. 4:- To re-appoint Dr. Nivedita Haran (DIN 06441500) as Independent Director, for another term of one year:

The Members may note that, Dr. Nivedita Haran (DIN: 06441500), was appointed as Additional Director of the Company with effect from 15th September, 2018 and she was re-appointed as Independent Director at the 29th AGM held on 30th July, 2019, for a period of one year i.e. till the conclusion of 30th AGM. The company has received a proposal from a member for considering her candidature as an Independent Director at the ensuing 30th Annual General Meeting (AGM) of the Company.

Further, pursuant to section 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force] this re-appointment of Dr. Nivedita Haran, as Independent Director of the Company may be considered and she is not liable to retire by rotation subject to the approval of the Shareholders at the ensuing AGM and to hold office for a period of one year, i.e. from the conclusion of 30th AGM till the conclusion of 31st AGM of the Company, to be held in the FY 2021-22 as per the above provisions of the Act.

Further, the Company has received the consent to act as Independent Director of the Company from Dr. Nivedita and declaration to the effect that she is not disqualified from being re-appointed as Independent Director in terms of Section 164(2) of the Companies Act, 2013 (Act) which will be recommended to the Board & Shareholders.

The above proposal is recommended by the Board and the resolution as set out at Item No. 4 of this Notice is placed for the approval of the Members as Ordinary Resolution.

None of the Directors are interested in this Resolution, except Dr. Nivedita Haran to the extent of her appointment in the position of Director.

Item No. 5 – To modify & revalidate the Borrowing powers/limits for the Company, and Issuance of Debentures and Approval to create charge by way of mortgages and or hypothecation on various assets of the Company:

In terms of the provisions of Section 180(1)(c) and other provisions of the Companies Act, 2013, the Members of the Company vide Special Resolution passed at their Annual General Meeting held on 30th July, 2019, authorized the Board of Directors of the Company to borrow, from time to time, in excess of the paid up share capital and its free reserves (that is to say the reserves not set apart for any specific purpose) to the extent of Rs. 20,000 Crores (Rupees Twenty Thousand Crores) or such no. of times of Net Owned Fund (NOF) of the Company whichever is lower.

Now keeping in view of the business plans, fund requirements and growth of Company, it is considered desirable and pertinent to increase the said borrowing limits upto Rs. 20,000 Crores or upto the limit of 12 times of Net-Owned Funds as prescribed under NHB/RBI Regulations.

The Company shall, however, at all times ensure that the borrowings of the Company remains within the limit (i.e. 12 times of the Net Owned Fund) as prescribed by the National Housing Bank (NHB).

Members are further requested to note that, provisions of Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013, stipulates that the Board of Directors can borrow money in excess of the paid up share capital of the Company and its free reserves, apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business and shall not, create charge / hypothecation or mortgage the undertakings/properties of the Company (movable and/or immovable) to secure its borrowings respectively only with the consent of the Members accorded by way of a Special resolution.

It is, therefore necessary, for the Company to obtain Member's approval by way of a Special Resolution on the matters as set out at Item No. 5 of this Notice for enabling the Board/Management Committee of the Board to borrow (together with the money already borrowed), through loans, bonds, debentures or any other debt/money market instruments, Refinance from Banks/Regulators/NHB Refinance, in one or more tranches otherwise whether from India or outside India, in excess of aggregate of the paid up share capital of the Company and its free reserves upto an amount of Rs. 20,000 Crores (Rupees Twenty Thousand Crores) or upto the maximum limit of borrowing at all times shall remain within the limits as prescribed by NHB/RBI. It is also pertinent to simultaneously seek approval of the Members of the Company by way of Special Resolution as set out at Item No. 5 of this Notice to create charge/hypothecation and/or mortgage on the immovable and/or movable properties and/or Receivables of the Company, present and future, to secure the borrowings of the Company.

The above proposals are recommended by the Board of Directors and the resolutions as set out at Item Nos. 5 of this Notice are placed for the approval of the Members as Special Resolution.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested, financially or otherwise, in the above said resolution set out in this Notice.

By order of the Board
For Aadhar Housing Finance Limited

SD/-
Sreekanth V N
Company Secretary
FCS : 4191
Place: Mumbai.
Date: 29th May, 2020



CIN: U66010KA1990PLC011409

Form No. MGT-11

Proxy form

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

Name _____ of _____ the
 Member(s):.....
 Registered
 address:
 E-mail
 Id:.....
 Folio No/ Client Id:..... DP
 ID:.....

I/ We being the Member of, holding.....shares, hereby appoint

1. Name:
 Address:.....
 E-mail Id:.....
 Signature: or failing him

2. Name:
 Address:.....
 E-mail Id:.....
 Signature:,.....

as my/our proxy to attend and vote (on a poll, if any) for me/us and on my/our behalf at the 30th (Thirtieth) Annual General Meeting (AGM) of Members of the Company, to be held on Monday, 29th June, 2020 through Video Conference at 11.00 a.m. (11.00 Hours) at the Corporate Office, 201, 2nd Floor, Raheja Point -1, Vakola, Nehru Road, Santacruz – E, Mumbai – 400055, and at any adjournment thereof in respect of such resolutions as are mentioned herein below:

Sl. No.	Resolution	Optional* (Please mention No. of equity shares)	
		For	Against
Ordinary Businesses :			
1	Approval and Adoption of Audited Financial Statements along with the Reports of the Board of Directors, Secretarial Auditors and Joint Statutory Auditors		
2	Re-appointment of Mr. Neeraj Mohan, as Non-Executive Director, liable to retire by rotation.		
Special Business :			
		For	Against
3	Payment of Commission to Independent Directors.		

4	To reappoint Dr. Nivedita Haran (DIN 06441500) as Independent Director, for another term of one year.		
5	To modify & revalidate the Borrowing powers/limits for the Company, and Issuance of Debentures and Approval to create charge by way of mortgages and or hypothecation on the assets of the Company		

Signed this day ofJune, 2020

Signature of Member

Signature of Proxy holder(s).....

Note:

1. **This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Regd. & Corporate Office of the Company addressed to the “Company Secretary”, not less than 48 hours before the commencement of the AGM.**
2. A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent of the total share capital of the Company, may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

*It is optional to put a (√) in the appropriate column against the Resolution indicated in the Box. If you leave the ‘For’ or ‘Against’ column blank against any or all Resolution, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



CIN: U66010KA1990PLC011409

30th (Thirtieth) Annual General Meeting (AGM) of Aadhar Housing Finance Limited, to be held on Monday, 29th June, 2020 at 11.00 a.m. (11.00 Hours), through Video Conference at the Corporate Office of the Company, at 201, Raheja Point-1, Near SVC Bank, Nehru Road, Vakola, Santacruz (East), Mumbai- 400 055.

Website: www.aadharhousing.com ; Email id: complianceofficer@aadharhousing.com

ATTENDANCE SLIP – ANNUAL GENERAL MEETING (AGM)

1	Name(s)of Member(s) including Joint holders, if any (in Block Letter)	
2	Registered Address of the Sole/First named Member	
3	Name of Proxy holder (if applicable)	
4	Registered Folio No./*DPID No and Client ID No. (*Applicable to Members holding shares in dematerialized form)	
5	Number of Equity Shares held	

I/We hereby record my/our presence at the AGM of the Members of Aadhar Housing Finance Limited on 29th June, 2020 at 11.00 a.m. (11.00 Hours), through Video Conference at the Corporate Office of the Company, at 201, Raheja Point-1, Near SVC Bank, Nehru Road, Vakola, Santacruz (East), Mumbai- 400 055.

Signature of Member/Proxy

NOTE : PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Annexure-1

Instructions for participating in the 30th (Thirtieth) Annual General Meeting of the Members of Aadhar Housing Finance Limited, to be held on Monday, 29th June, 2020, at 11.00 a.m. (11.00 Hours) through Video Conference, by using Zoom Meeting App.

Instructions for participating the aforesaid AGM through Video Conference :

Step 1

Download the Zoom Meeting App – from Google Play store in your Mobile or Laptop.

Step 2

Click on “Sign up”

Step 3

For verification, please enter your “Date of Birth”

Step 4

Please enter “Your email” , “First Name” and “Last Name” and click on “I agree to the Terms of Service”

Step 5

Now go to your Registered email provided, check Inbox for the registration email and Click on the “Activate Account”

Step 6

Go to your Zoom App, click on the “Join” and enter the Meeting Id and password and now click on the “Join Meeting” Tab and ensure that you have proper internet facility through Mobile phone or Wifi connect to your devise.

Other instructions :

1. Please note that, if you have already downloaded /using Zoom App, then you need not to do the aforesaid activities and you have to just enter the Zoom Meeting Id and Password, as provided in this Notice.
 2. You can sign-in/join the meeting before 15 minutes on the meeting day for timely participation in the AGM through video conference.
 3. Please listen and participate in the discussion carefully.
 4. **Please Propose and Second any of the Resolution by raising your hand/ Show of hands and by saying “I Propose the Resolution” or “I Second the Resolution” whenever it is asked by the Company Secretary.**
 5. Please click on the “Mute” tab, when there is any disturbance or noise around you or not talking.
 6. *Please ensure that, no other person is sitting with you /participating in the aforesaid Meeting through Video Conference.*
 7. Please click on “Unmute” tab when you want to say something.
 8. In case of any assistance before or during the video conference as aforesaid, you can call Jitendra Chaturvedi from Secretarial Department- Aadhar Housing Finance Ltd. at his Mobile number provided to you.
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Registered Office – 2nd Floor, No.3, JVT Towers, 8th A Main Road,
S.R. Nagar, Bengaluru -560027, Karnataka
(CIN No. U66010KA1990PLC011409)

Board's Report for the Financial Year 2019-20

Dear Members,

Your Company, Aadhar Housing Finance Limited (AHFL) is a Housing Finance Company registered with National Housing Bank (“NHB”) and regulated & controlled by Reserve Bank of India (RBI). AHFL is engaged in providing housing finance to economically weaker, lower and middle income segment of the society. AHFL is currently operating out of twenty states and union territories of India with a branch network of over 294 offices excluding the Registered & Corporate office and other regional offices covering more than 10,000+ locations.

1. Financial Performance of AHFL:

(Rs in Crore)

Particulars	March 31, 2018	March 31, 2019	March 31, 2020
AUM	7,966	10,016	11,432
Income	806.00	1239.59	1372.36
PAT	114.82	162.24	189.39
Net Worth	718.39	859.85	2347.18
CRAR	18.76%	18.28%	51.42% *
CRAR – Tier I Capital	16.23%	15.57%	49.07% *
CRAR – Tier II Capital	2.54%	2.71%	2.35% *
Retail NPA (on retail AUM)	0.58%	0.58%	0.82%
ROE %	19.1%	20.4%	11.66%

* If calculated as per previous GAAP (as done as at March 31, 2019 and March 31, 2018), CRAR is 47.79%, CRAR-Tier I Capital is 45.42% and CRAR-Tier II Capital is 2.37%.

About AHFL:

- Largest independent affordable housing finance company with an AUM of Rs 114 billion
- Strong growth tailwinds in affordable housing due to low mortgage penetration combined with low competition from banks and housing shortage in rural and urban areas

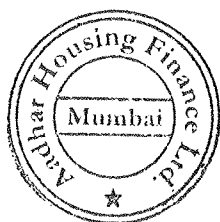


- Low concentration risk due to wide geographical presence: Presence across 20 states and union territories with diversified exposure across locations no single state contributes to more than 16% of AHFL's AUM.
- 100% secured retail advances (post ownership change/ post acquisition) with average ticket size of Rs 8.4 Lakhs high share of low risk salaried customers (65% of loan book) and moderate LTV ratios of 57% and majority of the mortgage portfolios are satisfying the Priority Sector Lending criteria prescribed by RBI/NHB.
- Largest origination franchise with strong brand vs. peers: 294 branches which cover more than 10,000+ locations Low concentration risk due to wide geographical presence
- High asset quality: The Retail Gross NPA on AUM stood at 0.82% for the year ended March 31, 2020. Overall Gross NPA on AUM has been 1.08%. Provision Coverage Ratio on NPA Assets (Stage 3 carrying value) at 36%.
- Strong liquidity: High liquid assets/cash & bank balances of Rs.2,971 crores as at March 31, 2020 in addition to unutilized Banks' sanction lines.

2. **Current ownership position after change in control:**

a) **Change in Control and Management of the Company:**

The National Housing Bank, vide its in-principle approval dated May 7, 2019, as well as final approval dated June 7, 2019, gave its approval for the purchase of the shares of the Company by the Foreign Investor, BCP Topco VII Pte. Ltd. Further, as required under the NHB in-principle approval, the shareholders of the Company, vide Extra Ordinary General Meeting (EGM) dated June 6, 2019, provided their approval for the purchase of the shares of the Company from the erstwhile promoter/promoter group ("Sellers") along with International Finance Corporation (IFC), by the Investor. The company also received necessary NOC/ consents from majority NCD holders, in value (both private placement and public issue basis) and from Banks and other lenders for the transaction for change in control and Management. The Company had received the NOCs from Catalyst Trusteeship Ltd. and Beacon Trusteeship Ltd., Debenture Trustees for Non-Convertible Debentures (NCDs) issued under private placement and through Initial Public Offer for the above transaction.



b) On June 10, 2019 the previous promoters/Sellers Group and IFC have transferred their entire shareholding to the Foreign Investor- BCP Topco VII Pte. Ltd., Singapore (Holding company/ Foreign Investor) in accordance with the aforesaid share purchase agreement and the share sale agreement, respectively. Pursuant to the aforesaid transfer from the Sellers and IFC, the Foreign Investor became the controlling Shareholder/Holding Company of AHFL. The Foreign Investor has infused fresh primary capital amounting to Rs. 800 Crores (including securities premium) into AHFL under preferential allotment, as approved by the shareholders at their Meeting held on June 6, 2019 and by the Board at its Meeting held on June 11, 2019. In June, 2019, Primary capital infusion almost doubled the existing net-worth of the Company.

c) Pursuant to the share purchase agreement executed with certain minority shareholders of AHFL, additional share purchase transactions were completed.

d) With the view of strengthening the capital structure of the Company for the medium term, the Company decided to raise the equity through right issue . On March 26, 2020, the Holding Company, BCP Topco, has also subscribed & invested Rs. 500 Crores (including securities premium) by way of Right Issue shares. With a good capital base and lower debt-equity ratio, the Company is poised to strengthen its business position in the coming year. The rights issue has resulted into strong net-worth and liquidity position of the Company.

2.1. About Blackstone Group:

Blackstone Inc. is one of the world's leading investment firms. It is publicly listed (NYSE :BX) with a market capitalization of USD 55.8 billion (as of April 13, 2020). Blackstone's alternative asset management businesses, with approximately USD 571 billion in assets under management (as of December 31, 2019), includes investment vehicles focused on private equity, real estate, public debt and equity, non-investment grade credit, real assets and secondary funds, all on global basis. The investors include many of the largest and most sophisticated institutional investors from around the world, including leading government investment agencies, public and private sector pension funds, banks, insurance companies, credit institutions, endowments and foundations.



Blackstone has been active in India since 2006 and has committed USD 15.3 billion of investments in India through private equity real estate, and structured finance businesses. Blackstone is a long-term investor, and is currently investing from Blackstone Capital Partners VII (having approximately USD 18.6 billion of committed capital) and Blackstone Capital Partners Asia funds (having approximately USD 2.4 billion of committed capital). It brings in a dedicated portfolio operations team to add value to its portfolio companies.

2.2. Benefits to the Company from the Change in control/Ownership:

- a) The Company continues to remain healthy and this Transaction has further strengthened its position with the strong parentage of Blackstone group entity BCP Topco VII Pte. Ltd. Benefits of the change in ownership were as follows:
- Fresh Capital Infusion:- primary equity capital infusion of Rs 800 Crores in June, 2019 and further the Rights issue subscription of Rs 500 Crores into the company in March, 2020.
 - Net worth: The net worth of AHFL is now Rs 2347 Crs as of March 31, 2020 Low Debt Equity Ratio.
 - Low Debt Equity Ratio:- The current debt equity ratio (net) post capital infusion is 2.77.
 - Positive ALM buckets: AHFL has a well-managed ALM position with 100% of the liabilities having long tenure maturity and no short term borrowings Fresh capital infusion has also further strengthened the funding profile of AHFL resulting in positive gaps across all ALM buckets.
- b) The change in control and management has also helped in strengthening AHFL's leadership position in the Affordable Housing Finance. Presently, it is one of the largest independent affordable housing finance company both in terms of Assets under Management and Distribution network and the capital infusion will provide the required growth capital to the company to continue its robust growth journey in meeting the housing finance needs of the economically weaker section and lower income section of the country.
- c) Blackstone entity BCP Topco ownership brings with it the global reputation, trust and strong corporate governance has enabled AHFL access to diversified funding avenues at competitive rates. It would also help AHFL to improve its credit profile with the rating agencies.



3. Reserve Bank of India (RBI) Regulations/Directions:

As per the powers delegated by the Government of India, the Reserve Bank of India (RBI) vide Notification No. RBI/2019-20/98 DOR NBFC (PD) CC.No.105/03.10.136/2019-20 dated November 11, 2019, the Housing Finance Companies (HFCs) shall be regulated & controlled by RBI. Further, the RBI also has powers to issue directions, regulations or guidelines for the monitoring and control of Housing Finance companies as and when applicable. Based on these powers, RBI has issued various notifications/directions for controlling/maintaining adequate liquidity position for HFCs vide above Notifications/directions issued by RBI. The HFCs are also monitored and regulated by RBI through the NHB and /or direct orders issued to the HFCs from time to time.

As per the RBI Circular no. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020 on Covid - 19 regulatory package, the Company has adopted Policy on Moratorium / deferment (in line with COVID-19 – Regulatory Package released by RBI on March 27, 2020), duly approved by the Board of Directors on 2nd April, 2020.

Also pursuant to the latest amendments circulated by Reserve Bank of India vide Circular No. RBI/2019-20/235, DOR.NBFC (HFC).CC.No.111/03.10.136/2019-20 dated May 19, 2020 and RBI/DBR/2015-16/18 Master Direction DBR.AML.BC.No.81/14.01.001/2015-16 dated April 20, 2020- Master Direction- Know Your Customer (KYC) Direction, 2016, both the KYC and Anti-Money Laundering (AML) policy of the Company shall be amended/modified accordingly and the Company will comply with the said RBI circular.

During the year under review your Company has complied with all regulatory notifications, guidelines, circulars, rules and directions laid down by the Reserve Bank of India (RBI) with respect to the Foreign Direct Investment through the Automatic Route and necessary approvals have been obtained by your Company. There have been no delays in filing the necessary disclosures, returns and necessary forms in this regard for the year under review. No Fines/Penalties has been levied by the RBI during the year 2019-20. During the FY 2019-20 the Company has duly filed/ submitted Foreign Liabilities and Assets Annual Return with RBI in the month of July, 2019, within the stipulated time-limit.

The Company is also registered with RBI Firms portal and has duly submitted/ reported Form FCTRS for various Share Transfers from Shareholders of the Company to Foreign Investor/ Shareholder BCP Topco VII Pte. Ltd. and has also filed/ reported Form FCGPR with respect to



Foreign Direct Investment received by the Company by issue and allotment of fully paid up-Equity Shares through Preferential Allotment and Right Issue to the Shareholder BCP Topco VII Pte. Ltd. during the FY 2019-20, within the stipulated time limit.

4. National Housing Bank Regulations:

Your Company is having a valid NHB Licence for carrying on business of Housing Finance Company, bearing revised registration certificate No. 04.0168.18, dated 5th April, 2018 (being latest Registration Post change in Name after merger was completed) and further the Company has complied with the provisions of the Housing Finance Companies (NHB) Directions, 2010 and RBI Directions issued, as applicable. The Circulars and the Notifications issued by NHB are also placed before the Audit Committee/ Board of Directors at regular intervals to update the Committee/ Board members on the compliance of the same. Various inspection observations of NHB were satisfactorily complied and resolved and reported to the Board.

As per the NHB Directions, 2010 and various Circulars/ Guidelines/ Notifications issued thereunder your Company has duly complied and submitted all the required monthly/ quarterly/ half yearly NHB reports/ returns, intimation of opening/ closing (shifting/relocation) within prescribed time-limit during the FY 2019-20.

The Company being a financial institution is also registered for taking SARFAESI Action under SARFAESI Act and the same has been notified by National Housing Bank.

5. Capital Adequacy norms specified under NHB Regulations:

As required under National Housing Bank/RBI Directions issued, the Company is required to maintain a minimum capital adequacy of 13% on or before 31st March 2020, 14% on or before 31st March, 2021 and 15% on or before 31st March, 2022, on a stand-alone basis. The following table sets out Company’s Capital Adequacy Ratios as at March 31, 2020, 2019 and 2018:

Particulars	As on March, 31		
	2020	2019	2018
Capital Adequacy Ratio	51.42%	18.28%	18.76%

The Capital Adequacy Ratio (CAR) of your Company was at 51.42% as on March 31, 2020, as compared to the regulatory requirement of 13%. In addition, the National Housing Bank



Directions also requires that your Company transfers minimum 20% of its annual profits to a Special Reserve fund, which the Company has duly complied.

6. Pradhan Mantri Awas Yojana (PMAY) Scheme of NHB:

The Government of India took a major step under ‘Housing for All scheme’ to ensure that people can own a house within their financial capability. Pradhan Mantri Awas Yojana (PMAY) Urban was launched with a broad vision of providing 2 crores dwelling units to EWS, LIG & MIG beneficiaries. The scheme was to be implemented in 20,073 statutory towns/centres as on March, 2020. Under this scheme, Credit Linked Subsidy of Rs. 2.67 Lakhs is to be given EWS/ LIG beneficiaries for a loan amount of Rs. 6 Lakhs & above and Rs. 2.35 to Rs. 2.30 lakhs to MIG I & MIG II beneficiaries for purchase/ construction of houses of specified carpet area.

This PMAY scheme was implemented through 4 verticals:-

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

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

(i) PMAY CLSS Subsidy claim and Disbursement Status as on 31st March, 2020

Your Company has also executed MOU for availing benefits under various Schemes of PMAY/ CLSS schemes and Rural Subsidy Scheme with National Housing Bank. During the year 2019-20, the Company has submitted from time to time the claim for subsidy to NHB under the PMAY scheme. The total subsidy received is as under:

ii) PMAY Claim Received during FY 2019-20

(Amount in crores)

Scheme Category	FY 2019-20		
	No. of Loans	Subsidy Amount	PF
EWS/LIG NEW	10707	232.21	3.21
EWG/LIG OLD	258	4.75	0.03
MIG I	150	2.78	0.03
MIG II	96	1.79	0.02
Grand Total	11,211	241.53	3.29



iii) Total PMAY Claim Received since Inception till 31st March, 2020 (Amount in crores)

Scheme Category	Since Inception till 31 st March, 2020		
	No. of Loans	Subsidy Amount	PF
EWS/LIG NEW	18,995	422.25	5.70
EWG/LIG OLD	2,031	31.30	0.18
MIG I	1,610	31.25	0.32
MIG II	103	1.93	0.02
Grand Total	22,739	486.73	6.22

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

iv) PMAY Claim Returned during FY2019-20: (Amount in crores)

Scheme Category	FY 2019-20		
	No. of Loans	Subsidy Amount	PF
EWS/LIG NEW	346	6.35	0.09
EWG/LIG OLD	12	0.12	0.00
MIG I	15	0.24	0.00
MIG II	23	0.44	0.00
Grand Total	396	7.15	0.09

v) Total PMAY Claim Returned since Inception till 31st March, 2020 (Amount in crores)

Scheme Category	Since Inception till 31 st March, 2020		
	No. of Loans	Subsidy Amount	PF
EWS/LIG NEW	983	19.86	0.28
EWG/LIG OLD	254	4.11	0.02
MIG I	115	2.08	0.02
MIG II	23	0.44	0.00
Grand Total	1,375	26.49	0.32

In Q4 for the year 2019-20 the Company has submitted following fresh claims for availing subsidy to NHB, the details of which are as follows:-



vi) PMAY Claim Submitted as on 31st March, 2020

(Amount in crores)

Category	No. of Loans	Subsidy Amount
EWS/LIG NEW	3,439	82.19
EWS/LIG OLD	112	2.46
MIG I	125	2.88
MIG II	55	1.27
Grand Total	3,731	88.80

7. Registrations with and approvals from other Regulatory Authorities:**(i) Information Utility:**

The NHB has come out with the policy circular No. NHB (ND)/DRS/Policy Circular No.87/2017-18 dated 6th February, 2018, advising the Housing Finance Companies to submit the financial information and information relating to assets in relation to which any security interest has been created, with the Information Utility (IU).

The Insolvency and Bankruptcy Code, 2016 consolidates the existing framework and creates a new institutional structure, by setting up of Information Utility Companies, which will store all the credit information of Corporates/entities/persons; The Certificate & data furnished by IUs are accepted by NCLT/DRTs as legal evidence.

An Information Utility is a professional organization (which is registered with Insolvency and Bankruptcy Board of India under Section 210 of IBC, 2016 as per the eligibility criteria prescribed) that will collect financial information related to borrowers accounts, get the same authenticated by other parties connected to the debt, i.e. borrower & store the same and provide access to various parties, i.e. Creditors and other stake holders, so that all stake holders can make decisions based on the same information.

Further, the information are collected, storage and disseminated in such a way that, if a borrower makes default in paying any loan to the lender, then status of default will be disseminated to other creditors on real time basis.

The Company has on 16th May, 2018, executed an Agreement with National E-Governance Services Limited (NeSL), Information Utility, registered with Insolvency and Bankruptcy Board of India (IBBI), the first Information Utility (IU), having registration number IBBI/IU/01.

Further the Company has also registered with NeSL and submitted the financial information of delinquent borrowers accounts, in the prescribed format.



(ii) Central Registry of Securitisation Asset Reconstruction and Security Interest (CERSAI):-

Your Company has duly registered with CERSAI Authority and has submitted various required information/documents and uploading of mortgages/charge creation with details of mortgage loans of all customers of the company on a timely basis.

(iii) Registration with Receivables Exchange of India Limited, Trade Receivables Discounting System (TReDS) :-

Ministry of Micro Small and Medium Enterprise has come out with a Notification No. S.O. 5621, dated November 2, 2018, directing the companies having turnover of more than Rs.500 Crores to register itself with the Trade Receivables Discounting System (TReDS) set-up by Reserve Bank of India. Further the Ministry of Corporate Affairs, vide its Notification No. S.O. 368(E), dated January 22, 2019, directed all companies who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed 45 days from the date of acceptance or the date of deemed acceptance of the goods or services to get itself registered with TReDS and file half yearly return to ROC for the same.

TReDS is the scheme for setting up and operating the institutional mechanism for facilitating the financing of trade receivables of MSMEs from corporate and other buyers, including Government Departments and Public Sector Undertakings (PSUs), through multiple financiers. During the year under review, the Company has got itself registered with Receivables Exchange of India Limited, i.e. Trade Receivables Discounting System (TReDS), in compliance with the aforesaid Notifications during the year.

(iv) Registration with BSE Bond platform :

The Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/DDHS/CIR/P/2018/05 dated January 5, 2018 (“SEBI EBP CIRCULAR”) read with “Updated Operational Guidelines for issuance of Securities on Private Placement basis through the Electronic Book Mechanism” issued by BSE vide their notice no..20180424-45 -dated April 24, 2018, (“BSE EBP GUIDELINES”), provided that, all issuance of Debt Securities of Rs. 200



crore or more on private placement basis to be made through Electronic Book Provider (EBP) Platform.

Your Company has on 20th February, 2020, duly registered itself on BSE Bond platform to avail the facility of EBP Platform to issue the Debt Securities/ Non-Convertible Debentures on private placement basis, as per the SEBI EBP CIRCULAR.

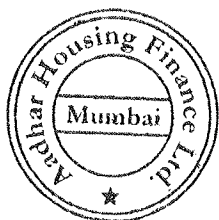
(v) Securities and Exchange Board of India (SEBI):

During the year under report, your company has complied with various provisions, regulations and guidelines prescribed by SEBI (LODR) Regulations, 2015 as amended from time to time i.e. Common Obligation & Chapter V- Obligations of entity which has listed its Non-Convertible Debt securities and other applicable common listing obligations. The Company is already registered with SEBI Scores portal and during the FY 2019-20 various queries/ complaints received from the NCD Holders were duly resolved within prescribed time-limit and also intimated to BSE as per the SEBI (LODR) Regulation 2015, on quarterly basis.

(vi) Insurance Regulatory and Development Authority of India (IRDAI):

The Company had submitted the documents for renewal of registration as the Corporate Agent (Composite- i.e. the Life Insurance and Non-Life Insurance) and obtained the registration certificate duly renewed on March 7, 2019 and this Certificate is effective from April 1, 2019 and valid upto March 31, 2022. During the FY 2019-20, the Company has complied with Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015, and has duly filed/ submitted various half yearly/ annual returns/reports/ registers, intimation of Branch opening/ closing, Directors Appointment/ Resignation within the prescribed time-limit. No Penalties/Fine was levied by the regulator during the year 2019-20. Various observations of IRDAI were satisfactorily complied and resolved and reported to the Board. Further, as per Insurance Business as per the IRDAI (Registration of Corporate Agents) Regulations, 2015, the Company has a Board approved Policy on Open Architecture for Insurance Business duly revised and approved by the Board at its meeting held in January, 2019.

The Company has also executed Corporate Agency Agreements with Pramerica Life Insurance Limited (Formerly known as DHFL Pramerica Life Insurance Company Limited), Navi General Insurance Limited (Formerly DHFL General Insurance Limited) and Cholamandalam MS General Insurance Company Limited.



(vii) **Trade Marks Registration for the Company:-**

During the year, the Company's Trade Mark registration applications for different logos with colour/word combination have been duly registered with Trade Marks Registry and the first Trade Mark of the company was registered in the year 2011. Thereafter, additional 12 different Logos in various languages were registered during the year under report, having a validity period of 10 years starting from 2018 till 2028 and these total 13 logos are listed on the website of the company, including previous one logo registered in the name of the Company.

(viii) **Legal Entity Identifier of the Company:-**

As per the RBI circular No. DBR. NO. BP.BC.92/21.04.048/2017/18 dated 2nd November, 2017, your Company had already registered with Legal Entity Identifier India Limited (wholly owned subsidiary of Clearing Corporation of India Limited) and has obtained the LEI code 335800JQMNJOX3W7LY96 vide e-mail dated 1st March, 2018 and the same is renewed with a validity period one year upto 1st March, 2021.

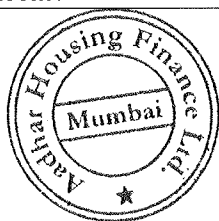
8.1. Financial summary and highlights of the Company:

Your Company takes pleasure in presenting the standalone and consolidated financials on the operational and business performance, along with the audited financial statements for the financial year ended March 31, 2020.

Financial summary and highlights of the Company are given as following :

(Rs in Crores)

Particulars	Standalone(Audited)		Consolidated(Audited)	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Total Income from Operations	1372.36	1,239.59	1388.46	1265.63
Less:				
Total Expenditures	1141.49	1,004.19	1157.55	1029.96
Profit before Taxes	230.87	235.40	230.91	235.67
Provision for Taxes	41.48	73.16	41.53	73.30
Profit after Taxes	189.39	162.24	189.38	162.37
Other comprehensive income	(0.90)	(0.39)	(0.81)	(0.34)
Total comprehensive income	188.49	161.85	188.57	162.03



Appropriations:				
Transfer to Special Reserve under NHB Act	38.51	32.45	38.51	32.45
Transfer to General Reserve	20.00	30.00	20.00	30.00
Transfer to Debenture redemption reserve	112.73	56.37	112.73	56.37
Equity dividend*	0.00	17.60	0.00	17.60
Dividend distribution tax*	0.00	3.62	0.00	3.62
Retained Profits	17.25	21.81	17.33	21.99
Balance at the beginning of the year	161.51	139.70	161.58	139.59
Balance at the end of the year	178.76	161.51	178.91	161.58
Earnings per share- Basic	58.56	64.51	58.56	64.56
Earnings per share- Diluted	58.29	64.06	58.28	64.11

Note: Consolidated financials include financials of wholly owned subsidiary Aadhar Sales and Services Private Limited.

** Dividend payment for the FY 2017-18 was paid in FY 2018-19.*

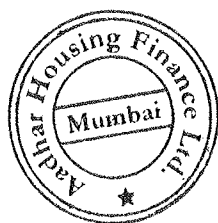
8.2. GNPA and ECL Provision (including additional provision for Covid-19):

a) GNPA :

Particulars	As at March 31, 2020	As at March 31, 2019
GNPA on AUM (%)	1.08%	1.02%
GNPA on Retail AUM (%)	0.82%	0.58%
GNPA on Own Book (%)	1.29%	1.23%
GNPA on Retail Own Book (%)	0.96%	0.69%

b) Your Company provides for Non-Performing Assets (NPAs), using the Expected Credit Loss Model prescribed under Ind AS 109.

c) Your Company's Gross loan assets is Rs 9,036.12 Crore as at March 31, 2020 (Rs 8,103.90 Crore as at March 31, 2019). Your Company is carrying an impairment allowance of Rs 127.09 Crore as at March 31, 2020- (Rs 78.31 Crore as March 31, 2019).



ECL provision coverage ratio on Stage 3 (NPA Assets) is 36% as at March 31, 2020 (33% as at March 31, 2019).

8.3 Additional provision due to Covid-19 Moratorium:

The Covid-19 pandemic has resulted in a significant decrease in the economic activities across the country, on account of Lockdown that was announced on 24 March 2020. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020 and the Board approved policy in this regard, the Company has offered moratorium to its customers. For all such accounts where the moratorium is granted, the asset classification will remain standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Company policy).

The Company has, based on current information available, estimated various scenario analysis and applied management overlays based on the policy approved by the board while arriving at the provision for impairment of financial assets which the management believes is adequate. The Company has performed an estimation of portfolio stress through analysing its portfolio in respect of various risk classification, using the available historical and current data and based on current indicators of future economic conditions. The said stress test has resulted in an additional impairment provision of Rs 49.51 Crore included in Rs 127.09 Crore of ECL provision as at March 31, 2020.

On May 22, 2020, the RBI has announced extension of the moratorium period by further three months. The extent to which Covid-19 pandemic will impact the Company's provision on financial assets will depend on future developments, which are highly uncertain. The impact of Covid-19 pandemic may be different from that estimated as at the date of approval of these Financial Results and the Company will continue to closely monitor any material changes to future economic conditions. The provision under Expected Credit Loss Model is higher than Income Recognition and Prudential Norms by Rs 26.67 crs.



8.4. Measures taken by the management for COVID19 preventive actions/Updates:

- a) From March 23, 2020 lockdown was imposed by government due to COVID-19 threat. Your Company was successfully able to operate as per its Business Continuity plan.
- Employees up to the level of branch manager and majority of head office employees, adequate staff from central processing units were capable of remote working (Work from Home) and supporting the business operations
 - Regular employees engagement through online trainings / daily calls and periodic customer engagement through tele-calling was ensured
 - Uninterrupted system availability was ensured
 - Necessary control were in place for cyber security and IS awareness training conduct to prevent cyber frauds and attacks
 - Focus towards company's digitization has been accelerated
 - Company has laid down standard operating procedures in line with government regulations for operating its branches and offices
 - Company has nominated & formed a committee "Covid Response Task Force" to closely track and respond on any incidence in the organization relating to pandemic

b) Update on Moratorium:

The Company has put in place a board approved policy and SOP for extending moratorium benefits, in line with RBIs notifications/circulars issued from time to time to all its customers whose cash flows are impacted due to current lockdown situation. Customer were guided / educated through SMSs, calling by call centres and branches staff and through other digital media on benefit and impact of moratorium so that informed decision can be taken by customer. Also necessary provisions have been made as per applicable accounting standards and regulations. Further details on the provisioning are covered in section on provisioning in this report.

8.5. Financial Ratios:

(a) The main Financial Ratios of the Company are;

	FY 2019-20	FY 2018-19
Basic Earning per share (EPS)	58.56	64.51
Capital to Risk Asset Ratio (CRAR)	51.42%	18.28%
Net Debt Equity Ratio (DE Ratio)	2.77	8.37
Net Owned Fund (NOF)	Rs. 2342.66 Crores *	Rs. 725.57 Crores

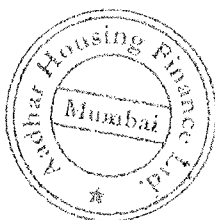
* If calculated as per previous GAAP (as done as at March 31, 2019), NOF is Rs 2149.34 Crores.



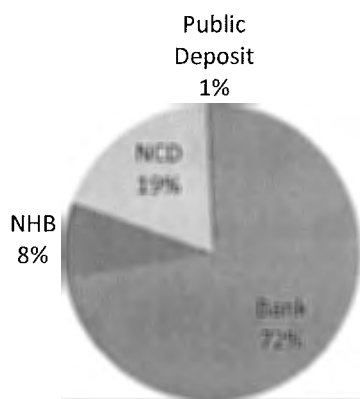
(b) Resource Mobilisation:

Your Company's Resource Planning Policy has been approved by the Board. The Company has obtained approval for borrowings vide special resolution passed by shareholders at their Annual General Meeting held on July 30, 2019, under Sections 42, 71, 180(1)(c) read with 181(1)(a) of the Companies Act, 2013 or other applicable provisions and authorised the Board of Directors to raise or borrow any sum or sums of money (including non-fund based facilities) by way of loan(s) in rupee currency and/or foreign currency from Banks and Financial Institution(s), Inter-Corporate Deposit(s) and/or securities comprising of Secured/Unsecured, Fully/ Partly paid-up, Convertible and/or Non-Convertible Debentures and/or Bonds and/or all other securities with or without detachable or non-detachable warrants and/or secured premium notes/bonds and/or fixed/floating rate notes/ bonds or pass through Certificate(s) of Mortgage Backed Securitized Assets or any other debt/money market instruments, Refinance from Banks/Regulators, Securitization of loans or instruments issued/to be issued by the Company in India or outside India, in one or more tranches, from time to time at their discretion, which together with the money already borrowed by the Company (apart from temporary loans, overdrafts obtained or to be obtained from the Company's Bankers in the ordinary course of business), may at any time, exceed the aggregate of the paid up share capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) provided that the total amount so borrowed, shall be up to an amount of Rs 20,000 Crores (Rupees twenty thousand crores) or upto 12 times of Net Owned Fund (NOF) of the Company or such reduced multiple as stipulated by NHB, whichever is lower as per provisions of RBI or National Housing Bank (NHB) Act/ NHB Directions(s)/Circulars & Notification/ Guidelines.

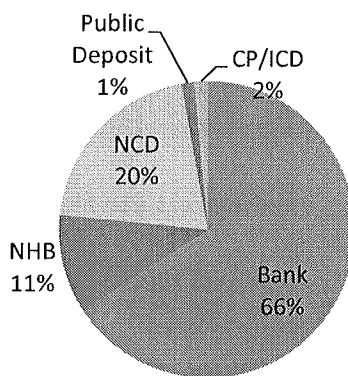
Your Company uses variety of funding sources to optimise funding costs, protect interest margins and maintain a diverse funding portfolio. Your Company continued to keep tight control over the cost of borrowings through negotiations with lenders and thus, raised resources at competitive rates from its lenders while ensuring proper asset liability match. Total borrowings as on 31st March, 2020 was Rs 9,643.34 Crores, as compared to Rs 8,194.97 Crores as at March 31, 2019.



(c) Borrowing Composition:



31-Mar-20



31-Mar-19

The Borrowings comprised of 72% from banks, 8% from National Housing Bank, 19% from Non-Convertible Debentures and 1% from Public deposits as at March 31, 2020. Your Company endeavours to gradually reduce its reliance on the borrowings from banks and diversify it to other sources depending upon opportunities available in the market. All the borrowings of the company are long term borrowings. Your company's business model has a good acceptability with its lenders that enabled it to raise funds aggregating to Rs 3,800 crores at competitive rates, even under the stringent market conditions that prevailed during the year, particularly for NBFCs/ HFC's.

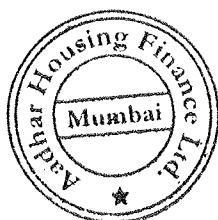
Another strategy adopted by the Company to keep a balanced ALM was to enter into strategic partnership with banks that are keen on good-quality assets and assign long-tenor receivables to them at mutually beneficial terms.

(d) Loans from Banks/Institutions:

As at March 31, 2020, your company had relationship with 30 banks. Your Company continued to leverage on its long term relationship with these banks and have raised additional term loans from banks to the extent of Rs. 3,300 crores during the year at competitive rates. Total borrowing from banks outstanding as at 31st March, 2020 aggregated to Rs 6,971 Crores.

(e) Refinance from National Housing Bank:

The NHB Refinance department has sanctioned Refinance facility to the company under various schemes for a term ranging from 5 years to 15 years repayment tenure.



During the year, your Company has been sanctioned with Refinance facility of Rs 600 crores from NHB including Rs 200 crores under the Liquidity Infusion Facility (LIFT) Scheme. As on 31st March, 2020 the outstanding balance on NHB Refinance amounts to Rs. 813.04 crores.

8.6. Borrowings through other Debt Instruments and Resource Mobilisation:-

(i) Secured Redeemable Non-Convertible Debentures (NCDs):

As at March 31, 2020 your Company's outstanding Secured NCDs issued under Initial Public Offer stood at 67,64,011 NCDs aggregating to Rs. 676.40 Crores, held by 8,436 NCD holders. The Company has created Debenture Redemption Reserve (DRR) on NCD issued under IPO, as per the applicable provisions of Companies Act, 2013 and NHB/RBI Directions. The amount transferred to DRR is disclosed in the Financial Statement for FY 2019-20. Your Company has duly paid the Principal/interest amounts due dates for the NCDs public issue and has duly intimated BSE Ltd./ Beacon Trusteeship Ltd.

During the year under review your Company raised Rs. 300 Crore by way of issue of 3,000 Senior, Secured, Listed, Rated, Redeemable, Non-Convertible Debentures (NCDs) of face value of Rs. 10 Lakhs each on 20th March 2020, by way of Electronic Bidding Mechanism through BSE Bond Platform, as per the provisions of Securities and Exchange Board of India ("SEBI") Circular SEBI/HO/DDHS/CIR/P/2018/05 dated January 5, 2018 and any amendments thereto ("SEBI EBP CIRCULAR") read with "Updated Operational Guidelines for Issuance Of Securities on Private Placement basis through the Electronic Book Mechanism" issued by BSE vide their notice no. 20180424-45 -dated April 24, 2018, and any amendments thereto.

As at March 31, 2020, your Company's outstanding secured NCDs under private placement were Rs.1044.40 Crs at Face Value. The Board also noted the reporting on shortfall in the percentage of borrowing through issuance of NCDs as required under SEBI Directions, due to adverse market conditions and the future planning by the management to increase the NCDs share in the total resource planning for future years, so that this gap in the NCD holding position can be increased & rectified.

Your Company has duly paid the interest & principal amount due on the NCDs private placement on time, without any delay/default and has duly intimated BSE Ltd./ Trustees about the payment of interest/ repayment of principal amount on due dates.



The Secured NCD's of your company are rated CARE AA (Stable) by CARE Ratings Ltd. and BWR AA (Stable) by Brickwork Ratings India Pvt. Ltd.

Further, as per SEBI (LODR) Regulation, 2015 & NHB Directions 2014 on NCDs issued on private placement basis, your company has made timely payment of NCDs interest and principal amount on the respective due dates and there is no delay/ default in payment/ repayment and there is no pending NCDs to be claimed by the Investors/ NCD holders.

Your Company, has duly received in-principle approval letter from BSE for the above mentioned new issuance of NCDs on private placement basis and has issued the same through BSE bond portal. Also the Company had listed the new NCDs and completed the allotment process within prescribed time-limit.

(ii) Unsecured Subordinated Non-Convertible Debentures

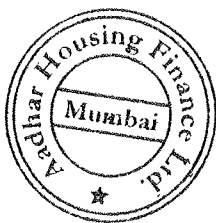
As at March 31, 2020, your Company's outstanding unsecured subordinated debts were Rs. 84 Crs. at Face Value. The debt is subordinated to present and future senior debt of your company. Your Company has duly paid the interest amount due on the aforesaid NCDs on time, and reported the same to BSE/SEBI and Trustees without any delay/default. The sub-ordinated debt is rated CARE AA- (Stable) by CARE Ratings Ltd. and BWR AA (Stable) by Brickworks Ratings India Pvt. Ltd.

(iii) Commercial Paper:

During the year, the company did not raise any funds through its Commercial Paper (CP) programme and there were no outstanding commercial papers as on March 31, 2020. The Commercial Paper program of your company is rated ICRA A1+ by ICRA Ltd vide its letter dated June 17, 2019 and CRISIL A1 by Credit Rating and Information Services of India Limited (CRISIL), by its letter dated June 20, 2019. There has been no delay/default in the interest & principal amount due on the Commercial papers.

(iv) Direct Assignment of Mortgage Pool Receivables:

The company has more than 95% of its loan book portfolio qualifying under the Priority Sector Lending (PSL) mortgage loan portfolio, as per the notification issued by RBI from time to time. During the year, your company has assigned receivables of its mortgage loan assets aggregating



to Rs 955 Crores, being investors' share. Total assigned pool outstanding as at March 31, 2020 was Rs 2,371 Crores.

(v) Security Coverage for the Borrowings:

The security details of the aforesaid secured borrowings made by the Company are mentioned at Note No. 15& 16 in the Notes to accounts forming part of the Audited Financial statements for the year ended March 31, 2020.

(vi) Credit Ratings:

The Credit ratings for various Borrowings/FD of the Company are given herein below :

Name of the Rating Agency	Rated Facility	Rating as on 31 st March 2019	Rating as on 31 st March 2020
CARE	Long Term Bank Facilities	CARE AA	CARE AA (stable)
CARE	Non-Convertible Debentures	CARE AA (Standalone)	CARE AA (stable)
CARE	Subordinated Debt	CARE AA -	CARE AA- (stable)
BRICKWORKS	Non-Convertible Debentures	BWR AA	BWR AA (stable)
BRICKWORKS	Subordinated Debt	BWR AA	BWR AA (stable)
CRISIL	Commercial Paper	CRISIL A1	CRISIL A1
CRISIL	Fixed Deposits	FA+	FA+ (Positive)
ICRA	Short Term Borrowings	ICRA A1+	ICRA A1+
INDIA RATINGS	Short Term Issuer Rating	N.A.	IND A1+

9. Investments:

The Investment Committee constituted by the Board of Directors as Executive Committee is responsible for approving investments in line with the policy and limits as set out by the Board. The investment policy is reviewed and revised in line with the market conditions and business requirements from time to time. The decision to buy and sell up to the approved limit is delegated by the Board to the Investment committee consisting of Company's senior executives. The investment function is carried out primarily to support the core business of housing finance to ensure adequate levels of liquidity.

Your company maintains sufficient liquidity for its business needs, repayment obligations and also to meet any contingency funding requirements. As at 31st March, 2020, your company had



liquidity buffers of Rs 2971 Crs in highly liquid assets. Further, surplus funds are also generated considering the time lag between raising of resources and its deployment. Such surplus funds are generally parked with highly liquid mutual funds and short-term deposits with banks. During the financial year 2019-20, your Company earned Rs 23.59 Crores by way of income from mutual funds & other operations and Rs. 77.90 Crores by way of interest on deposits placed with banks and from bonds.

10. Asset Liability Management Committee (ALCO):

The Asset Liability Management Committee (ALCO) lays down policies and quantitative limits that involve assessment of various types of risks and shifts in assets and liabilities to manage such risks. The Company has duly implemented the NHB’s Asset Liability Management (ALM) Guidelines applicable to HFCs.

The Board of Directors of the company has approved the ALM Policy & Framework and reviewed the same time to time. The ALCO Committee ensures that the liquidity and interest-rate risks are contained within the limits laid down by the NHB. As at March 31, 2020, your company had a strong asset-liability position with positive gaps across all the buckets.

11. Share Capital Structure:

Your Company’s capital structure as at March 31, 2020 is given in the below table;

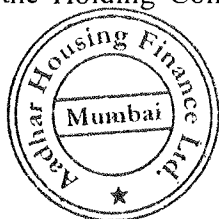
Share Capital	Amount in Rs. Lakhs
Authorized Share Capital (22,00,00,000 Equity Shares of Rs. 10 each)	22,000
Issued, Subscribed and Paid-up Share Capital (3,94,64,898 Equity Shares of Rs. 10 each)	3,946

11.1. Changes in Capital Structure and shareholding position:

(a) Change in authorised and paid-up Share Capital :

During the year under review, there was no change in the authorised share capital of the Company.

During the financial year 2019-20, the issued and paid-up share capital of the Company was increased from Rs. 2,515 Lakhs as on March 31, 2019, to Rs. 3,946 Lakh as on March 31, 2020, based on fresh allotment of 88,10,088 Equity shares on 11th June, 2019 under preferential issue basis to the Holding Company, BCP Topco VII Pte. Ltd., and additional issue of 55,06,338



shares under Right Issue basis on 26th March, 2020 to existing shareholders, including the Holding Company, BCP Topco VII & another shareholder, as per the approval given by the Board.

(b) The present shareholding pattern of the Holding company, BCP Topco VII Pte. Ltd. and other external shareholders during FY 2019-20, are as mentioned below:-

List of Shareholders & percentage of holding as on 31 st March, 2020			
Sr. No.	Name of Shareholders	No. of Equity Shares held	Percentage of shareholding
1	BCP Topco VII Pte. Ltd.	3,89,68,342	98.74%
2	ICICI Bank Ltd.	4,65,000	1.18%
3	IEPF Authority	11,300	0.03%
4	Other Resident Shareholders	20,256	0.05%
Total		3,94,64,898	100.00%

12. Efficient Collections / NPA Recovery Process:

The Company has established a robust collection process with a strong commitment to timely action. Robust internal process controls are set up whereby information on cheque bounces and returns are received real-time. The company is further streamlining this process through Collection mobilization to ensure unified approach and control on recovery. The field collection team keeps regular touch with borrowers to ensure high collection efficiency.

- Effective monitoring of all Standard accounts to capture early alert/signals and to recover overdue instalments.
- Voice messages are sent to delinquent customers for reminding the overdue.
- Persuasion with all NPA borrowers through personal contacts for recovery of overdue amount and to upgrade the account to standard category.
- PEHAL – Initiatives taken to encourage Customers to clear their overdue by inviting them to branch and counselling alone for paying the EMI.
- Various online payment options are provided to delinquent customers for fast and convenient payment of overdue.

The collection efforts got impetus with Government of India' Gazette of 18th Dec 2015 which gave the company a useful recovery tool, The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act).



- Initiating of the SARFAESI act to recovery on all NPA accounts, this has helped to upgrade a large number of accounts.
- The stringent recovery procedure and implementation of the provision of the SARFAESI Act for recovery of NPAs have helped the company to keep the NPA levels low.

(Rs. in crores except %)

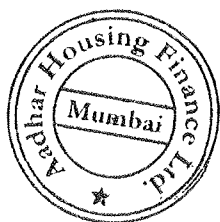
Particulars	As on 31 st March	
	2020	2019
Gross Non-Performing Assets	117	100.07
Net Non – Performing Assets *	69.86	62.83
% of Gross NPA to Total Loan Portfolio	1.29%	1.23%
% of Net NPA to Total Loan Portfolio *	0.78%	0.77%
% of Gross Retail NPA to Retail AUM	0.82%	0.58%
ECL Provision	127.09	78.31
% ECL Provision to Loan Book	1.41%	0.97%

* Previous years numbers are realigned with current year’s presentation as per Ind AS Figures.

13. Information Technology:

To support Company’s growth, improve operational efficiency and optimise costs through the use of technology your Company has been availing the support services from its erstwhile associated company, (Dewan Housing Finance Corporation Ltd.-DHFL) for maintaining business as usual through existing practices and processes towards the benefit of your Company. Your company is currently sharing IT resources at Data Centre and Data Recovery Centre with DHFL and is utilising IT Platforms/Systems/Applications namely “Synergy” enabling overall business capabilities. As a part of the transition of ownership during the year 2020-21, your Company plans has in process of implementing proven business application platforms with various digital solutions to improve efficiency and superior customer experiences. Your Company is in the Process of setting up new IT infrastructure to enable separation from shared infrastructure and it has been approved by the Board of Directors.

The amount payable for the next financial year 2020-21 to DHFL for the said IT system/services has been finalised through transition service agreement (TSA) as per the approval given by the Board and Audit Committee after considering all the relevant factors at arm’s length basis based-



on share purchase agreement. These expenses proposed were towards the system support and maintenance of IT platforms/ systems/applications (Synergy).

14. Appraisal and evaluation of mortgaged property:

Your company has finalised and implemented a number of state-wise Technical Policies and processes dealing with various properties mortgaged for various loans. These policies are based on the state government/ urban and local authorities, guidelines pertaining to residential properties.

The company has also empaneled the technical agencies at various locations for the valuation of property in addition to our own technical staff. The empanelment of these valuers is done on the basis of their experience, market report etc. through a pre-defined process.

Your company also approved the project of builders through a laid down process to facilitate branches and field team for financing flats in these buildings without repeatedly doing legal and technical evaluation.

15. Strong Credit Underwriting Evaluation & Framework :

The credit evaluation and credit portfolio management methodologies are designed to ensure consistent underwriting standards. Products are available considering need of target segment and market trend. The exposure limits of the products are gradually increased after critical review of performance of the product over a period of time. The risk management techniques and processes enable early identification of problematic loans. This includes early default analysis, product analysis and probability of default. The company works with data to leverage areas of opportunity in Highly Competitive industry scenario.

16. Efficient Process and Cost Optimization:

The company is constantly working towards enhancing efficiencies and eliminating wastages. Aadhar leverages technologies to speed up processes like central processing of salaried profile of customer's loan application and focus by optimizing resources. Besides, the company has put lot of emphasis on training across hierarchy in line with evolving customer aspiration. Our well



designed systems with proper checks and balances enable the credit approvals by the appropriate authority and complete digitalization of credit decision process without movement of physical files.

17. Sound Asset Quality Management:

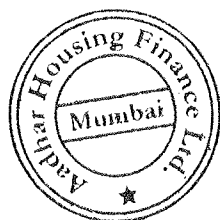
The company has a strong retail book with a large customer base of more than 1,61,000 customers. The underwriting skills and well-built system further reduce our risk. As the company sources majority of the customers through branches, it is able to maintain a high level of customer quality checks. The credit underwriting teams are well trained and verification processes are well aligned to the target customer segment in affordable housing industry. Each proposal passes through the maker and checker mechanism and credit decisions are taken as per a Board approved delegation of authority matrix to ensure proper transparency. The company has an in-house technical team to evaluate the properties to finance and ensure proper compliances and correct valuation of the security under mortgage.

18. Well defined Decision Making Process:

The operational architecture of the company is a well-balanced system of centralized and decentralized decision making process. The wide distribution network, coupled with insights of local customer needs has enabled the company to provide relevant financial products to the customers. Clearly defined credit authority to make decisions on loan amount, in house appraisals and technical evaluation, credit analysis in even at the smallest location is inbuilt in the structure and is meticulously monitored; bringing in accountability and responsibility at every level.

19. Risk Management Framework and Monitoring:

In line with RBI / NHB Regulations, the company has a Board approved Risk Management Policy and a Board Level committee, i.e. Risk Management Committee to oversee the Risk management function. RBI / NHB directed Housing Finance company with Assets of Rs. 5000 Crores and above to appoint Chief Risk Officer without any double hatting. In compliance to regulatory guidelines company has appointed a full time Chief Risk Officer (CRO) to oversee Enterprise risk and review, analyse, monitor and report to Risk Management Committee and Board of all significant risk areas. The objective of Risk management is as follows:



- A) To undertake businesses that are well understood and within acceptable risk appetite.
- B) To inculcate culture of informed decision-making by creating environment of taking calculated business risk to maximize business growth.
- C) To review exposure to various types of risks, risk appetite levels & other limits and take actions as required.
- D) To ensure that all significant risks are identified, analysed, measured, monitored and reported to the Board in a timely manner through its Risk Management Committee.

Your Company endeavours to develop a “risk aware” culture that encourages all staff to identify risks and associated opportunities and to respond to them with cost effective actions.

For the assurance of strong Risk governance framework, the company continuously monitors the processes and level of compliances through regular visit of Area level Managers, hind sighting of quick mortality cases and risk review meetings. The Company has also setup independent Fraud Control Unit (FCU) for real time screening of sanctioned files, keeping track of adverse trend in various locations and guidance to field team. This FCU team also verify & investigate the suspected Fraud cases & reporting of frauds to the Risk Committee and to the Regulators (NHB) on periodical basis as per the regulations applicable.

20. Internal Audit Control & Reporting:

The Company’s Internal Audit Department, headed by the Head - Internal Audit and supported by team of qualified Chartered Accountants, experienced internal auditors and functional experts. Risk based Internal audit plan is approved annually by Audit Committee and all significant findings of internal audit and action taken thereon are discussed in the Audit Committee of the board. Periodic branch audits, continuous concurrent audits and risk based process audits, Information systems and Information security audits are part of Internal audit annual plan. Company’s Internal Financial controls are reviewed for effectiveness and efficiency by internal audit.

21. Insurance Cover facilities:

Your Company has insured its various properties and facilities against the risk of fire, theft and other perils, etc. and has also obtained/renewed Directors’ and Officers’ Liability Insurance Policy, which covers the Company’s Directors and Officers (employees in managerial or



supervisory position) against the risk of financial loss including the expenses pertaining to defence cost and legal representation expenses arising in the normal course of business.

Moreover, your Company has obtained the Fire & other Perils Policy for its assets, the Protection against money in safe/transit policy to cover 'money in safe and till counter and money in transit' for the Company's branches and various offices. All the vehicles owned by the Company are also duly insured during the year under report.

Your Company also has in place a mediclaim policy for its employees and their dependent family members to cover against hospitalisation including for Covid19 treatment, group term life and group personal accident policies, which provide various benefits to all the employees & their family.

22. Marketing and Branding - Marketing and Communications :

(i) Highlights of the financial year - Marketing & communication:

- Executed low cost high impact Below the Line (BTL) activities targeted at the low income segment at branch locations : 730 Aadhar Parichay, 7300 canopy activities, 50 leaflet insertions activities, 49 builder meets/ Participation with branded stall (Event/ Festivals/ Exhibitions) which gathered more than 1.4 lakh enquiries.
- Aadhar's Digital presence and social media campaigns generated more than 5 lakh leads.
- Aadhar's social media handles now have more than 52,711 followers in total with 2,14,824 engagements this year.

(ii) Highlights of the financial year - Media Communications and Public Relations:

- Agenda driven media interviews with key publications like The Hindu Business Line, Podcast (Paisa Vaisa), Financial Express Online, Business World Online, Outlook Money, Banking Frontiers, Fin Biz, Realty +, etc helped us successfully build and maintain a steady flow of coverage.
- Efficiently conducted city media meets and quality authored articles CAT A publications like Dainik Bhaskar, Financial Express Online, Business Today Online, Outlook Money Online, Nanayam Vikatan, Malayala Manorama, Vyapar, Janmabhumi, 99acres.com, etc which ensured media presence in the months of no news.



- Aadhar is recognized as a key authority operating in the affordable housing sector and an esteemed home loan company, this was demonstrated with coverage received without any significant press release or any major news we have managed to achieve 271 clips, solely based on interviews, authored article and industry stories. Last FY we had press releases on NCD, management control change, regional media meets amounting to a total of 267 clips. Aadhar maintained a significant (30%) share of voice in public relations and media coverages amongst its key competitors.

(iii) Effective PR resulted in the following awards and recognitions during this FY :

- Certified as a ‘Great Place To Work’ by Great Place To Work Institute (India). This is a significant milestone for Team Aadhar as ‘The Great Place to Work Model’ is the world’s most researched, accepted and sustainable definition of a great workplace from an employee’s point of view. It is a comprehensive framework encompassing the overall employee experience ecosystem. Aadhar was declared as one of the top 25 best employers in the BFSI segment in India.
- Won for the 3rd year in a row at The Outlook Money Awards. Team Aadhar received the Silver award in the Affordable Housing category at the Outlook Money Conclave held in Mumbai on 27th Feb, 2020.
- Shri Deo Shankar Tripathi, MD & CEO, Aadhar Housing Finance received the ‘Top Most Influential BFSI Leaders’ award at the World BFSI Congress & Awards, in Mumbai on 14th Feb 2020.
- Shri Deo Shankar Tripathi, MD & CEO, Aadhar Housing Finance received ‘the NBFC Leadership Award 2020’ at the 8th NBFC 100 Tech Summit held in Mumbai by Banking & Finance Post and Elets on 23rd January 2020.
- The Aadhar Annual Report 2018-19 wins all India 3rd Prize in the PRSI National Awards 2019 at the 41st All India Public Relations Conference – Hyderabad
- ‘The Economic Times Best BFSI Brands 2019’ award at the India-UAE Strategic Conclave 2019 held in Dubai on 15th October, 2019.



23. Lending Operations:

The sanctions and disbursements of loans during the financial year under report is shown in the below table;

Financial Year	(Rs. in crores)		
	2019-20	2018-19	2017-18
Sanction	5,387	5,870	6,062
Disbursement	3,190	3,192	3,905

24. Fixed Deposits programme:

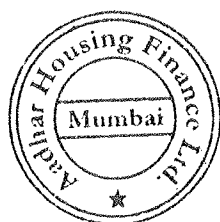
Your Company was among the selected housing finance companies earlier with permission to accept public deposits under Section 29A of the National Housing Bank Act, 1987. However, pursuant to the instructions/ directions issued by NHB as a condition for approval of the change in control & management of the company during the year, the company has stopped accepting any fresh or renewal of deposits from public from May, 2019. Your Company's FD programme has a rating from CRISIL and is rated, CRISIL FA+. As on March 31, 2020, your Company's outstanding Fixed Deposits including accrued interest (excluding unclaimed matured deposit) was amount to Rs.69.62 Crores. The Company is regular in payment of interest and maturity amount dues to depositors without any delay or default. The Company has maintained SLR security deposits with Government Bonds/Fixed Deposits of more than the stipulated by the Regulators for repayment of these deposits as and when required by the depositors.

As per para- 10 of National Housing Bank Direction, 2010, the details of Company's unclaimed matured public deposits accounts of depositors, after the date on which the deposit became matured & due for repayment and the total amount dues under such unclaimed/ unpaid accounts as on 31st March, 2020 are mentioned below and also the company had sent individual Regd. Post notices to each of the deposit holders before March, 2020.

For these unclaimed deposits, the Company does the following communications and follow up activities:-

- 1) Regd. Post letter dispatched to depositors & customers' communication address to intimate that deposits are matured and to return the FD certificate for making payment through NEFT/RTGS.
- 2) Also our branches contact the depositors or nominee or sourcing agent to submit FD certificates duly discharged and get the maturity payment.

In future, the Company will also start sending SMS communications to depositors, prior to 30 days of maturity and post maturity till the deposits are claimed for payment.



None of the below mentioned Unclaimed Deposits are pending for a period of more than seven years or more, except in the case of two deposit accounts of the unclaimed matured deposits amounting to Rs 1,37,135 and action has been taken to transfer/deposit this deposits maturity amount with interest to the IEPF Authority of Govt. as applicable:-

Sr. No.	Total No. of unclaimed/ outstanding Public Deposits Accounts	Total Amount (maturity amount)
1	1151	Rs. 3.30 Crores

Also pursuant to para- 17 of Housing Finance Companies (NHB) Directions, 2010 (NHB Directions), during the FY 2019-20, the Company had duly submitted with NHB the Statement in Lieu of Advertisement (SILA) on 2nd August, 2019, which was approved by the Board, further since the Company is not accepting any fresh deposits, there was no newspaper publication issued by the Company.

25. Unclaimed/ Unpaid Dividend:

During the financial year under review, your Company has transferred unclaimed final dividend of Rs. 12,300 for the Financial Year 2011-12, to the Investor Education and Protection Fund (IEPF) established by the Central Government after the expiry of seven years from the date of declaration remained in unclaimed dividend account after complying with regulations and issue of individual notice and newspaper publication before transfer to IEPF Authority and updated the same on the website of the Company.

26. Fair Practice Code, KYC norms, Anti Money Laundering standards and Policy for prevention, prohibition and Redressal of Sexual Harassment:

The company continued to ensure that Fair Practice Code, KYC Norms and Anti Money Laundering (AML) Standards as per the guidelines issued by the NHB/RBI from time to time are invariably adhered to and duly complied by the company. The Company has put in place, board approved robust KYC & AML policy for compliance by the branches. The revised KYC & AML policy was placed & approved by the Board of Directors at their meeting held on April 30, 2019. The Internal Auditors conducted audit of the branches to ensure adherence of these AML standards during the year under report.

The Company ensures prevention, prohibition and Redressal of Sexual Harassment complaints at workplace, as per the policy and procedure with the approval of Board pursuant to provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013



and has duly implemented the Board approved POSH (Prevention of Sexual Harassment at Workplace) Policy approved and adopted by the Board at its meeting held on 30th April, 2019, and there is a POSH Committee formulated with majority Women Employees for looking into any such complaints or reports obtained, they will do the inquiry and finally solve/ dispose-off the complaint and post that the report will be intimated to Board for their information and noting.

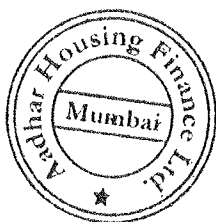
27. Internal Financial Control Measures/System:

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The internal control system is supported by an Internal Audit Department which is responsible for independently evaluating the adequacy and effectiveness of all internal controls, risk management, governance systems and processes and is manned by appropriately qualified personnel. The Internal Audit Department during the course of audit also ascertains the extent of adherence to regulatory guidelines, legal requirements and operational processes and provides timely feedback to the Management for corrective action. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board, which also reviews the adequacy and effectiveness of the internal controls in the Company.

The Company has put in place adequate policies and procedures to ensure that the system of internal financial control commensurate with the size and nature of the Company's business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with Company's policies.

28. Secretarial Audit Compliance:

The Board of Directors of the Company, at its meeting held on May 11, 2018, had appointed M/s Roy Jacob & Company, Company Secretaries, Mumbai, (having Membership Number – FCS 9017 and Certificate of Practice Number 8220) as Secretarial Auditor for FY 2018-19 & 2019-20, pursuant to section 204(1) of Companies Act, 2013. The Secretarial audit report for FY 2019-20 is annexed to this report.



29. Reporting on various Corporate Governance Regulations & Compliances under the Companies Act, 2013:

i) Filing the Annual Return as per section 134(3)(a):

During the year 2019-20, Annual General Meeting (AGM) for the financial year 2018-19 was duly held on 30th July, 2019, and Annual Return filing was done within prescribed time limit. Your Company has also filed FORM 'ACTIVE' with ROC, Bangalore, Karnataka on April 16, 2019 and duly approved by the ROC.

As provided under section 92(3) and 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return is annexed as **Annexure- I** to this Report in Form MGT-9 and also it is placed on the website of the Company at <https://aadharhousing.com/investor-relations/annual-reports-of-company.php>.

The Annual Return filed by the Company for FY 2018-19 to Registrar of Companies, Karnataka along with Extract of Annual Return in Form MGT-9 for FY 2019-20, are also available on the website of the Company, URL : www.aadharhousing.com under Investor Relations tab.

ii) Number of meetings of the Board & Committees under section 134(3)(b):

During the year under review the Board of Directors met periodically/as and when required to deliberate various issues, policy matters, take suitable decisions etc. The details of Board of Directors and their Meetings and also various other Board level Committees are furnished separately under the Corporate Governance Reporting mentioned under section 134(3)(i).

iii) Directors' Responsibility Statement under section 134(3)(c):

As required by section 134(3)(c) of the Companies Act, 2013, the Board of Directors states that.

- a) in the preparation of the Annual Financial Statements for the financial year ended 31st March, 2020, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2020 and of the profit or loss of the Company for that period;



- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the Annual Financial Statements on a going concern basis;
- e) the Directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

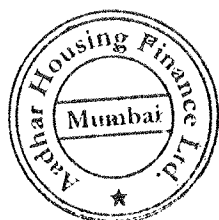
iv) Details of Fraud Reporting to NHB & as per provisions of section 134 (3) (ca), read with section 143 (12) of the Companies Act, 2013:

a) There were no material fraud cases detected and required to be reported during the year under review, as per the provisions of section 134 (3) (ca), read with section 143 (12) of the Companies Act, 2013 to the regulatory authorities.

b) However, the frauds of value involved for Rs. 1 Lakh & above and frauds committed by unscrupulous borrowers, detected, during the year under review, the Company has duly reported 29 fraud cases as per Circular(s)/ Guidelines, issued by National Housing Bank.

c) In terms of section **134(3)(d)**, your Board states that, the independent directors, have given a declaration under section 149(6) of the Companies act, 2013.

d) With regard to section **134(3)(e)** of the Companies Act, 2013, the Company has duly followed the Nomination (including Boards' Diversity), Remuneration & Evaluation Policy (NRE Policy), which, inter alia, lays down the approach to diversity of the Board, criteria for identifying the persons who are qualified to be appointed as Directors, Key Managerial Personnel (KMP) & Top Managerial Personnel of the Company, along with the criteria for determination of remuneration thereof and evaluation of Board of Directors/Committees (including Independent Directors) and KMPs/Top managerial personnel of the Company and includes other matters, as prescribed under the provisions of Section 178 of Companies Act, 2013. Further every year the Company obtains Independent Directors Declaration from respective Independent Directors as per



Companies Act, 2013 and during the FY 2019-20 as per NHB Corporate Governance Directions, SEBI (LODR), 2015 and Companies Act, 2013, the Company has obtained Fit & Proper declarations, Deed of Covenants and various other Declarations duly signed by all the Directors of the Company.

The said policy is available on the website of the Company, i.e. www.aadharhousing.com.

e) As per section **134(3)(f)** of the Companies Act, 2013, your management states that during the year under review and also during the previous year 2018-19, there were no adverse qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors & Secretarial Auditor of the Company, during the course of their audits, as per their Auditors' Report and Secretarial Audit Report respectively, hence there is no clarification required to be provided by the Company.

f) In terms of section **134(3)(g)** of the Companies Act, 2013, details of all loans, guarantees or investments, including that of made under section 186 of the Companies Act, 2013, are given in Financial Statements and Notes of Accounts, thereto, which is forming part of Annual Report. The Company being Housing Finance Company all other loans/ investments are in the ordinary course of business and there is no other loan with Related Party or outsiders or relatives of Directors of the Company, during the year under review.

v) Particulars of transactions with related parties under section 134(3)(h) and section 188:

The Transactions with related parties are entered as per the Related Party Transaction Policy of the Company, pursuant to provisions of section 188 of the Companies Act, 2013, read with the rules made thereunder, after taking necessary approval of Shareholders & Board of Directors.

Prior approval of the Audit Committee had been obtained by the Company before entering into any material related party transaction as per the applicable provisions of Companies Act, 2013. A quarterly update is also given to the Audit committee and the Board of Directors on the Related Party Transactions undertaken by the Company for their review and consideration.

The details with respect to the related party transactions are mentioned in the notes to the audited financial statements for the financial year ended March 31, 2020.

The Policy on Related Party Transactions is approved by the Board. None of the Directors have any pecuniary relationships or transactions vis-à-vis with the Company.



The disclosure of material related party transaction as per Section 188 of the Companies Act, 2013 read with rule 15 of Companies (Meeting of Board and its Power) Rules, 2014 as amended from time to time was reported as required in the prescribed Form AOC – 2 and enclosed herewith.

Pursuant to Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016, the Related Party Transaction Policy of the Company is available on the website of the Company at URL <https://aadharhousing.com/pdf/related-party-transactions-policy.pdf>

Post the Secondary transaction on June 10, 2019 the Dewan Housing Finance Corporation Ltd/Wadhawan Group were ceased to be promoter/ related party with the Company or associate concern with the Company.

vi) Meetings related Corporate Governance Reporting :

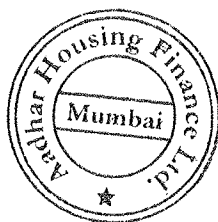
Since the Specified Securities - Shares of the Company are not listed, the detailed corporate governance reporting is not mandatory. However, the company is making voluntary disclosures about various disclosures to fulfil its obligations to stake-holders and members as given below:-

The company is being managed by the Board of Directors duly assisted & supervised by the Audit Committee, Assets & Liabilities Management Committee, Management Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee, IT Strategy Committee & other committees from time to time. On 1st April, 2020, Mr. V Sridar has submitted his resignation from the Board and it was accepted by the Board with a deep gratitude & appreciation placed on record for his valuable contributions & guidance given to the Board/Management during his tenure as a Director of the Company.

A brief note about the Board and other Board level Committees are furnished below:-

vii) Composition of Board of Directors:

The Board is headed by Mr. O P Bhatt, Independent Director & Non-Executive Chairman and other Directors on the Board are experts from various fields like housing finance/Banking sector, corporate affairs and Government Organisations/Departments etc. During the financial year 2019-20, there was some changes occurred in the Board and the Board of Directors met **9 (nine) times** and the composition of the Board along with attendance details of Board Meeting is given hereunder :



Name of the Director	Date of Board Meetings held and attended									No. of Meetings Attended
	25-04-2019	30-04-2019	11-06-2019	04-07-2019	02-08-2019	21-10-2019	17-12-2019	18-02-2020	05-03-2020	
Mr. O P Bhatt, Chairman@	-	-	-	-	-	Yes	Yes	Yes	Yes	4
Mr. V. Sridar, Independent Director *	Yes	Yes	-	Yes (Through VC)	Yes	Yes	Yes	Yes	Yes	8
Dr. Nivedita Haran, Independent Director	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	-	7
Mr. Amit Dixit, Non-Executive Director (Nominee)	-	-	-	-	Yes*** (Special Invitee)	Yes	-	Yes	-	3
Mr. Mukesh Mehta, Non-Executive Director (Nominee)	-	-	-	-	Yes*** (Special Invitee)	Yes	Yes	Yes	Yes	5
Mr. Neeraj Mohan, Non-Executive Director (Nominee)	-	-	-	-	Yes*** (Special Invitee)	Yes	Yes	Yes	Yes	5
Mr. Deo Shankar Tripathi Managing Director & CEO	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	9
Mr. Kapil Wadhawan, Chairman**	-	-	-	-	-	-	-	-	-	-
Mr. G. P. Kohli, Independent Director **	Yes	Yes	-	-	-	-	-	-	-	2
Mr. Suresh Mahalingam Director **	Yes	Yes	-	-	-	-	-	-	-	2

Note:-

1. @Mr. O P Bhatt, Independent Director & Non-Executive Chairman was appointed w.e.f. 13th September, 2019 and approval of shareholders obtained on 15th October, 2019.
2. * Mr. V. Sridar has resigned from the Board of Company with effect from 1st April, 2020.



3. ** Mr. Kapil Wadhawan, Mr. G.P Kohli and Mr. Suresh Mahalingam had resigned from the Board of Directors on June 10, 2019, and Company had filed necessary Forms and intimated various regulators for the same.

4. *** Mr. Amit Dixit, Mr. Mukesh Mehta and Mr. Neeraj Mohan were special invitees at the meeting held on 2nd August, 2019 and were appointed as Additional Directors in the same meeting and their appointment as Non-Executive Director (Nominee) was regularized with the approval of Shareholders w.e.f. 15th October, 2019.

viii) **Composition of Audit Committee:**

As per provisions of section 177 of the Companies Act, 2013 and NHB Directions, Company has constituted the Audit Committee of Directors. At the beginning of the year the Committee consisted of Mr. V. Sridar, Independent Director as the Chairman of the committee and Dr. Nivedita Haran, Mr. Mukesh Mehta as members, as on 31st March, 2020. During the FY 2019-20- the Audit Committee was re-constituted by the Board during the FY 2019-20 due to resignation of Mr. Kapil Wadhawan and Mr. G.P. Kohli, post change in Management & Control w.e.f. June 10, 2019. During the financial year 2019-20, the Audit Committee met **6 (Six) times**. The Committee makes suitable recommendation to the Board from time to time after careful consideration of matters related to finance, accounts, inspection, audits, etc.

Details of Audit Committee meetings held during the FY 2019-20 is given hereunder;

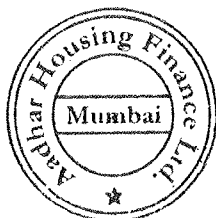
Name of the Members	Date of Audit Committee Meetings held and attended						No. of Meetings Attended
	25-04-2019	30-04-2019	02-08-2019	21-10-2019	17-12-2019	18-02-2020	
Mr. V. Sridar, Chairman *	Yes	Yes	Yes	Yes	Yes	Yes	6
Dr. Nivedita Haran, Member	Yes	Yes	Yes	-	Yes	Yes	5
Mr. Mukesh Mehta, Member **	-	-	-	Yes	Yes	Yes	3
Mr. Kapil Wadhawan, Member***	-	-	-	-	-	-	-
Mr. G. P. Kohli, Member ***	Yes	Yes	-	-	-	-	2

Note:-

1. * Mr. V. Sridar, was selected as Chairman of the Committee, by the Board at its meeting held on 4th July, 2019 and he has resigned from the Company with effect from 1st April, 2020 and the Board has appointed Mr. O P Bhatt as member of the Committee.

2. ** Mr. Mukesh Mehta, was Special invitee at the meeting held on 2nd August, 2019 and represented BCP Topco VII Pte. Ltd./Holding Company and he was appointed as an Additional Director & also became the member of Audit Committee at the same Board Meeting.

3. *** Mr. Kapil Wadhawan and Mr. G.P Kohli have ceased to be Members of Audit Committee due to their resignation from the Board of Directors of the Company w.e.f. June 10, 2019, because of change in control and management of the Company and Company had filed necessary e-forms to ROC and intimated various regulators for the same.



ix) Composition of Asset Liability Management Committee (ALCO)-

The Company has reconstituted the Asset Liability Management Committee (ALCO) which consists of Mr. V Sridar, Independent Director, as Chairman, Mr. Mukesh Mehta and Mr. Neeraj Mohan, Non-Executive Directors, are Members of Committee, as on 31st March, 2020 and the CFO & IT Head are special invitees for these meetings. During the year, **total 4 (four) ALCO** meetings were held in the year, which were attended by following members:

Name of the Members	Date of ALCO Meetings held & attended				No. of Meetings Attended
	30-04-2019	02-08-2019	21-10-2019	18-02-2020	
Mr. V. Sridar, Chairman *	Yes	Yes	Yes	Yes	4
Dr. Nivedita Haran, Member **	-	Yes	-	-	1
Mr. Mukesh Mehta, Member***	-	-	Yes	Yes	2
Mr. Neeraj Mohan, Member***	-	-	Yes	Yes	2
Mr. Deo Shankar Tripathi, Member #	Yes	Yes	-	-	2
Mr. G. P. Kohli, Member ##	Yes	-	-	-	1

Note:-

1. * Mr. V. Sridar, was selected as Chairman of the Committee, by the Board at its meeting held on 4th July, 2019 . Further he has resigned from the Company with effect from 1st April, 2020 and the Board has appointed Mr. O P Bhatt as member of the Committee.
2. ** Dr. Nivedita Haran, became the member of the Committee, as decided by the Board at the meeting held on 4th July, 2019.
3. *** Mr. Mukesh Mehta and Mr Neeraj Mohan, were Special invitees at the ALCO meeting held on 2nd August, 2019 and represented BCP Topco VII Pte. Ltd. Further they were appointed as Additional Directors at the Board meeting held on 2nd August, 2019 and also became the member of ALCO Committee as decided by the Board at the same meeting.
4. # Mr. Deo Shankar Tripathi, became the Member of the Committee, as decided by the Board at its meeting held on 4th July, 2019.
5. ## Mr. G.P Kohli had resigned from the Board of Directors of the Company with effect from 10th June, 2019, due to change in control and management of the Company.

x) Composition of Management Committee (MC):

The Company has formed & re-constituted the Management Committee of Directors, which consists of Mr. Neeraj Mohan, Non-Executive Director as the Chairman and Mr. Mukesh Mehta, Non-Executive Director and Mr. Deo Shankar Tripathi, Managing Director & CEO are the Members of the Committee as on 31st March, 2020. During the financial year 2019-20, various Circular resolutions were passed by Management Committee duly approved by the Majority of Directors, being Members/Chairman of the Committee and reported in the Board meetings held on quarterly basis.



xi) Composition of Nomination & Remuneration Committee (NRC):

The reconstitution of Nomination and Remuneration Committee was done is in compliance with the requirements of provisions of Section 178 of the Companies Act, 2013 which consist of Mr. Amit Dixit, Non-Executive Director, as Chairman, Mr. V Sridar, Independent Director, Dr. Nivedita Haran, Independent Director and Mr. Mukesh Mehta, Non-Executive Director, are Members of the NRC Committee as on 31st March, 2020.

During the year under report, total **6 (six) NRC committee** meetings were held as under:-

Name of the Members	Date of NRC Meetings held & attended						No. of Meetings Attended
	25-04-2019	02-08-2019	21-10-2019	17-12-2019	18-02-2020	05-03-2020	
Mr. Amit Dixit, Chairman *	-	-	Yes	-	Yes	-	2
Mr. V. Sridar, Member **	Yes	Yes	Yes	Yes	Yes	Yes	6
Dr. Nivedita Haran, Member	Yes	Yes	-	Yes	Yes	-	4
Mr. Mukesh Mehta, Member***	-	-	Yes	Yes	Yes	Yes	4
Mr. G. P. Kohli, Member ##	Yes	-	-	-	-	-	1

Note:-

1. * Mr. Amit Dixit, was Special invitee at the NRC Meeting held on 2nd August, 2019. Further he was appointed as Director of the Company by the Board at its meeting held on 2nd August, 2019 and also the NRC Committee was reconstituted by the Board at the same meeting and Mr. Amit Dixit, was selected as the Chairman of NRC.
2. ** Mr. V. Sridar, was the Chairman of the Committee, as decided by the Board at the meeting held on 4th July, 2019 and the Committee was reconstituted at Board meeting held on 2nd August, 2019 and he became the member of the Committee. Further he has resigned from the Company with effect from 1st April, 2020 and the Board has appointed Mr. O P Bhatt as member of the Committee in this vacancy.
3. *** Mr. Mukesh Mehta was Special invitee at the Committee meeting held on 2nd August, 2019. Further he was appointed as Director at the Board meeting held on 2nd August, 2019 and also became the member of NRC as decided by the Board at the same meeting.
4. ## Mr. G.P Kohli had resigned from the Board of Directors of the Company on 10th June, 2019, due to change in control and management of the Company.

xii) Composition of Corporate Social Responsibility Committee (CSR):

As per section 135 of the Companies Act, 2013 the Company had duly constituted CSR Committee and during the year under review 1 (One) Meeting of CSR Committee was held on 24th April, 2019, attended by Mr. V Sridar, Independent Director as Chairman, Mr. G.P. Kohli, Independent Director and Mr. Suresh Mahalingam, Non-Executive Director, are Members of the Committee (prior to change in management). Further, during the year the CSR Committee was reconstituted due to change in Management and control of the Company and as on date, the Committee consists of Dr. Nivedita Haran, Independent Director, as Chairperson of the Committee, Mr. Deo Shankar Tripathi, Managing



Director & CEO and Mr. Neeraj Mohan, Non-Executive Director, as Members of the Committee, as on 31st March 2020.

xiii) Composition of Stakeholders Relationship Committee (SRC):

As per section 178(5) of the Companies Act, 2013, your Company has duly reconstituted Stakeholders Relationship Committee, which consists of Mr. V Sridar, Independent Director as Chairman, Dr. Nivedita Haran, Independent Director, Mr. Neeraj Mohan, Non-Executive Director and Mr. Deo Shankar Tripathi, Managing Director and CEO of the Company are Members of the Committee, as on 31st March, 2020. During the financial year 2019-20, 1 (One) Stakeholders Relationship Committee Meeting was held on 26th March, 2020, through video conference facility, which was attended by Dr. Nivedita Haran, Mr. Neeraj Mohan and Mr. Deo Shankar Tripathi.

xiv) Composition of Risk Management Committee :

The Company has duly reconstituted Risk Management Committee, which consists of Mr. Mukesh Mehta, Non-Executive Director, as Chairman, Mr. V Sridar, Independent Director and Mr. Neeraj Mohan, Non-Executive Director as Members of the Committee, as on 31st March, 2020. During the year under report, **total 4 (four)** committee meetings were held as under:-

Name of the Member	Date of Risk Management Committee Meeting held & attended				No. of Meetings
	24/04/2019	02/08/2019	21/10/2019	18/02/2020	
Mr. G.P Kohli	Yes	#-	#-	#-	1
Mr. Suresh Mahalingam	Yes	#-	#-	#-	1
Mr. V Sridar**	Yes	Yes	Yes	Yes	4
Dr. Nivedita Haran	-	Yes	-	-	1
Mr. Deo Shankar Tripathi ^{##} (Attended as an invitee)	^{##}	^{##}	^{##}	^{##}	--
Mr. Mukesh Mehta	-	*Yes (Special Invitee)	Yes	Yes	3
Mr. Neeraj Mohan	-	*Yes (Special Invitee)	Yes	Yes	3

Note:-

1. #Mr. G.P Kohli & Mr. Suresh Mahalingam have resigned from the Board of Directors of the Company w.e.f. 10th June, 2019, due to change in control and management of the Company.
2. ^{##}Mr. Deo Shankar Tripathi has attended the Risk Management Committee meetings, as an Invitee.
3. ** Mr. V. Sridar, was a member of the Committee, as decided by the Board and the Committee was reconstituted at Board meeting held on 2nd August, 2019. Further he has resigned from the Company with effect from 1st April, 2020 and the Board has appointed Mr. O P Bhatt as member of



this Committee.

4. * Mr. Mukesh Mehta & Mr. Neeraj Mohan were Special invitees at the Committee meeting held on 2nd August, 2019. Further they were appointed as Director at the Board meeting held on 2nd August, 2019 and also became the member of Risk Management Committee as decided by the Board at the same meeting

xv) Composition of Investment Committee:

The Company has duly reconstituted Investment Committee, which consists of Mr Neeraj Mohan, Non-Executive Director, as Chairman, Mr. Mukesh Mehta, Non-Executive Director, Member and Mr. Deo Shankar Tripathi, Managing Director & CEO are members of the Committee as on 31st March, 2020.

During the year under report, total **4 (four) committee** meetings were held as under:-

Name of the Member	Date of Investment Committee Meeting held & attended				No. of Meetings
	30/04/2019	02/08/2019	21/10/2019	18/02/2020	
Mr. V Sridar	-	Yes	-	-	1
Mr. Deo Shankar Tripathi	Yes	Yes	Yes	Yes	4
Mr. G. P. Kohli	Yes	-	-	-	1
Mr. Neeraj Mohan	-	[#] Yes (Special Invitee)	Yes	Yes	3
Mr. Mukesh Mehta	-	[#] Yes (Special Invitee)	Yes	Yes	3

Note:

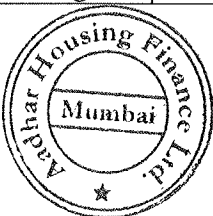
[#]Mr. Mukesh Mehta & Mr. Neeraj Mohan were Special invitees at the Committee meeting held on 2nd August, 2019. Further they were appointed as Director at the Board meeting held on 2nd August, 2019 and also became the member of Investment Committee as decided by the Board at the same meeting.

xvi) Composition of Share Allotment & Transfer Committee :

The Company has earlier formed the Share Allotment and Transfer Committee. This committee was reconstituted and consists of Mr. V Sridar, Independent Director, as Chairman, Dr. Nivedita Haran, Independent Director and Mr. Deo Shankar Tripathi, Managing Director & CEO, are the Members of the Committee, as on 31st March, 2020.

During the financial year 2019-20, total **5 (five) meetings** were held as under:-

Name of the Member	Date of Share Allotment & Transfer Committee Meeting held & attended					No. of Meetings
	03/06/2019	04/07/2019	15/07/2019	02/08/2019	20/09/2019	
Mr. V Sridar	-	-	-	-	-	-
*Dr. Nivedita Haran	-	Yes	Yes	Yes	Yes	4
Mr. Deo Shankar Tripathi	Yes	Yes	Yes	Yes	Yes	5
**Mr. Suresh Mahalingam	Yes	-	-	-	-	1



Note:

1. *Dr. Nivedita Haran, became the member of the Committee, as decided by the Board at the meeting held on 4th July, 2019.
2. **Mr. Suresh Mahalingam has resigned from the Board of Directors of the Company on 10th June, 2019, due to change in control and management of the Company.

xvii) Composition of IT Strategy Committee:

The Company has duly reconstituted IT Strategy Committee as per the NHB guidelines/Directions, which consists of Mr. V Sridar, Independent Director, as Chairman, Mr. Neeraj Mohan, Non-Executive Director, Mr. Deo Shankar Tripathi, Managing Director & CEO, are members and Mr. Rishi Anand, Chief Business Officer, Mr. Ravinder Singh Beniwal, Chief Operating Officer and Mr. Sharad Jambukar, IT-Head of the Company are Invitees of the said committee, as on 31st March, 2020. Further, during the period under review 1(one) meeting of IT Strategy Committee was held on 12th December, 2019 which was attended by Members of the Committee as aforesaid.

xviii) Wilful Defaulter Review Committee:

The Company has duly reconstituted Wilful Defaulter Review Committee, as per NHB Guidelines/Directions, which consists of Mr. V Sridar, Independent Director, as the Chairman, Mr. Neeraj Mohan, Non-Executive Director, Dr. Nivedita Haran, Independent Director & Mr. Deo Tripathi, MD & CEO are Members of the Committee, as on 31st March, 2020. During the period under review, one meeting of Wilful Defaulter Review Committee was held on 26th March, 2020 which was attended by Dr. Nivedita Haran and Mr. Neeraj Mohan.

xix) Transfer of profits to Reserves:-

In terms of section 134(3)(j) of the Companies Act, 2013, Company has transferred Rs. 20 Crores to General Reserve, Rs. 112.73 Crores to Debenture Redemption Reserve and a sum of Rs. 38.51 Crores to the Special Reserves under Section 29C of National Housing Bank Act, 1987 and Section 36(1)(viii) of the Income Tax Act, 1961, in addition to other provisions created during the year under report as per the audited financials submitted to the Board.

Material changes and commitments in terms of section 134(3)(l) of the Companies Act, 2013 are as given at the beginning of this Report & Financial statements circulated to the members.

xx) There was no dividend recommended or declared during the year under report.



xxi) Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report, in terms of Section 134(3)(l) :-

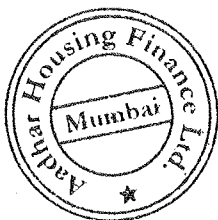
The Government of India imposed Nation-wide Lockdown from 25th March, 2020 onwards due to the COVID-19 pandemic, which has affected the Business operations, including the log-in /disbursement & financial position of the Company, from 4th quarter onwards.

The Company has taken various appropriate measures to control this pandemic, including closure of offices/ branches during the lockdown period and allowed the employees to work from home, as directed by the Government.

The Company has, based on current information available, estimated various scenario analysis and applied management overlays based on the policy approved by the board while arriving at the provision for impairment of financial assets which the management believes is adequate. Given the uncertainty over the closure of the aforesaid lockdown and the potential macro-economic impact, the Company's management has considered internal and external information upto the date of approval of these Financial Results. The Company has performed an estimation of portfolio stress through analysing its portfolio in respect of various risk classification, using the available historical and current data and based on current indicators of future economic conditions. The said stress test has resulted in an additional impairment provision of Rs 4,951 Lakh. Pursuant to the announcement by RBI on 27th March your company has granted moratorium to eligible customers in accordance with Board approved policy. The company, however, did not opt for any moratorium from the lenders and it continues to service the obligations as per contractual terms

The impact of Covid-19 pandemic may be different from that estimated as at the date of approval of these Financial Statements and the Company will continue to closely monitor any material changes to future economic conditions.

xxii) Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo in terms of Section 134(3)(m):



➤ **Conservation of Energy**

Your company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However, we always take adequate measures to ensure optimum utilization and maximum possible saving of energy. The company has also implemented process to install all the energy saving devices in the branches such as Energy savers for ACs, PLC, LED Light, 5 Star Inverter ACs, etc. which runs on very nominal energy with high impact.

➤ **Technology Upgradation:**

In terms of Rule 8(3) B of the Companies (Accounts) Rules, 2014, the latest Technology up gradation measures adopted by the company, had helped to efficiently manage inter-connectivity and system based loan processing and accounting facilities at various levels of the organisation and improve efficiency by using the current platform “Synergy”. New system evaluation has been completed. The Company is in process of implementing new IT infrastructure and new business application platform with various digital solutions to improve efficiency and customer superior experiences. The company has appointed M/s Tata Consultancy Service Ltd as implementation partner.

In terms of Rule 8(3) C of the Companies (Accounts) Rules, 2014, Foreign exchange earnings and outgo etc. and other provisions of reporting as per the provisions of the Companies Act, 2013 are given below as applicable to the company during the year under report.

Particulars	As at 31 st March, 2020	As at 31 st March, 2019
	Amount in Rs. (in lakhs)	Amount in Rs. (in lakhs)
Foreign business travel	2	0*
Total	2	0*

*Amount less than Rs. 50,000

xxiii) Risk Management under Section - 134(3)(n) :

Risk Management is an integral part of the Company’s business strategy. The Risk Management oversight structure includes Committee of the Board and Senior Management Committee. The Risk Management process is governed by the Comprehensive Risk Management Framework which lays down guidelines for Risk identification, assessment and monitoring as an on-going process that is supported by a robust risk reporting framework. Risk Management Framework of the Company covers Credit Risk, Market Risk & Operational Risk. The Risk Management Committee of the Board is set up to assist the Board in its oversight of various risks, review of



compliance with risk policies, monitoring of risk tolerance limits, review and analyse the risk exposures related to specific issues and provides oversight of risk across the organization.

The Company has also implemented various policies such as - Collection and Recovery Policy, Risk Management Policy, Legal Policy, Technical Policy, IT Policy etc. as per the various provisions of the NHB/other Regulators and internal control procedures have been adopted by the Company for effective utilization of the resources.

xxiv) Corporate Social Responsibility under Section - 134(3)(o):

The Corporate Social Responsibility (CSR), under section 135(1) of the Companies Act, 2013 is applicable to the company during the year under report. Your company has in place, Corporate Social Responsibility Policy, as per the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014, which lays down the guidelines and mechanism for undertaking socially useful projects for welfare and sustainable development of the community at large. According to the provisions of the section the Corporate Social Responsibility Committee was formed by the company. The annual report on CSR activities is annexed separately to this report. The total amount of CSR contribution and payment details are given in Annexure to this Board's Report.

The amended CSR Policy is available on the website of the Company, i.e. www.aadharhousing.com.

xxv) Formal Annual Evaluation of the Board, its Committees and of individual directors under section 134(3)(p) and rule 8(4) of the Companies (Accounts) Rules, 2014:

Pursuant to the provisions of the Companies Act, 2013 and its Rules, an annual evaluation of the performance of the Board, its Committees and of Individual Directors, were carried out during the year. The details of evaluation process as carried out and the evaluation criteria have been explained in the Corporate Governance Report, forming part of this Annual Report. Also the Nomination and Remuneration Committee has evaluated the Directors/ KMPs at the time of their appointment.

xxvi) Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year, in terms of rule 8 (5) (iia) of Companies (Accounts) Amendment Rules, 2019 :-

The Independent Directors are selected as per the applicable provisions of Companies Act, 2013, NHB Directions and Housing Finance Companies – Corporate Governance (National Housing



Bank), Directions, 2016 based upon the qualification, expertise, track record, integrity and other “fit and proper” criteria and Company obtains the necessary information and declaration from the Directors. All the Independent Directors of the Company have strong academic background and having long stint experience with renowned Government and private Organisations/Corporates. Further, during the year under review one of the Independent Director has duly registered himself in the data bank, as per provisions of section 150 of the Companies Act, 2013 read with the rules made thereunder and rest of the Independent Directors will complete their registration with data bank within the time line prescribed under section 150(1) of the Companies Act, 2013 read with rule 6 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019. The integrity/ expertise/ of the Directors have been evaluated by the Board and NRC at the time of appointment and every year evaluated at the respective meetings.

xxvii) Vigil Mechanism / Whistle Blower Policy:

In terms of section 177(9) of the Companies Act, 2013 and Rule 7 Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors has put in place a Vigil Mechanism and adopted a Whistle Blower Policy to provide for adequate safeguards against victimization of employees and directors who may avail of the vigil mechanism/ whistle blower, by directly sending mail to the Chairman of the Audit Committee.

These provisions are already circulated to the employees through the intra-net. Hence, the company has complied with the provisions of the Act and NHB Directions.

During the year Whistle Blower Policy & Fair Practice Code (FPC) Policy of the Company have been duly amended/modified by the Board of Directors, at their meeting held on April 30, 2019, as per NHB circulars & notifications .

xxviii) Investments, loans and guarantees given by the Company:

Your Board further states that during the year under report, your company did not make any major investment in other companies, bodies corporate, provided loans and given guarantees, etc. above the limits prescribed under section 185, 186 and 187 of the Companies Act, 2013, read with Companies (Meetings of Board and its Powers) Rules, 2014, as applicable to the company.



Details of Investments made, loans and guarantees given by the Company are disclosed in the Financial Statements for FY 2019-20.

xxix) Name of the Companies, which have become or ceased to become Subsidiary, Joint Venture or Associate Company, during the year under review :

During the year under there is no change in the Subsidiary Company. However, due to the change in control & management, the Holding Company and Promoter Group Company has been changed & replaced by BCP Topco VII Pte Ltd, as described above in this Report.

The Holding Company, BCP Topco VII Pte. Ltd. which is held through intermediary companies by private equity funds, managed by wholly owned subsidiaries of The Blackstone Group Inc. USA.

xxx) Details of significant and material Order, passed by the Regulators or Court or Tribunals, impacting the going concern status and company's operations in future :

The National Housing Bank, vide its in-principle approval dated May 7, 2019, as well as final approval dated June 7, 2019, gave its approval for change in control & management for the purchase of the shares of the Company by the Investor. Further, as required under the NHB in-principle approval, the shareholders of the Company, vide EGM dated June 6, 2019, provided their approval for the purchase of the shares of the Company by the Investor.

xxxi) Appointment of Statutory Auditors:

M/s Deloitte Haskins & Sells LLP, Chartered Accountants, Mumbai and M/s Chaturvedi SK & Fellows, Chartered Accountants, Mumbai are the Joint Statutory Auditors of the Company and there is no change in these auditors during the year under review.

xxxii) Training & Development :

During the FY 2019-20, the company has conducted more than 10,000 Man-days of functional training for on-roll and off-roll employees at Branches. The trainings were imparted on various aspects including Risk Management, Fraud Prevention, KYC and Anti-Money Laundering, Credit Process, Operational Effectiveness, Business Development, Branch Manager Effectiveness Workshops, Process & Product update training & Soft Skills. Further, a comprehensive suite of e-learning programs and e-tests were conducted across the spectrum of employees to keep them updated about the changes in policies/processes and to enhance their on job skill sets.



xxxiii) Human Resources:

While the company maintains cordial and harmonious relationship with its employees, continuous training programmes are conducted by the company to enhance their efficiency. The Company has adopted a Robust Process of learning and development for its employees which comprises of specific training related to product and services by the Company along with management and administration training which enables the company to deliver required support to the employees with proper motivation for improved quality of service.

Human Resources are cornerstone of Company's growth and progress. Aadhar team remained stable from 2219 on roll employees last year to 2097 on roll employees during the current year under report. Your Board would like to make a special mention about the competence, hard work, solidarity, co-operation, support and commitment of the employees at all levels, who caused achievement of several milestones in the growth of the company during the year under report.

xxxiv) Details of ESAR Scheme & ESOPs Scheme implemented by the Company:

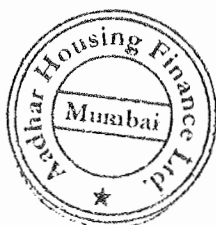
a) Employees Stock Appreciation Rights (ESAR) Scheme:

The ESAR scheme was approved in March, 2018 by the previous promoter group and the first grant was approved by the Board w.e.f from 1st April, 2018. The first tranche of the grant amounting to 74,078 ESARs, for 32 employees were vested on 1st April, 2019. This accounted for 30% of the ESARs granted to the eligible set of employees. The 2nd tranche of vesting also accounting for 30% of the grant was approved for vesting for 26 eligible employees. A total of 59,698 ESARs therefore were vested on 1st April, 2020. The last tranche of ESARs amounting to 40% of the grant will be scheduled to vest on 1st April, 2021.

This ESAR scheme was withdrawn with the approval of the Board effective from March, 2020 and it has been replaced with the new ESOPs Plan, 2020.

b) Employees Stock Options (ESOPs) Plan 2020:

In order to reward performance and elicit long term commitment of the employees towards the growth of the company the new ESOP Plan 2020 was introduced with the approval of Board & Shareholders. Under the ESOPs Plan 2020 duly approved by the Board, total 10,44,395 number



of ESOP's were granted to the identified & eligible 389 number of permanent employees including the Whole Time/ Executive/ Managing Director(s) of the Company, w.e.f. 31st March, 2020. These ESOPs were issued at the price of INR 908.05 as per the Fair Value certificate & confirmed by the NRC Committee.

xxxv) Buy-back of the Company's Own Shares:

During the year under report, the Company did not make any buy back of any of its shares or share equivalent/stock options during the year under report, hence the provisions of section 68 of the Companies Act, 2013, are not applicable.

xxxvi) Details of Directors or Key Managerial Personnel who were appointed or have resigned during the year :

Mr. Kapil Wadhawan, Chairman (DIN 00028528) , Mr. Suresh Mahalingam, Director (DIN 01781730) and Mr. Guru Prasad Kohli, Director (DIN 00230388), have ceased to be the Directors of the Company w.e.f. June 10, 2019 pursuant to the execution of the Share Purchase Agreement for stake sale and the Board took note of the resignation tendered by them.

The Board of Directors of the Company at their meeting held on 15th September, 2018 have appointed Dr. Nivedita Haran (DIN : 06441500), as an Additional Director, whose period of directorship was regularized at 29th AGM of the Company held on 30th July, 2019 pursuant to sections 160 and 161 of the Companies act, 2013. The Members of the Company at their 29th AGM held on 30th July, 2019 have regularized her appointment and appointed her as an Independent Director upto 30th AGM held in 2020. It is proposed by the Board to recommend for reappointment of Dr. Nivedita as Independent Director for another term at the ensuing AGM.

Mr. O.P. Bhatt (DIN : 00548091) was appointed as an Additional Director and Non-Executive Chairman of the Board by the Board of Directors on 13th September, 2019 and the shareholders of the Company, by passing a resolution through Postal Ballot, confirmed & approved his appointment as an Independent Director and Non-Executive Chairman of the Board w.e.f. 13th September, 2019 pursuant to provisions of sections 149, 152, 160 & 161 (1) and other applicable provisions of the Companies Act, 2013.



Mr. Amit Dixit (DIN : 01798942) Mr. Mukesh Mehta (DIN: 08319159) and Mr. Neeraj Mohan (DIN: 05117389), were appointed as Additional Director in Nominee Category by the Board on 2nd August, 2019 and the shareholders of the Company, by passing of resolution through Postal Ballot, confirmed & approved their appointments as Director (Nominee Category), pursuant to provisions of section 152 & 161(1) and other applicable provisions of the Companies Act, 2013. All Independent Directors have given declarations that they meet the criteria of independence, as laid down under Section 149(6) of the Companies Act, 2013.

Further, Mr. Venkatesan Sridar – Independent Director, DIN – 02241339 was appointed as Independent Director on 20th January, 2017 and further he has submitted resignation from the Board w.e.f. 1st April, 2020 and the intimation of the same has been submitted with ROC, NHB, BSE and Regulatory Authorities.

None of the Directors of your Company are related to each other.

xxxvii) Particulars of employees in receipt of remuneration above the limits and other applicable provisions of the Companies Act, 2013:

The various provisions of section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in Annexure maintained at the Registered office to this Board Report.

xxxviii) Acknowledgement by the management:

Your Board of directors would like to place on record their sincere gratitude to the Regulators, Reserve Bank of India, National Housing Bank, Registrar of Companies, Securities and Exchange Board of India, Insurance Regulatory and Development Authority of India, Ministry of Corporate Affairs, Stock Exchange, all Bankers to the company, other Associate companies, Central & State governments departments, Tax Authorities, Debenture Trustees, Debenture holders, Registrars, other stake-holders, customers and all other business associates for their continued support during the year under report. The Directors would also like to thank the Bombay Stock Exchange Limited, National Securities Depository Limited and Central Depository Services (India) Limited and the Credit Rating Agencies for their support & co-operation.



Your company and management team also express their sincere gratitude to the Promoter group entity, Holding Company BCP Topco VII Pte. Ltd. and other entities of Blackstone Inc. for their instinct support & co-operation.

Your Directors wish to acclaim the hard work and commitment of the employees at all levels who had contributed their might for improving the performance of the company year by year.

By the Order of & For and on behalf of the Board of Directors of-

Aadhar Housing Finance Ltd.



Mr. O.P. Bhatt
DIN:- 00548091
Independent Director &
Non-Executive Chairman



Mr. Deo Shankar Tripathi
DIN:- 07153794
Managing Director & CEO

Corporate Office:

201, Raheja Point -1, Nr. SVC Bank, Vakola,
Nehru Rd., Santacruz - E, Mumbai- 400055

Date : 29th May, 2020



Annual Return Extracts in MGT - 9
ANNEXURE - I
Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31-03-2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1. Corporate Identity Number (CIN) of the Company	U66010KA1990PLC011409
2. Registration date	26-11-1990
3. Name of the Company	Aadhar Housing Finance Limited (formerly known as DHFL Vysya Housing Finance Limited)
4. Category / Sub-Category of the Company	Company Limited by Shares
5. Address of the Registered office and contact details	2 nd Floor, No. 3, JVT Towers, 8 th A Main Road, Sampangi Rama Nagar, Hudson Circle, Bengaluru, Karnataka- 560027 Phone- 022-39509900 Fax- 022-39509934 E-mail- customercare@aadharhousing.com Contact Person- Mr. Sreekanth V. N., Company Secretary
6. Whether listed Yes/ No	Shares are not Listed. (Non- Convertible Debentures listed in debt segment with BSE)
7. Name, Address and Contact details of Registrar and Transfer Agent, if any	For Debentures issued on public issue basis and Equity shares issued by the Company : - 1) KFin Technologies Pvt Ltd. Selenium Tower B, Plot No 31 & 32 Financial District, Nanakramguda, Gachibowli, Hyderabad – 500 032, Telangana Ph. No. 040 67161663 Email : einward.ris@kfintech.com



	<p>For Privately placed Non-Convertible Debentures issued by the Company:</p> <p>2) 3i Infotech Ltd. Address : Tower # 5, 3rd Floor, International Infotech Park, Vashi, Navi Mumbai – 400703 Ph. No. (022)- 6792 8024 Email : vijaysingh.chauhan@3i-infotech.com</p>
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II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	To advance long term financial assistance to person or persons of lower and middle income group or economically weaker section of the society or co-operative society or AOP or company or corporation, jointly or individually for purpose of construction, purchase, acquisition of residential houses or flats on terms and conditions specified and also to solicit and procure Insurance Business as Corporate Agent and to undertake such other activities incidental and ancillary thereto.	6492	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	Corporate Identity Number	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	BCP Topco VII Pte. Ltd. Singapore	N.A.	Holding	98.74%	2(46)



2	Aadhar Sales and Services Private Limited, Registered Office Address: 201, Raheja Point-1, Near SVC Bank, Vakola Pipeline, Nehru Road, Santacruz, Mumbai-400055	U74999MH2017PTC297139	Wholly-Owned Subsidiary	100%	2(87)
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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total-Equity – As on 31st March, 2020):

i) **Category-wise Share Holding**

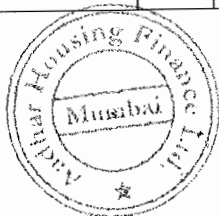
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Phy	Total	% of Total Shares	Demat	Ph*	Total	% of Total Shares	
A. Promoter and Promoter Group:									
(1) Indian Holding :									
a) Individual/HUF	4,12,068	-	4,12,068	1.64%	-	-	-	-	(1.64%)
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Body Corporate-Holding Company	1,98,98,805	-	1,98,98,805	79.13%	-	-	-	-	(79.13%)
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A) (1)	2,03,10,873	-	2,03,10,873	80.77%	-	-	-	-	Less (80.77%)
(2) Foreign Holding:									
(a) NRIs-Individual	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Phy	Total	% of Total Shares	Demat	Ph*	Total	% of Total Shares	
(b) Other Individual	-	-	-	-	-	-	-	-	-
(c) Body Corporate – Holding Co.	-	-	-	-	3,89,68,342	-	3,89,68,342	98.74%	98.74%
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A) (1) + (A) (2)	2,03,10,873	-	2,03,10,873	80.77%	3,89,68,342	-	3,89,68,342	98.74%	17.97%
B Public Shareholding									
1. Institutions									
a) Mutual Fund	-	-	-	-	-	-	-	-	-
b) Banks/ FI	4,65,000	-	4,65,000	1.85%	4,65,000	-	4,65,000	1.18%	Less (0.67%)
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs (IFC)	42,53,389	-	42,53,389	16.91%	-	-	-	-	Less (16.91%)
h) Foreign Venture	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Phy	Total	% of Total Shares	Demat	Ph*	Total	% of Total Shares	
e Capital									
i) Funds Others	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	47,18,389	-	47,18,389	18.76%	4,65,000	-	4,65,000	1.18%	Less (17.58%)
2. Non- Institutions									
a) Body Corporates									
i) Indian	38,603	2,000	40,603	0.16%	-	2,000	2,000	0.00%	Less (0.16%)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individual									
i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh.	30,700	31,607	62,307	0.25%	7,841	10,415	18,256	0.05%	Less (0.20%)
ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	-	-	-	-	-	-	-	-	-
c) Other									
i. Trust	5,000	-	5,000	0.02%	-	-	-	-	Less (0.02%)
ii. IEPF	11,300	-	11,300	0.04%	11,300	-	11,300	0.03%	(0.01%)
Sub-total (B) (2):-	85,603	33,607	1,19,210	0.47%	19,141	12,415	31,556	0.08%	(0.39%)
Total Public Shareholding (B) = (B) (1)	48,03,992	33,607	48,37,599	19.23%	4,84,141	12,415	4,96,556	1.26%	Less (17.97%)

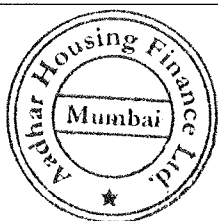


Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Phy	Total	% of Total Shares	Demat	Ph*	Total	% of Total Shares	
+ (B) (2)									
C) Shares held by Custodian for GDRs & ADRs	-----NIL-----								
Grand Total (A+B+C)	2,51,14,865	33,607	2,51,48,472	100%	3,94,52,483	12,415	3,94,64,898	100%	-

*Ph : Physical Holding.

ii) Change in Promoters and Promoter Group Shareholding (please specify, if there is no change)-
(As on March 31, 2020)

Sr. No.	Shareholder's Name	Shareholding at the beginning		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	a. M/s. Wadhawan Global Capital Limited	1,75,97,715	69.98%	-	-
	b. Sh. Kapil Wadhawan	1,34,017	0.53%	-	-
	c. Sh. Dheeraj Wadhawan	1,34,017	0.53%	-	-
	d. Smt. Aruna Wadhawan	1,44,034	0.57%	-	-
	e. M/s Dewan Housing Finance Corporation Limited	23,01,090	9.15%	-	-
2	Date wise Increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	1. On 10 th June, 2019 erstwhile Promoter Group/Wadhawan Group has transferred/sold their entire shareholding to BCP Topco VII Pte. Ltd. (existing Promoter/Holding Company). 2. In February, 2020 the 65 Minority shareholders have transferred their 36,266 fully paid equity shares to the Promoter Company 3. In March, 2020 the 35 Minority shareholders have transferred their 13,018 fully paid equity shares to the Promoter Company 4. In addition, the Foreign Holding company contributed additional capital infusion during the year under report.			
3.	At the end of the year:-				
	a. *M/s. Wadhawan Global Capital Limited	-	-	-	-
	b. *Sh. Kapil Wadhawan	-	-	-	-
	c. *Sh. Dheeraj Wadhawan	-	-	-	-
	d. *Smt. Aruna Wadhawan	-	-	-	-



e. *M/s Dewan Housing Finance Corporation Limited	-	-	-	-
*BCP Topco VII Pte. Ltd.	-	-	3,89,68,342	98.74%

iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Promoter Group and Holders of GDRs and ADRs)- (As on March 31, 2020)

Sr. No.	Shareholder's Name (Sh./ Smt./ M/s)	*Shareholding at the beginning of the period (1 st April, 2019)			*Shareholding at the end of the year (31 st March, 2020)			*% change in share holding during the year
		No. of shares	% of total Shares of the company	% of Shares Pledged/encumbered to	No. of shares	% of total Shares of the company	% of Shares Pledged/encumbered to	
1	ICICI Bank Ltd.	465,000	1.85%	-	465,000	1.18%	-	(0.67%)
2	Investor Education and Protection Fund Authority	11,300	0.04%	-	11,300	0.03%	-	(0.01%)
3	B L Narayana Murthy	2,000	0.01%	-	2,000	0.01%	-	-
4	B N Chandrasekar	2,000	0.01%	-	2,000	0.01%	-	-
5	Gowra Leasing & Finance Ltd	2,000	0.01%	-	2,000	0.01%	-	-
6	A Aparna	1500	0.01%	-	1500	0.00%	-	(0.01%)
7	A Ashwin	1500	0.01%	-	1500	0.00%	-	(0.01%)
8	Manandi Nanjundasetty Dwarakanath	1000	0.00%	-	1000	0.00%	-	-
9	Murali Mohan S N	1000	0.00%	-	1000	0.00%	-	-
10	Sharath Kumar S N	1,000	0.00%	-	1,000	0.00%	-	-

Note : *The number have been taken upto two decimal and rounded-off to the nearest integer.



iv) Shareholding of Directors and Key Managerial Personnel as on 31st March 2020:

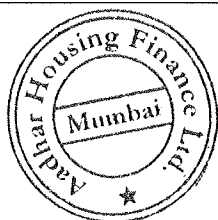
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1	a) Shri Kapil Wadhawan At the beginning of the year	1,34,017	0.53%	Nil	Nil
2	Date wise increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.):	On 10 th June, 2019 the erstwhile Promoter Director has transferred their entire shareholding to BCP Topco VII Pte. Ltd. (Existing Promoter/Holding Company)			
3	At the end of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment: (As on March 31, 2020)

(Rs. in Lakhs)

Particulars	Secured Loans and NCDs excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
a) Indebtedness at the beginning of the financial year				
i) Principal Amount	7,90,702	20,514	11,687	8,22,903
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	8,558	612	116	9,286
Total (a) (i+ii+iii)	7,99,260	21,126	11,803	8,32,189
Change in Indebtedness during the financial year				
Addition	3,80,004	0	933	3,80,937
Reduction	2,18,324	12,289	5,444	2,36,057
Net Change	1,61,680	(12,289)	(4,511)	1,44,880
b) Indebtedness at the end of the financial year				
i) Principal Amount	9,52,746	8,400	7,152	9,68,298
ii) Interest due but not paid	0	0	0	0



iii) Interest accrued but not due	8,194	437	140	8,771
Total (b) (i+ii+iii)	9,60,940	8,837	7,292	9,77,069

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of Managing Director, Whole Time Directors and/or Manager		Total Amount (Rs. In lakhs)
		Mr. Deo Shankar Tripathi		
1	Gross salary (Rs. in lakhs)			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Please refer to the Annexure attached with this report and to be kept at the Registered & Corporate office for verification		
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-		-
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission	-		-
	as % of profit	-		-
	others, specify....	-		-
5	Others, please specify	-		-
	Bonus, P.F. Contribution,	-		-
	Gratuity provision, etc.	-		-
	Car Transfer	-		-
Total (A)		-		-
Ceiling as per the Act (Companies Act, 2013)		As per section 197 & 198 read with Schedule V of Companies Act, 2013, it is well within the limits.		



B. Remuneration to other directors:

Sr. No.	Name of Directors	Particulars of Remuneration (Rs. in lakhs)			Total Amount (Rs. in lakhs)
		Fees for attending Board/ committee meetings	Commission*	Others	
1	Independent Directors (Please refer to the Annexure attached to this report)				
a)	#Sh. O P Bhatt	-	-	-	-
b)	Sh. V Sridar**	-	-	-	-
c)	*Sh. G. P. Kohli	-	-	-	-
d)	Dr. Nivedita Haran	-	-	-	-
Total B(1)		-	-	-	-
2	Other Non-Executive Directors				
a)	Mr. Amit Dixit	-	-	-	-
b)	Mr. Mukesh Mehta	-	-	-	-
c)	Mr. Neeraj Mohan	-	-	-	-
d)	*Sh. Kapil Wadhawan	-	-	-	-
e)	*Sh. Suresh Mahalingam	-	-	-	-
Total B(2)		-	-	-	-
<p>Note: #Mr. O.P. Bhatt was appointed as Additional Director, w.e.f. 13th September, 2019 by the Board of Director of the Company & appointed as Independent Director Non-Executive Chairman of the Board by the shareholders. *Mr. Kapil Wadhawan, Mr. G.P. Kohli and Mr. Suresh Mahalingam, were ceased to be Directors of the Company, w.e.f. 10th June, 2019 due to change in Management and Control as disclosed earlier in this Report. ** Mr. V Sridar has resigned from the Board w.e.f. 1st April, 2020.</p>					

C. Remuneration to Key Managerial Personnel other than MD/ MANAGER/ WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total (Rs. In Lakhs)
		Sh. Anmol Gupta**/ Sh. Rajesh V, Chief Financial Officer	Sh. Sreekanth V. N. Company Secretary	
1.	Gross Salary (Rs. In Lakhs)			
	a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	Please refer to the Annexure attached with this report and to be kept at the Registered & Corporate office for verification		
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-



Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total (Rs. In Lakhs)
		Sh. Anmol Gupta**/ Sh. Rajesh V, Chief Financial Officer	Sh. Sreekanth V. N. Company Secretary	
	c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	as % of profits	-	-	-
	others	-	-	-
5	Others	-	-	-
	Provident Fund	-	-	-
Total (Rs. In Lakhs)		-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		During the year under report, there was no incidence/non-compliance matter of any compounding or delayed filing of any form/returns with any of the Regulators.			
Punishment					
Compounding					
B. DIRECTORS					
Penalty		-----NIL-----			
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty		-----NIL-----			
Punishment					
Compounding					



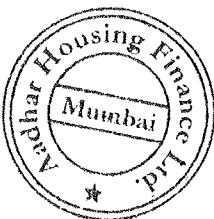
ANNEXURE II
SPECIMEN DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

To,
The Board of Directors
Aadhar Housing Finance Ltd.
2nd Floor, No. 3, JVT Towers, 8th 'A' Main Road, S.R. Nagar,
Bengaluru- 560027, Karnataka.

Sub:- Declaration under the provisions of Section 149(6) of the Companies Act, 2013 and Rules thereon.

I/ We, do hereby confirm that I/ We am/ are an independent director in relation to the company and declare that:-

- (a) I/ We am/ are not appointed as managing director or a whole-time director or a nominee director of holding, subsidiary or associate company;
- (b) a person of integrity and possesses relevant expertise and experience;
- (c) (i) not a promoter of the company or its holding, subsidiary or associate company;
(ii) not related to promoters or directors in the company, its holding, subsidiary or associate company;
- (d) Has/have or had no pecuniary relationship, other than remuneration as such director or having transaction not exceeding ten percent of his/ her total income or such amount as may be prescribed, with company, its holding, subsidiary or associate company, or their promoters or directors, during the two immediately preceding financial years or during the current financial year,
- (e) none of my/ our relatives-
 - (i) is holding any security of or interest in the company, its holding, subsidiary or associate company during the two immediately preceding financial years or during the current financial year;
 - (ii) is indebted to the company, its holding, subsidiary or associate company or their promoters or directors, in excess of such amount as may be prescribed during the two immediately preceding financial years or during the current financial year;
 - (iii) has/ have given a guarantee or provided any security in connection with the indebtedness of any third person to the company, its holding, subsidiary or associate company or their promoters or directors of such holding company, for such amount as may be prescribed during the two immediately preceding financial years or during the current financial year; or
 - (iv) has/ have any other pecuniary transaction or relationship with the company, or its subsidiary, or its holding or associate company amounting to two per cent or more of its gross turnover or total income singly or in combination with the transactions referred to in sub-clause (i), (ii) or (iii)
- (f) neither myself/ ourselves nor any of my/ our relatives-
 - (i) holds or has/ have held the position of a key managerial personnel or is/ are or has/



have been employees of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial years in which he is proposed to be appointed;

(ii) is/ are or has/ have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed of –

(A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or

(B) any legal or a consulting firm that has/ have or had any transaction with the company, its holding, subsidiary or associate company amounting to ten percent, or more of the gross turnover of such firm;


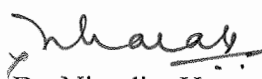
(iii) holds together with their relatives two per cent or more of the total voting power of the company; or

(iv) is a Chief Executive or Director, by whatever name called, of any non-profit organization that receives twenty-five per cent, or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or

(g) I/ We hold/ possess appropriate qualifications, skill, experience and knowledge as may be prescribed under the Companies Act/ Rules to become a director.

I/ We also declare to intimate changes, if any in the above conformations immediately as and when occurred to the Board Meeting.

Yours Faithfully,

<p>+  Om Prakash Bhatt DIN: 00548091</p>	<p> Dr. Nivedita Haran DIN: 06441500</p>
<p>Date: 29th May, 2020 Place: Mumbai</p>	



ANNEXURE- III

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES (FOR FY 2019-20)

As per the provisions of Section 135 of the Companies Act, 2013, your Company had constituted a Corporate Social Responsibility Committee. The Corporate Social Responsibility Committee assists the Board in fulfilling its duty towards the community and society at large by identifying the activities and programmes that can be undertaken by the Company, in terms of the CSR Policy of the Company.

A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company believes in engaging and giving back to the community in a good way and in line with the Companies commitment to philanthropy. It intends to undertake the CSR activities strategically, systematically and more thoughtfully and to move from institutional building to community development through its various CSR programs and projects.

This policy, which encompasses the company's philosophy for delineating its responsibility as a corporate citizen, lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large, is titled as "AHFL Corporate Social Responsibility Policy".

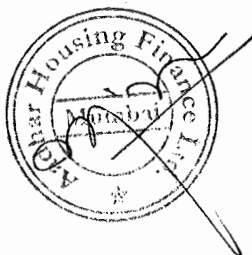
This policy aims to ensure that the Company as a socially responsible corporate entity contributes to the society at large.

a) The Composition of the CSR Committee, as on 31st March, 2020:-

- 1) Dr. Nivedita Haran, Independent Director, Chairperson
- 2) Mr. Deo Shankar Tripathi, Managing Director & CEO, Member
- 3) Mr. Neeraj Mohan, Non-Executive Director, Member

b) Average net profits before tax of the company for last three financial years:-

Financial Year	Net Profit before tax (Rs. In Lakhs)
2016-17	Rs. 8,234/-
2017-18	Rs. 15,905/-
2018-19	Rs. 23,540/-
Total	Rs. 47,679/-
Average Net Profit	Rs. 15,893/-
2% of Average Net Profit	Rs. 317.86 Lakhs



c) Prescribed CSR Expenditure (two per cent of the net profits as in Sr. No (b) above):-

The CSR expenditure to be provided under the regulatory provisions are 2% of the average net profits for last 3 financial years, which is worked out to Rs. 317.86 Lakhs, as per the audited financials approved by the Board & AGM.

d) Total amount to be spent for the financial year 2019-20:-

The total amount available to spend for the financial year 2019-20 was 2% of average net profit that is, Rs. 317.86 Lakhs and actual amount spent upto 31/03/2020 was Rs.310.43 Lakhs. The balance unspent amount of CSR Funds was Rs.7.43 Lakhs.

e) Amount unspent, if any and the reasons for not spending the amount and proposed initiatives:-

i. The unspent amount for the year under report is Rs. 7.43 Lakhs remaining upto 31/03/2020 during the current year under report. The previous year's unspent amount are not shown in this calculation as per the provisions of Companies Act / Rules, since carry forward of previous year balances are not yet notified.

ii. Reasons for prescribed CSR amount remained unspent upto 31/03/2020:

The company completely realize the fact of moral obligation towards the society at large and also towards the country. The company proposed to support various NGOs/organizations and local authorities in their mission to help the citizens stay safe, healthy and secured. By undertaking this CSR activities, in the need of the hour, the company has pledged to contribute to the socio-economic development of the communities and deliver a message to the society at large through our CSR Activities, with the approval of CSR Committee.

Due to the lockdown because of the Novel Corona Virus (COVID 19) spread, the CSR amount remained unspent, as aforesaid as on 31st March, 2020.

However, post 31st March, 2020, the Company has undertaken balance CSR activities, for prevention of Novel Corona Virus (COVID 19) spread amongst others and it was planned to spent this unspent amount in the month of April & May itself as mentioned above.



Manner in which CSR fund amounts contributed during the financial year given below:-


Sr. No.	CSR project or Activity identified		Sector in which the project is covered	Annual outlay or program wise actual spent (in Lakh)		Projects or Programs		Amount spent on the project or programs (in Lakh)		Cumulative Expenditure upto the reporting period (in Lakh)	Amount Spent direct or through implementing agency, if any
	Nature of Expenditure	Recipient Institution		Actual Spent	Budget	Local area or other	State and district where project or programs undertaken	Direct expenditure on the project or program	Over-heads		
1.	Aadhar Aangan-Facilitating quality early child care & education through a capacity building approach	Jan Sahas Social Development Society	Early child care & education	96.00	96.00	Other	Damoh, Madhya Pradesh	96.00	0	96.00	Through implementing agency
2.	Aadhar Kishori Kalyan-Creating friendly environment for adolescent girls & women to help them manage menstrual hygiene	Coastal Salinity Prevention Cell	Menstrual Health Management	48.30	48.30	Other	Talaja & Rajula districts, Gujarat	48.30	0	48.30	Through implementing agency
3	Aadhar Kaushal-Developing capacities among the youth belonging to the underserved segments of the society, through developing skills required within the BFSI	ITM Edutech	Skill Development	114.42	176.00	Other	Across India	114.42	0	114.42	Through implementing agency





	ensuring corporate placements within BFSI companies										
4	Aadhar Swavalamban-Enhancing livelihood through financial literacy in the LIG segment	Work Ventures	Financial Literacy	26.60	50.00	Other	Across India	26.60	0	26.60	Through implementing agency
5	Aadhar Saksham-Driving economic empowerment through financial literacy & economic growth	Saath Livelihoods	Financial Literacy	7.80	7.80	Other	Ranchi, Jharkhand	7.80	0	7.80	Through implementing agency
6	Aadhar's donation of vehicle for transportation of patients in the palliative care unit	Kasturba Health Society	Medical Relief	10.00	10.00	Other	Wardha, Maharashtra	10.00	0	10.00	Direct
7	Aadhar's donation against COVID-19 preventive measures (Others)*	N.A.	Against COVID-19 Action	7.31	12.00	Others	Across India	7.31	0	7.31	Direct
Total				310.43	400.10			310.43	0	310.43	

f) Responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and Policy of the Company:-

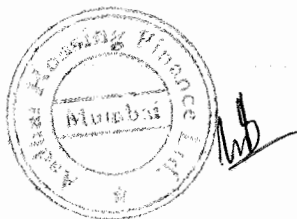
The CSR Committee confirms that the CSR Policy as approved by the Board has been duly implemented and that the Committee monitors the implementation of various projects and activities and the same is in compliance with the CSR objectives and policy of the Company.


Dr. Nivedita Haran
DIN:- 06441500
Chairperson of Committee


Deo Shankar Tripathi
DIN:- 07153794
Member of Committee


Neeraj Mohan
DIN:- 05117389
Member of Committee

Date:- 29th May, 2020



ANNEXURE- IV
FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto as on 31/03/2020.

1. Details of contracts or arrangements or transactions not at arm's length basis as on 31/03/2020 :-

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts/arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any
- e) Justification for entering into such contracts or arrangements or transactions
- f) Date(s) of approval by the Board
- g) Amount paid as advances, if any:
- h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188.

NOT APPLICABLE

2. Details of material contracts or arrangement or transactions at arm's length basis :-

NOT APPLICABLE

Note:-

The Transactions with related parties are entered into as per the Related Party Transaction Policy of the Company, pursuant to provisions of section 188 read with section 177 of the Companies Act, 2013, and the rules made thereunder.

Further, during the FY 2019-20 there is no such Related Party Contracts or Arrangements or transactions which are Material in nature, as defined in rule 15 of the Companies (Meeting of Board and its Power) 2014 and the Related party transaction(s) entered into in the ordinary course of business are at Arm's Length basis and disclosed in the Financial Statements for FY 2019-20.



Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

Sl. No.	Particulars	(Rs in Lakh)
1	Name of the subsidiary M/s Aadhar Sales and Services Private Limited	
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	1
5	Reserves & surplus	18
6	Total assets	318
7	Total Liabilities	299
8	Investments	5
9	Turnover	1,975
10	Profit before taxation	4
11	Provision for taxation	4
12	Profit after taxation	-
13	Proposed Dividend	Not Applicable / NIL
14	% of shareholding	100%
The following information shall be furnished:-		
1	Names of subsidiaries which are yet to commence operations	NIL
2	Names of subsidiaries which have been liquidated or sold during the year	NIL





Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Note:- Your Company does not hold significant influence in any other Associate Company, as per section 2(87) and 129(3) are disclosed in the Notes to Accounts and Related Party details in the Audited Financials.

For and on behalf of the Board of Directors


O P Bhatt
Chairman
DIN 00548091

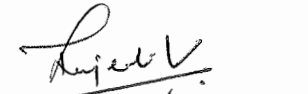

Deo Shankar Tripathi
Managing Director & CEO
DIN 07153794

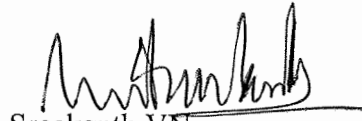

Amit Dixit
Director
DIN 01798942


Dr. Nivedita Haran
Director
DIN 06441500

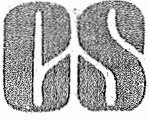

Neeraj Mohan
Director
DIN 05117389


Mukesh G
Mehta
Director
DIN 08319159


Rajesh Viswanathan
Chief Financial Officer


Sreekanth VN
Company Secretary





Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
AADHAR HOUSING FINANCE LIMITED,

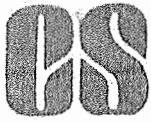
I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AADHAR HOUSING FINANCE LIMITED** having the **CIN No. U66010KA1990PLC011409** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;





(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and which are applicable to the company:-

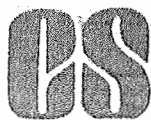
- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The Company has complied with the above mentioned regulations framed under the SEBI Act. It has completed the necessary processes and procedures with regards to their listed secured, redeemable, non-convertible debentures on the Bombay Stock Exchange (BSE). The Company has also paid the interest on their debentures on timely basis.

2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and which are not applicable to the company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; SEBI (Prohibition of Insider Trading) Regulations, 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ SEBI (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;





(vi) (a) The National Housing Bank Act, 1987 and the following Directions issued under sections 30, 30A, 31 and 33 of the Act (53 of 1987) are applicable to the Company.

- i) Housing Finance Companies (NHB) Directions, 2010 as amended upto date
- ii) Housing Finance Companies Issuance of Non-Convertible Debentures on Private Placement Basis (NHB) Directions, 2014

The Company has filed all its monthly, quarterly and half yearly returns with the National Housing Board in a timely manner. Further, the Company has been up-to-date with all new compliances as prescribed in the recent NHB Regulations.

Other Regulatory provisions/laws applicable to the company are:-

- (b) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- (c) The payment of Bonus Act, 1965
- (d) ESIC Act
- (e) The payment of Gratuity Act, 1972.
- (f) IRDA Act - Registration as Corporate Agent is taken

The Company has a well-defined HR policy with respect to the payment of salaries, gratuity, perquisites, contribution to provident fund, etc. for its employees.

I have also examined compliance with the applicable clauses of the following:-

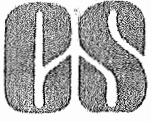
- (i) Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.





207, Anjani Complex, Nr. WEH Metro Station, Pereira Hill Road, Off Andheri-Kurla Road, Andheri (East), Mumbai - 400099.
Tel : 022 4005 8178 / Mob. : 93223 85629 / 9167163322 Email : royjacobandco@gmail.com / jacob@hushai.co.in

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that as per the information & explanation given to us the company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, ESI, Income Tax, Wealth Tax, Service Tax, Value Added Tax and other statutory dues applicable to it.

I further report that I rely on statutory auditors reports in relation to the financial statements and accuracy of financial figures for sales Tax, Wealth Tax, Value Added Tax, Related Party Tax, Provident Fund etc. as disclosed under the financial statements of the Company.

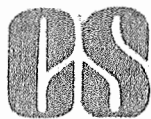
I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has filed Form IEPF-1 with respect to Unpaid/ Unclaimed dividend.

I further states that:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. Due to the spread of contagious pandemic Covid-19





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and consequent nationwide lockdown I could not verify certain secretarial records physically.

4. Wherever required, I have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events, etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of documents/procedures on the test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Roy Jacob & Co.
Company Secretaries



Roy Jacob
Proprietor

(C.P. No.8220), (FCS No.9017)
UDIN: F009017B000292476
P.R No.686/2020

Date: 22/05/2020
Place: Mumbai